

DISTRICT OF COLUMBIA HOUSING AUTHORITY



**CREATIVE LIVING
SOLUTIONS PLAN**

FY 2007

MICHAEL KELLY, Executive Director

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INTRODUCTION

This plan describes both the ongoing activities and plans and the innovative initiatives that DCHA will pursue during the fourth full year of its participation in HUD's demonstration program, Moving to Work (MTW). In accordance with the administrative provisions of the DCHA MTW Agreement, this plan is for the period from the beginning of Fiscal Year 2007, October 1, 2006, through September 30, 2007.

Because DCHA is governed by the District of Columbia's public rulemaking process, and works closely with an active low income housing advocate community, its Citywide Resident Advisory Board and its HCVP Participant Advisory Committee, this plan is intended as an overview and preview of MTW activities anticipated for the coming year. Each one of the initiatives proposed in the second section of this plan, "Creative Living Solutions Initiatives", will be reviewed and crafted in detail by a diverse group of stakeholders before being adopted by the Board of Commissioners. The local regulations or other implementing tools will reflect the input from many authors before they are made final.

The basic requirements for DCHA's participation in the MTW demonstration are outlined in DCHA's MTW Agreement with HUD. The MTW Agreement commits DCHA to the following:

- At least seventy-five (75%) of the families assisted during the term of the demonstration will be very low-income families;
- DCHA will continue to assist at least substantially the same total number of eligible low-income families as would have been served without participation in the demonstration; and
- DCHA will serve a comparable mix of families (by family size) as would have been served without participation in the program.

DCHA has chosen to name its MTW program Creative Living Solutions (CLS). This name expresses more clearly our goals and expectations. The CLS objectives that DCHA has established spring from the goals and objectives of its Strategic Plan. DCHA is operating under a Two-Year Strategic Plan which consists of ten goals approved by the Board of Commissioners. These goals have been combined into objectives for the purpose of this plan. The Strategic Plan will continue to guide the day-to-day activities of the Authority. DCHA's four CLS objectives as outlined in this Plan are as follows:

- Develop enhanced housing opportunities;
- Sustain quality property management;
- Achieve effective customer support services; and
- Organize efficient businesslike operating systems.

Over the course of the seven year term of this demonstration, new DCHA rules or other implementing steps, replacing those required by HUD, will be developed in consultation with the residents of DCHA's communities, the local organizations committed to helping improve the lives of low income families, local elected and appointed officials, DCHA staff and concerned members of the general public. After the exploration and consultation process, those changes that are carried through to implementation will be adopted through the District of Columbia rulemaking process, after approval by the DCHA Board of Commissioners. Once adopted by the DCHA Board of Commissioners, local rules will replace HUD rules for at least the term of DCHA's MTW

Agreement. DCHA will not implement the changes described in this plan without hearing from and working closely with our clients, advocacy groups and all other stakeholders, not the least of which are DCHA's employees responsible for the day-to-day success of the agency in achieving its mission.

Because of DCHA's commitment to following a broadly inclusive path in implementing the initiatives described in this plan, we cannot predict exactly when or whether initiatives will be fully implemented. Thus, this plan presents the innovative activities that we plan to explore and possibly initiate during FY '07 recognizing that some of the initiatives described in this plan will take more than one year to fully implement. Additionally, this plan includes the initiatives that we began in FY'04, FY '05, and FY '06 that will require further development during FY'07. These are identified by the numbering system. Initiatives introduced in FY'04 have "04", "05" for FY 2005 and "06" for FY '06, representing the last two digits in the Initiative number. Similarly initiatives introduced this year end in "07". Some initiatives have been and may be abandoned if we learn from the input gathered during the planning process that the initiative as proposed will not result in the benefits we seek.

Organization of the Plan

The first section of this plan is entitled "Overview of Activities and Issues". It is organized according to the requirements for the MTW Plan found in Attachment "B" of DCHA's MTW Agreement with HUD. The "Overview of Activities and Issues" section of the plan provides data showing trends in the core activities of the Agency. The data is presented by fiscal year providing statistics and indicators for the beginning of each fiscal year. When DCHA reports on the benchmarks as required by its MTW Agreement, it reports on data from the end of each fiscal year. The "Overview of Activities and Issues" section also identifies issues and describes actions that DCHA will be taking to address the identified issues. DCHA is able to undertake some of the actions described in the Ongoing Activities section as a result of the authorizations of DCHA's MTW Agreement with HUD, others do not require the flexibility of the MTW Demonstration.

The second section of this plan outlines specific innovative activities that are authorized by the terms of the MTW Agreement. It is entitled "Creative Living Solutions Initiatives". Each part of the "Creative Living Solutions Initiatives" section covers a CLS Objective. The initiatives listed in this plan are organized and numbered according to the primary CLS objective that they advance the order in which they were presented and the year when they were first introduced. For example, the first initiative in this year's plan is numbered 1.4.04. This initiative advances objective 1. It was the 4th initiative proposed under MTW/CLS and it was introduced in the FY '04 Plan. Gaps in numbering sequence indicate that an initiative has been implemented or that DCHA has determined, as part of its exploration of the initiative that it is not feasible or useful to implement. Information on initiatives that were introduced in FY 2006 and that are not included in this plan will be included in the MTW/CLS Annual report for FY 2006 as we report on the status of those initiatives. This plan only addresses those initiatives that will be pursued in FY 2007.

As DCHA pursues the CLS Initiatives outlined in this plan, it also will be working to achieve the performance benchmarks established in Attachment "D" of the MTW Agreement. At the end of the year DCHA will prepare a CLS Annual Report to report on the progress it has made toward achieving the benchmarks in the Agreement, and the status of the initiatives outlined in this Plan.

OVERVIEW OF ACTIVITIES AND ISSUES

Households Served

Public Housing Families

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	7,508	7,203	7,500	7,000	7,200			
Actual	7,508	7,203	7,258	7,120				

HCVP Recipients

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	7,875	8,680	9,300	9,643	10,200			
Actual	8,680	9,249	9,908	9,575				

Total Households Served

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	15,383	15,883	16800	16,643	17,400			
Actual	16,188	16,452	17,166	16,695				

Public Housing Households Served by bedroom Size: TOTAL

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0BR	2,408	2,255	2,956	2,563				
1BR	3,472	3,592	3,626	3,531				
2BR	5,049	5,193	5,196	4,992				
3BR	3,741	3,857	3,757	3,795				
4BR	1,149	1,177	1,204	1,327				
5BR	336	343	370	417				
6BR	33	35	57	70				
TOTAL	16,188	16,452	17,166	16,695				

Households on Waiting List by Bedroom Size: Public Housing

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0 BR	6,325	7,011	6,367	6,450				
1 BR	2,531	3,363	6,636	7,535				
2 BR	4,620	5,502	7,453	7,730				
3 BR	2,947	3,485	4,667	4,580				
4 BR	714	846	1,088	1,118				
5 BR	116	141	119	95				
6 BR	20	30	25	19				
6+ BR	101	114	103	95				
TOTAL	17,374	20,492	26,458	27,622				

Households on Waiting Lists by Income Group: Public Housing

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	17,006	20,077	25,971	27,244				
30%-50% AMI	330	357	421	318				
50%-80% AMI	9	13	23	20				
>80% AMI	29	45	43	40				
TOTAL	17,374	20,492	26,458	27,622				

Households on Waiting Lists by Income Group: HCVP

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	25,565	30,164	39,951	43,659				
30%-50% AMI	582	622	821	739				
50%-80% AMI	27	29	48	39				
>80% AMI	44	61	64	63				
TOTAL	26,218	30,876	40,884	44,500				

Households on Waiting Lists by Household Type: Public Housing

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	15,390	18,340	23,320	24,269				
Elderly/non-disabled	956	1,133	1,323	1,051				
Disabled	988	969	1,751	2,251				
Other	40	50	64	51				
TOTAL	17,374	20,492	26,458	27,622				

Households on Waiting Lists by Household Type: HCVP

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	22,073	26,304	34,103	37,142				
Elderly/non-disabled	1,749	2,080	2,881	2,690				
Disabled	2,340	2,422	3,825	4,668				
other	56	70	75	-				
TOTAL	26,218	30,876	40,884	44,500				

Households on Waiting Lists by Race: Public Housing

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	95	111	185	140				
Black	16,750	19,780	25,505	26,653				
Native American / Hawaiian	52	59	69	65				
White	395	465	640	672				
Other	82	77	59	92				
TOTAL	17,374	20,492	26,458	27,622				

Households on Waiting List by Ethnicity: Public Housing

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	--	700	412	542				
Non-Hispanic	--	19,792	24,609	27,080				
Non-Reported	--	--	1,437	-				
TOTAL	--	20,492	26,458	27,622				

Households on Waiting Lists by Race: HCVP

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	135	154	263	231				
Black	25,216	29,722	39,335	42,803				
Native American / Hawaiian	66	90	100	164				
White	660	769	1,070	1,187				
Other	141	141	116	115				
TOTAL	26,218	30,876	40,884	44,500				

Households on Waiting List by Ethnicity: HCVP

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	992	664	895					
Non-Hispanic	29,884	40,220	43,605					
TOTAL	30,876	40,884	44,500					

Waiting List Issues

The waiting lists for both HCVP and Public Housing have more applicants on them than could be housed within any reasonable time period. For the past three years, both waiting lists have grown substantially. Although there are some limited preference groups for which this is not true, for many applicants the wait for housing assistance is several years long even if the household falls into a preference category. With an astonishing 52,000 households on either the public housing or voucher lists, DCHA is contemplating how to manage the list given the real pressures placed on the intake staff and the realities of the hot market in the District of Columbia that is driving up the cost of both rental and homeownership units and thereby reducing the number of units available to low and moderate income families.

Currently, in an effort to be efficient, DCHA requires only a simplified waiting list application, allowing the applicant to self certify as to program eligibility and preference categories. As an applicant family nears the top of the waiting list, the applicant is required to provide more extensive information for eligibility and certification purposes. Staff then verifies more extensive information before offering the applicant a unit or a voucher.

Proposed Waiting List Actions

DCHA has purchased a new computer software system that will provide efficiencies in managing the existing waiting list. The software will improve the organization of the applicants' vital statistics as well as simplify staff's ability to input and update data. DCHA is also hoping to establish a Housing Resource Center that will be a tool for potential public housing and HCVP applicants to use to find affordable housing in addition to the housing owned by DCHA. The Housing Resource Center is expected to include information for clients on Moderate Rehabilitation properties in the District, Mixed Finance projects that DCHA has helped develop and for which it is providing ongoing subsidy, DCHA project-based HCVP subsidized projects and Substantial Rehabilitation and other HUD contracted project-based Section 8 projects that DCHA monitors.

C. Number of households projected to be served at the end of FY '07

DCHA projects that it will serve a total of 17,400 households in public housing and HCVP by the end of FY'07. Through DCHA's numerous mixed-finance redevelopment opportunities, the housing authority also serves a substantial number of low income families in other subsidized units, such as those developed and financed with Low Income Tax Credits. Collectively, DCHA is managing, preserving and creating a large majority of affordable and low income units, housing very low and low income families in the District of Columbia.

D. Narrative discussion/explanation of change

During the period for this plan, DCHA projects that the profiles and total number of households served as presented in the tables above will change slightly. During Fiscal Year 2007, the number of public housing units and the number of households served in public housing will increase slightly from FY '06 due to units coming back online after the ongoing modernizations efforts utilizing DCHA's \$80 million in bond proceeds received in FY 2005 and new mixed finance, particularly HOPE VI, units coming online.

DCHA also anticipates that the number of leased vouchers will stabilize during FY 2007. After a year of implementing cost reduction measures, including curbing the number of families removed from the waiting list when a voucher is returned through attrition, the housing authority will manage its federal voucher program at its current level.

DCHA anticipates and will continue to seek to adding public housing units to its inventory through partnerships with other nonprofit and for-profit housing providers to assign unused increments of Annual Contributions Contract authority to affordable housing units owned, operated and being developed and acquired by these groups. The units added to DCHA's inventory this way will replace obsolete public housing units that have been demolished or disposed.

OCCUPANCY POLICIES

A. Statement of policies governing Eligibility, Selection, Admissions, Assignment and Occupancy of Families including Deconcentration

In order to establish a mix of incomes at its properties, DCHA has had an Admissions and Occupancy Policy in place for the past six years that places importance on including working families in the DCHA community mix. Fifty percent of the applicants admitted in any year are working families, the elderly or disabled. Fifty percent are all other categories of applicants. The latter group includes up to 100 families facing an emergency situation that includes homelessness. With a public housing waiting list of over 27,000 families, 98% of whom are extremely low-income, a typical applicant can expect to wait many years before being offered a public housing unit. Those with a need for a unit size in high demand and in short supply will wait the longest. With such a large waiting list, DCHA does not offer public housing as emergency housing, as such it has no provisions for preferences for victims of domestic violence or others with emergency housing needs.

To further enhance housing opportunities, DCHA screens applicants for criminal and drug related activity, reliability in paying rent, various good neighbor factors and ability to comply with the terms of the lease. Applicants are given at least two opportunities to select a unit before they are removed from the waiting list.

In its screening of applicants for criminal activity, if it is determined by DCHA that an applicant may be ineligible as a result of criminal history, an informal conference is held with the applicant and s/he is provided an opportunity to present any mitigating factors that would indicate to the Authority that the applicant should not be determined to be ineligible based on an unsatisfactory criminal history. At this conference, if it is clear that the criminal history is the result of actual or threatened domestic violence against the applicant, then the applicant will not be determined to be ineligible.

DCHA's continuing occupancy policies are based on principles of equity for all residents and the protection of the right to quiet enjoyment of the residential premises. In order to foster the best living environment for all residents, DCHA enforces recertification, rent payment policies and other requirements of the resident's lease and uses landlord-tenant court and eviction, as necessary, to assure that all tenants comply with their lease obligations. DCHA pursues lease enforcement in cases of criminal activity both on and off DCHA's premises. The authority uses One Strike evictions as an important part of its crime reduction activities, but each case is based on a review of the particular facts in each situation before proceeding.

DCHA does not have any properties with a large number of families with relatively higher incomes, except in HOPE VI properties where explicit policies have been established to market to and recruit families with a wide-range of incomes. The majority of families residing in all DCHA's properties have incomes below 30% of the Area Median Income (AMI), and most of those families have incomes only at 10-12% of AMI. Since the majority of families on DCHA's waiting list are also below 30% of median income, DCHA's efforts to deconcentrate its communities is focused on improving the incomes of its current residents. This has been DCHA's deconcentration policy since QHWRA instituted the

requirement for a deconcentration policy. Several of the CLS Initiatives proposed in this plan will be an important part of this ongoing effort.

In May 2006, DCHA signed a new Amended Voluntary Compliance Agreement (VCA) with the U.S. Department of Housing and Urban Development (HUD) resulting in several revisions to DCHA Admissions and Continued Occupancy Policy (ACOP), Transfer Policy and public housing lease. These revisions will impact how families with disabilities requiring special unit features are assisted by DCHA.

Admissions and Continued Occupancy Policy (ACOP) and Transfer Policy

Priority order for offering the following types of available UFAS-Accessible Units and Reasonable Accommodation Units:

UFAS-Accessible Units—DCHA-owned inventory

1. Current DCHA residents with verified mobility disabilities requiring the accessible features of the unit; and
2. Qualified applicants with verified mobility disabilities needing a UFAS-Accessible unit

New UFAS-Accessible Units at Mixed Income/New Construction “MINC”

Developments—in the event there is more than one family falling in the following priority groups, they will be ordered according to the re-entry system of the development, the families’ initial transfer request dates or the families’ application dates, whichever is applicable.

1. Qualified returning residents (former resident of one of the developments being redeveloped) with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size;
2. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *Interim Immediate Needs Plan*;
3. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *2007 Interim Immediate Needs Plan*;
4. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, on the DCHA’s Transfer List;
5. Qualified Public Housing applicants on the DCHA Waiting List with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size; and
6. Qualified Housing Choice Voucher applicants with verified need for a UFAS-Accessible unit of the appropriate bedroom size.

Reasonable Accommodation Units—Offered to applicants on the

Walker/Canes/Crutches (WCC) Applicant List:

1. Next Eligible Applicant on the WCC Applicant List requiring the accessibility features of the unit; and
2. Next eligible applicant on the WCC Applicant List who does not need the accessible features of the unit, in the event there are no WCC Applicant List applicants on the list or who are on the list and do not want the accessibility features of the unit.

Supplement to the Lease

The DCHA lease has been revised to address the following situations in order to ensure that UFAS-Accessible and Reasonable Accommodation units are readily made available to families requiring the features of such units. Both DCHA and private owners or their management agent (POMA) of MINC developments shall enforce these provisions:

1. Non-disabled families housed in UFAS-Accessible and Reasonable Accommodation Units will sign a special lease supplement agreeing to be transferred within ten (10) days of being notified by DCHA that a family requiring the accessible features of the unit has been identified. Non-disabled families are offered and housed in UFAS-Accessible and Reasonable Accommodation Units when there are no qualified residents or applicants at the time needing the features of the unit.
2. Remaining Family Members for which the disabled family member has died or has been relocated must relocate to a vacant non-accessible unit within six (6) months of the former resident's death or relocation

Property and Unit Designations

DCHA has six (6) properties designated as "elderly only". These include:

Edgewood Terrace with 89 public housing units,
Senior Building at Wheeler Creek with 100 public housing units,
"Capper 1" Senior Building at the Capper/Carrollsbury HOPE VI site with 162 units,
Capitol Gateway senior building with 152 units,
Knox Hill with 122 units,
Regency House with 160 units, and
Carroll Apartments with 60 units.

During FY 2007, DCHA intends to designate one additional property as elderly only: The senior building, "Triangle View" associated with the Eastgate HOPE VI redevelopment effort. This building is nearing completion and occupancy will begin during FY 2007.

As of the beginning of FY 06, DCHA has either created or converted a total of 380 UFAS standards. With the creation of these additional accessible units throughout DCHA's properties and our HOPE VI sites, DCHA is creating affordable housing opportunities for families that have members who are mobility impaired.

Housing Choice Voucher Program Eligibility, Selection, Admissions of Families including Deconcentration

The DCHA waiting list for tenant-based assistance requires most applicants to wait many years before being issued a voucher. While DCHA gives its first preference to homeless families, it does not provide emergency vouchers. With the limited availability of vouchers compared to the demand, no special sub preferences have been established for types of homeless applicants, such as victims of domestic violence. Prior to participation in the MTW demonstration, several critical actions were already being taken to try to reduce the time on the waiting list and improve the success rate of customers with vouchers seeking to lease a home. These include:

- Implementation of Fair Market Rents based on the 50th percentile of area rents
- Increase in utilization rates
- Increasing voucher term to lease up a unit to 180 days
- Establishing a Landlord Advisory Committee to advise on program improvements to maintain and increase the number of participating landlords.

As a result of these efforts and the introduction of housing search assistance, the success rates of new voucher assistance recipients has improved from 50% to the current 75%.

In addition to increasing success rates for HCVP recipients, DCHA also counsels its voucher participants to mitigate the concentration of low income voucher holders in already poverty impacted neighborhoods. DCHA has also upgraded its briefing package and presentation to include materials to assist new voucher recipients in finding a home in a non-poverty impacted areas. Unfortunately, achieving the deconcentration goal promoted by HUD and supported by DCHA, has resulted in a dramatic increase in per voucher costs over the past five years. Given the shift to a budget-based rather than a unit-based program, DCHA must now balance the need to maintain a cost effective voucher program with the goal of encouraging participants to seek units in non-impacted neighborhoods.

B. Rent Policy

The rent that a resident of a DCHA property must pay is based on 30% of adjusted income or 10% of gross income, whichever is greater, using the formula first established in 1972 by the Brooke amendment to the 1937 Housing Act.

At the end of FY '04, DCHA adopted a local regulation using MTW flexibility that reduces the administrative overhead of offering the QHWRA initiated Flat Rents to public housing residents, while providing the same benefits to residents. Called "Market-Based Rents" to differentiate the local DCHA revised program from HUD's "Flat Rents", the new rule, implemented in October, 2004 makes charging a market-based rent in lieu of an income-based rent automatic whenever it provides a financial advantage to the household. Conversely, whenever a household requests an interim recertification because of a reduction in income the lower of the two rent options is charged to the resident. DCHA will continue this policy in FY 2007.

Changes in Housing Stock

Number of Public Housing units in Inventory at the beginning of:

	FY '03	FY '04	FY '05	FY '06	FY '07	FY'08	FY '09	FY'10
Projected		9,219	8,807	8,306	8,013 ¹			
Actual	9,254	9,219	8,607	8,013				

Number of Vouchers in Inventory at the beginning of:

	FY '03	FY '04	FY '05	FY '06	FY '07	FY'08	FY '09	FY'10
Projected		9,355	10,800	11,041	11,261			
Actual	8,981	9,355	10,947	11,037				

¹ Due to HUD policies changes relating to conversion of funding cycle from Fiscal Year to Calendar Year, DCHA will submit its FY 2007 PFS upon receiving directions from HUD. This number represents the number of ACC units submitted in the FY 2006 PFS submission.

SOURCES AND USES OF FUNDING

A. All sources and amounts of funding

Estimated Project Sources for FY 2007

Sources

Classification	Amount
Low Rent Program	58,694,392
HCVP	125,323,637
Capital Fund/ CGP	23,300,000
HOPE VI Program and Other Dev. Grants	25,000,000
Bond	9,900,000
District Government Funding	29,874,536
Miscellaneous Grants	
<i>Youth Build Grant</i>	400,000
<i>Community Visions</i>	400,000
<i>Neighborhood Networks Grant</i>	500,000
Subsidiary Corporations	1,300,000
Interest Income	620,000
Total	275,312,565

B. Sources, amounts and planned uses of special purpose outside the consolidated budget.

The sources presented above are based on DCHA's current knowledge of grants approved and/or requested, adjusted by any new information we have received via PIH Notice or other reliable source regarding funding trends. Due to the expected decline in low rent program subsidies, the Uses presented reflect DCHA's response to the anticipated funding realities. Accordingly, DCHA is in the process of a management restructuring in order to bring staffing and other program costs in line with expected available funds. In efforts of complying with HUD's new operating rule, DCHA is also working towards project based budgeting and project based management.

As shown above, DCHA is pursuing or plans to pursue other funding opportunities, including YouthBuild and Neighborhood Networks and City funding. DCHA successfully submitted grant application for Neighborhood Networks and ROSS grant and was awarded \$1.1million during FY 2006. DCHA is currently in the implementation phase of its two grants. DCHA will have submitted three grant applications by the beginning of FY '07. If awarded, the YouthBuild and Neighborhood Networks grant will bring in \$900,000 to the agency for resident services activities. If the application is successful, these funds, like all the special grants DCHA receives, will be used in accordance to the applicable grant agreement.

In addition to the grants, City funds, and HUD Operating Subsidy and HAP, DCHA receives funds from its subsidiary corporations, including Construction Services Administration (CSA) and DC Housing Enterprises (DCHE), which provide services within the District to other District organizations and agencies. Over the course of the MTW

demonstration, DCHA expects to see a growing part of its funding derive from the revenue generated by these subsidiaries. They are able to earn net revenues that are returned to DCHA. A third subsidiary, Community Vision, Inc is a 501(c)3 organization that is actively fundraising on behalf of DCHA residents. Through Community Vision, Inc. DCHA hopes to receive \$400,000 in funding during FY 2007 if successful in its application.

C. Consolidated Budget Statement

DCHA has for several years managed its budget using a consolidated budget format. This comprehensive presentation combined with monthly expenditure projections compared to actual expenditures serves as an effective management tool for the Board of Commissioners, who approve the DCHA budget and review budget versus actual expenditure reports monthly.

Uses of Funds

A. Previous year expenditures by line item

The table below present estimates of the expenditures for FY 2006, the current fiscal year, presented with the estimates of the projected expenditures for FY 2007. Since neither the close-out, nor the audit for FY 2006 has been completed, these are estimates and projections only. The final audited FY2006 numbers will be forwarded to HUD upon its completion.

<u>Classification</u>	<u>FY07 Budget</u>	<u>FY06 Budget</u>	<u>06/07 ^</u>	<u>FY06 Actual (EST)</u>
Administration	\$32,200,000	\$30,000,000	7%	\$31,000,000
Tenant Services	\$1,500,000	\$1,400,000	7%	\$1,000,000
Utilities	\$25,000,000	\$24,000,000	4%	\$24,500,000
Maintenance	\$17,500,000	\$16,000,000	9%	\$16,500,000
Security	\$7,500,000	\$6,500,000	15%	\$7,000,000
General	\$12,500,000	\$12,000,000	4%	\$11,500,000
Capital	\$49,000,000	\$54,655,000	-10%	\$50,000,000
<u>HAP</u>	<u>\$130,000,000</u>	<u>\$143,000,000</u>	<u>-9%</u>	<u>\$142,000,000</u>
All	\$275,200,000	\$287,555,000	-4%	\$283,500,000

B. Planned expenditures by line item

Projected expenditures for FY 2007 are presented by line item in the table above compared to the estimates of actual expenditures for FY 2006.

Administrative – DCHA continues to streamline this cost category, particularly in the low rent program, and this category shows only nominal growth year over year. This cost category includes the cost of direct property management services at all DCHA sites, as well as client placement (the occupancy function). In addition, many of the costs of private management service providers for DCHA's public housing units are also recorded here.

Tenant Services – DCHA, with its anticipated ROSS, Neighborhood Networks and YouthBuild funding, expects to increase expenditures in this cost category.

Utilities – The Authority projects a \$1 million increase in its utility costs over FY 2006. This expense category is expected to be under extreme pressure, especially with operating funding projected at approximately 80% of eligibility. DCHA is making every effort to conserve in this cost category, but full funding is truly needed in this category.

Maintenance – The Authority will strive to ensure that adequate funding is in place to deliver needed services to DCHA residents. This category includes salaries and benefits for the maintenance employees and specialized crews assigned to the housing developments. It also includes maintenance materials and maintenance contract costs such as heating, cooling, landscaping, janitorial costs, etc.

Security – This cost category include costs of labor, benefits, materials and other related costs for all police officers, special police officers, and building monitors assigned to DCHA's public housing developments. DCHA has worked diligently to provide funding to this category.

General Expenses – This category includes employee benefits and all insurance premiums. It also includes rent collection losses, tenant relocation expenses and equipment purchases.

Capital – This includes all hard construction costs of the Capital Fund Program, as well as the HOPE VI development program, and the accelerated spending from the DCHA bond proceeds. DCHA expects to make great improvements to its capital infrastructure, and favorably impact many hundreds of households at its public housing development in the upcoming year.

Housing Assistance Payments (HAP) – This category funds payment to landlords in the tenant and project based voucher programs, and is under extreme cost pressure, as the rental market continues to tighten in the District.

Adequacy of Reserves – DCHA's reserves are more than adequate with over \$42 million dollars in unaudited unrestricted net assets, i.e. reserves, at the end of FY 2005, of which approximately \$16 million were in public housing and \$26 million were in the voucher program. A significant portion of these reserves are receivables from HUD. In addition, due to federal level funding cutbacks in both the Public Housing Operating and Voucher programs, FY 2006 and FY 2007 will be difficult operating periods for DCHA. DCHA will report on its Reserves position at the end of FY 2006 in its FY 2006 MTW Annual Report, and it is likely that there will be some diminution of reserves, as a result of extreme HUD funding prorations.

CAPITAL PLANNING

A. Major Capital Needs and Projects, estimated costs and proposed timetables

The Capital Budget for FY 2007, attached as Appendix A, was prepared using an asset management approach, based on a comprehensive Physical Needs Assessment and a preventive maintenance plan prepared for each property, and a comprehensive Capital Plan.

The Physical Needs Assessment shows a total of approximately \$160 million in projected physical needs over the next four years. Best case projections of Capital Fund allocation, over the next four years, anticipate that there will be less than \$80 million provided by HUD.

DCHA is also the recipient of \$80 million in Grant Anticipation Bonds. The proceeds of this bond is being used to bring a majority of the properties planned to be retained in the DCHA public housing inventory to twenty year viability. Lists of projects for which the bond funded modernization work is planned or currently underway are included in this plan at Appendix B. The bond funds will be spent within four years of issuance. DCHA began modernizing its housing stock in FY '06 with the use of bond funds.

By borrowing money to accelerate the modernization of DCHA properties, DCHA hopes to stop further deterioration of its properties and the resulting increase in routine maintenance costs and subsequent capital costs. The Capital Plan also reflects a determination of which properties are approaching obsolescence and need to be considered for demolition and/or disposition, replacement, and restructuring. Those properties that have been determined to have potential viability have been targeted for investment of Grant Anticipation Bond funds.

DCHA is actively developing alternative scenarios for the remaining properties in its inventory.

The proceeds of the Grant Anticipation Bond issuance alone will not be sufficient to meet the full range of needs of DCHA's viable properties. DCHA is planning to meet the remainder of these needs through the hypothecation of energy savings anticipated to be generated from the investment of approximately \$15 million in its properties to improve the energy efficiency of their mechanical systems and building envelopes (see Appendix B). DCHA expects to serve as its own Energy Services Company for this component of its capital improvement plan as described more fully in Initiative 4.1.04.

HOPE VI and Redevelopment

DCHA has two completed HOPE VI sites, The Townhomes on Capital Hill and Wheeler Creek, one nearing completion at Henson Ridge, and three others in active construction. At Capital Gateway, the senior building is completed and occupied, and occupancy at the family (rental and homeownership) units will begin during FY 2007. At Capper/Carrollsborg, the first senior building will be completed and occupied during FY 2007. Finally at Eastgate, the senior building will also be completed and occupied during FY 2007 and construction of the family units will begin. DCHA has submitted a HOPE VI funding application to support the development of the now vacant Sheridan Terrace public housing site. This project is expected to be a mixed finance/ mixed income development

that will provide 456 rental and homeownership opportunities for qualified former residents of the Sheridan Terrace community and other low and moderate income residents of the District.

If DCHA's Sheridan application is not awarded, the housing authority will seek to apply again during the next HOPE VI funding round provided that we believe the site plan remains competitive given the terms of a new NOFA.

B. Capital Fund Planned Expenditures

Federal Fiscal Year 2006 Capital Funds expected to be allocated to DCHA that will be available to obligate and expend in DCHA's FY 2007 are estimated to be a total of approximately \$17.7 million plus an estimated \$2.6 million in Replacement Housing Funds (RHF).

Replacement Housing Funds

From the Capital Fund allocation, \$2,630,380 in Replacement Housing Funds is currently budgeted for the replacement of public housing units at the Capitol Gateway HOPE VI site.

Bond Debt Service

\$6.1 million will be used to pay the annual debt service associated with the authority's bond issuance.

Grant Administration Costs

Approximately \$ 3.4 million will be spent on grant administration costs and on the personnel transition costs required for a management restructuring in order to adjust the size of the agency to respond to budget realities.

Public Safety

Approximately \$3.5 million is budgeted for the support of the Office of Public Safety.

The remaining \$4.5 million in Capital Funds will be used for priority improvements at Claridge Towers, Fort Lincoln, Harvard Towers, Highland Dwellings, Horizon House, James Creek, Langston Terrace, LeDroit Apartments, Park Morton, Richardson Dwellings, Woodland Terrace and Sibley Plaza. Additional improvements, including work necessary to make certain common areas UFAS accessible, are also budgeted with this funding.

C. **Demolition and Disposition requests**

DCHA is working on identifying opportunities to improve the quality of the housing inventory available to low income families at the following properties. While some of these opportunities may not come to fruition during FY 2007, opportunities are under consideration at the following properties:

Demolition underway or under consideration for FY 2007

Parkside
Arthur Capper/Carrollsborg

Disposition underway or under consideration for FY 2007

Portion of Hopkins
Stoddert Triangle (as approved in HOPE VI Grant)
Portion of Kelly-Miller
Eastgate Gardens
Wylie Courts
Various Scattered Sites
Sheridan Terrace
Parkside
Highland Additions
Arthur Capper/Carrollsborg
Capitol Gateway

D. **Homeownership activities**

DCHA has incorporated a strong homeownership component in each of its HOPE VI projects. In addition, over the next several years DCHA will be continuing its transformation of its scattered site inventory through the conversion of a substantial part of it to homeownership opportunities for low and moderate income families. This will be accomplished in part through the income realized from the sale of some units at full market value in order to raise the necessary funds to preserve the remaining units for low and moderate income families.

DCHA will be further supporting homeownership opportunities with its newly instituted HCVP homeownership program. The DCHA HCVP homeownership program has 300 families participating in preparatory housing counseling and another 1,719 families have formally expressed an interest in participating in the program. The transition from housing counseling to homeownership is difficult and time consuming. To date, nineteen (19) families have successfully purchased a home with the use of a voucher by the end of FY 2005. Since 2000, DCHA has assisted over 600 low and moderate income households achieve homeownership through the 5(h), HOPE VI, and voucher programs.

MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS

As the size of its inventory of units temporarily shrinks during this period of extensive redevelopment activity, DCHA has consolidated the three regions into two, including Rock Creek and Potomac. These two regions are the core of its successful housing management strategy. A separate division is now responsible for properties owned by DCHA, but managed by private management companies, and for public housing units associated with mixed-finance properties that are coming back on line.

A. Vacancy Rates by property as of July 30, 2006

DCHA – Rock Creek				
Property	# of Available Units FY '06	# of Occupied Units FY '06	Actual Adjusted Vacancy Rate FY '06	Target Adjusted Vacancy Rate FY '07
Colorado	21	20	0.0%	2%
Columbia Road	23	23	0.0%	2%
Fort Lincoln	117	113	3.4%	2%
Garfield Terrace	268	266	0.7%	2%
Greenleaf Gardens	275	272	1.1%	2%
Greenleaf Senior	212	208	1.9%	2%
Harvard Towers	176	176	0.0%	2%
James Apartments	140	138	1.4%	2%
James Creek Apartments	236	235	0.4%	2%
Judiciary House	180	179	0.6%	2%
Kelly Miller Apartments	167	165	1.2%	2%
LeDroit Apartments	120	117	2.5%	2%
Montana Terrace	61	61	0.0%	2%
Park Morton Apartments	167	165	1.2%	2%
Scattered Sites	34	34	0.0%	2%
Syphax Gardens	168	165	1.8%	2%
Langston Addition	271	276	-1.8%	2%
Langston Addition/Terrace	34	34	0.0%	2%
TOTAL	2,670	2,647	0.04%	2%

DCHA – Potomac				
Property	# of Available Units FY '06	# of Occupied Units FY '06	Actual Adjusted Vacancy Rate FY '06	Target Adjusted Vacancy Rate FY '07
Benning Terrace	266	261	1.9%	2.0%
Fort DuPont Addition	16	16	0.0%	2.0%
Fort DuPont Dwellings	102	102	0.0%	2.0%
Kenilworth Courts	289	285	1.4%	2.0%
Lincoln Heights	422	411	2.6%	2.0%
Parkside Addition	42	39	7.1%	2.0%
Richardson	188	184	2.1%	2.0%
Stoddert Terrace	153	152	0.7%	2.0%
Arthur Capper Senior	69	69	0.0%	2.0%
Barry Farm	426	425	0.2%	2.0%
Carroll Apartments	60	59	1.7%	2.0%
Elvans Road	19	19	0.0%	2.0%
Highland add/dwellings	318	314	1.3%	2.0%
Kentucky Courts	115	114	0.9%	2.0%
Knox Hill Senior	122	122	0.0%	2.0%
The Villager	20	20	0.0%	2.0%
Wade Apartments	12	11	8.3%	2.0%
Woodland	228	218	4.4%	2.0%
Scattered Sites	13	13	0.0%	2.0%
TOTAL	2,880	2,834	0.13%	2.0%

Privately Managed Properties				
Property	# of Available Units FY '06	# of Occupied Units FY '06	Actual Adjusted Vacancy Rate FY '06	Target Adjusted Vacancy Rate FY '07
Clairidge	315	315	0.0%	2.0%
Edgewood	89	88	1.1%	2.0%
Horizon House	100	100	0.0%	2.0%
Regency House	156	155	0.6%	2.0%
Lincoln Road/Ontario	30	30	0.0%	2.0%
Sibley Plaza	192	191	0.5%	2.0%
Sursum Corda	28	28	0.0%	2.0%
Potomac Gardens	347	337	2.9%	2.0%
Henson Ridge	68	68	0.0%	2.0%
Hopkins Apts.	153	145	5.2%	2.0%
Wheeler Creek	148	146	1.4%	2.0%
TOTAL	1,626	1,603	1.4%	2.0%

¹ DCHA uses HUD's definition of adjusted vacancies to determine the adjusted vacancy rate. Units in on schedule modernization or in non-dwelling use are not included in the denominator.

A. Rent Collections**Rent Collections: Cash Collected compared to Rent Billed**

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	98.00%	98.00%	98.00%	98.00%	98.00%			
Actual	99.84%	100.00%	98.00%	97.00%				

DCHA maintains a high percentage of cash collected compared to rent billed. The Authority will seek to continue this high standard.

B. Work Order**Work Orders: Days to Complete Routine Work Orders**

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	23.00	23.00	23.00	23.00	23.00			
Actual	20.02	20.00	23.00	23.00				

DCHA has tracked this measure according to the requirements of its MTW Agreement benchmark. It will continue to complete work orders within its projected average of 23 days.

Work Orders: %-age Emergency Work Orders completed within 24 hours

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	100%	100%	100%	100%	100%			
Actual	100%	100%	100%	100%				

C. Inspections**Units and Systems Inspected Annually**

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Projected	100%	100%	100%	100%	100%			
Actual	100%	100%	100%	100%				

DCHA will seek to continue to inspect 100% of its systems and units at least once per year.

E. **Security**

DCHA has a successful Office of Public Safety (OPS) which DCHA recognizes as an integral part of its property management function. OPS has been effective in working with the Metropolitan Police Department to bring the crime rate down at all DCHA properties and it is critical for the security of the residents and the property that the proactive nature of that collaboration be ongoing. However, with the elimination of the Public Housing Drug Elimination Program, which provided significant funding to implement crime prevention strategies, and the continuing reduction in operating subsidy funding, DCHA has sought to support this operation using city funds and a myriad of grants.

The District of Columbia has organized inter agency "Hot Spot" teams for the highest crime areas throughout the District. Fourteen of the fifteen "Hot Spots" are neighborhoods that include a public housing community. DCHA serves on the "Hot Spot" teams serving public housing neighborhoods. DCHA has also successfully sought and obtained funding from the District of Columbia government. These are serving as an effective vehicle for bringing additional resources into public housing communities for security and resident services. DCHA will continue to work with the District government and seek available funding.

Management Information for Leased Housing

A. Leasing Information

At the end of FY 2006, DCHA expects it will have met its target lease-up rate in the voucher program and by the end of FY 2007, DCHA will continue to have leased up at least 97% of the vouchers that were available to it at the beginning of the term of the MTW Agreement, October 1, 2002. With this accomplished, DCHA will be eligible to apply for any additional vouchers that may be made available by HUD with a utilization threshold as a determination of eligibility to apply.

Rent Reasonableness

DCHA has a comprehensive system in place for determining rent reasonableness. DCHA has real estate analysts on staff who maintain a comprehensive database of comparable rental properties and perform rent reasonableness analysis using a proprietary software package.

Expanding Housing Opportunities

DCHA has implemented Fair Market rents based on the 50th percentile, established a high payment standard and established exception rents in qualifying neighborhoods in order to expand housing opportunities for its voucher recipients. Each of these actions, instituted at HUD's urging, has served to expand housing opportunities for DCHA's low income families. The success of these efforts has resulted in increased program costs. HUD's substantive changes in funding methodology over the past year has made it very difficult to pay market rate rent levels and has placed all of these expanded opportunities, mobility and de-concentration efforts in jeopardy. DCHA will explore a series of cost containment methods and flexible funding methods allowed by DCHA's MTW Agreement and MTW Block Grant to achieve a balance between preserving the number of families served under the program and maintaining expanded housing opportunities.

De-concentration of low income families

In addition to improving success rates, the increase in the Fair Market Rents serve to encourage the reduction of low income voucher holders in already poverty impacted neighborhoods. Additionally, during FY 2007, DCHA will examine the feasibility of reestablishing the use of exception rents for certain neighborhoods. DCHA has also upgraded its briefing package and presentation to include materials to assist new voucher recipients in finding a home in a non-poverty impacted areas.

The hot housing market in the District of Columbia is changing the dynamics in traditionally impacted neighborhoods. Several distressed neighborhoods are now the source of new private housing investments. These new housing opportunities are reshaping the socio-economics in communities that currently include homes subsidized by the voucher program.

B. Inspection Strategy

In FY 2007, DCHA will continue to seek ways to improve the efficiency of its HCVP program and the quality of the housing occupied by voucher recipients by modifying its inspection schedule using the flexibility allowed by its MTW Agreement. This is described in Initiative 1.8.05. Until this initiative has been implemented, DCHA expects to

complete 100% of the required annual HQS inspections of all units under a HAP contract as well as 100% of all pre-contract HQS inspections. DCHA staff will complete quality control re-inspections on 5% of all units under contract. In addition, DCHA inspections staff will require that 100% of all HQS violations are repaired or the HAP contract will be terminated. Since 50% of all units under contract require a return inspection to determine that HQS violations have been repaired and 50% of all units presented for a first time inspection are not found to be acceptable, the workload for DCHA inspection staff is considerable. This initial failure rate of units proposed for new lease-ups speaks to the quality of the affordable units in the District market, and the difficulty DCHA HCVP customers have in finding acceptable affordable housing.

DCHA inspectors have also been trained and tasked with gathering data on site during the initial, pre-lease-up inspections for the use of the HCVP real estate analysts in completing an accurate rent reasonableness determination for units newly entering the program.

RESIDENT PROGRAMS

DCHA sponsors and coordinates a medley of services created to improve the livability of the authority's communities and to provide opportunities for both public housing and voucher clients to improve their individual lives. DCHA carries out these services with a host of public and private partners, and they are targeted in two areas: Empowerment activities and Support services.

Empowerment

Over the past five years, DCHA has placed a priority on empowering residents and nurturing resident leadership. DCHA supports the elections of development specific resident councils and assisted with the creation of a Citywide Resident Advisory Board (RAB). DCHA also sponsors special retreats to enhance the management capacity and accountability of these leadership teams. Senior staff meets routinely with the councils and RAB to update them and solicit input on emerging policies and program changes.

Uniquely, DCHA has also supported the creation of a HCVP Participant Advisory Committee. This committee functions similarly to the RAB and is routinely used as a sounding board for developing issues specific to the voucher program.

Support Services

While DCHA has less direct funding available for resident support services, it has enhanced its collaborations with external partners to achieve the same end. The provision of outcome based activities that will help residents achieve their personal goals. DCHA's supportive services are offered via four avenues: the HOPE VI Community and Self-Sufficiency Program, a Section 3 program, the HCVP Family Self-Sufficiency Program, and services provided and facilitated by DCHA's Office of Resident Services (ORS). ORS plans to pursue funding from various sources, including private foundations and governmental agencies.

During FY 2007, ORS will host and carryout various programs. ORS plans to host the following initiatives:

Construction Apprenticeship Program

Under this initiative, ORS will continue its work with the Painters Union. During FY '06, ORS entered into a partnership with the Painters Union to establish a painting apprenticeship for public housing residents and HCVP participants. ORS will primarily be involved in recruiting and screening of potential program participants. ORS, in partnership with other service providers, will also conduct a month long job readiness training session whereby participants will be connected to services such as necessary GED courses, daycare services and transportation services and basic communications skills and proper work attire. Once the participants successfully complete the job readiness training, they will be referred to the apprenticeship program which will have both in-class instruction and on-the job training. The duration of the apprenticeship program will range from two to three years, depending on the needs and goals of the resident. For example, a resident who expresses interest in becoming a journeyman may be recommended for a three year program.

Healthy Grandparents Initiative

Under this initiative, ORS will be partnering with the Howard University Department of Social Work and the School of Nursing to provide a wide range of health and social services programs to grandparents serving as guardians of their grandchildren. The goal of Project Healthy Grandparents is to strengthen grandparent-headed families by providing social and health services and improving access to community resources.

The concept of Project Healthy Grandparents utilizes a strengths-based approach by a team of social workers and nurses who provide interventions in the home. In addition, support groups and parenting education classes are offered to create a support network for families and help grandparents cope with raising their grandchildren. The youth services program offers grandchildren an opportunity to interact and improve self-esteem. Through these intervention efforts the program seeks a reduction in the stress level of grandparents and stabilization or measurable improvement in their physical, emotional and mental well-being.

Neighbor to Neighbor

DCHA has implemented a Neighbor-to-Neighbor Community Service policy during the past year. DCHA will be working to persuade a high percentage of its residents to truly volunteer to help their community and their neighbors; however, the newly adopted policy does include a mandatory requirement for community service for those residents who do not qualify for an exemption. In accordance with the provisions of the Community Service statute, the provisions of DCHA's program exempt the majority of DCHA residents by encouraging those who are not otherwise exempt to participate in job search and job readiness programs and thus qualify for exemption from the mandatory aspect of the program. DCHA will provide job readiness and job search opportunities through its Section 3 program and in partnership with the District of Columbia Department of Employment Services. DCHA will be working closely with residents over the next year to encourage voluntary community service and compliance with the basic program requirements.

Customer Service Program

The design and implementation of a structured customer-centered program at DCHA is in response to the Executive Director's mandate, included in the Authority's priorities for FY-04. A Customer Relations Advisory Team (CRAT) made up of representatives from each department and regional operations was created. This multi-disciplinary approach facilitated broad-base input into the design of a comprehensive customer relations program.

During the initial phases of program design and implementation, customer service was defined, customer service factors were identified, customer service standards of excellence were developed and published authority-wide and front line staff were trained. As we move forward to design the evaluation phase of the program, consulting services were utilized to develop a customer satisfaction tool, collect, analyze and disseminate the survey findings. The survey was conducted in May and June 05 and included external and internal customers.

The results from the survey will provide baseline information from which service delivery will be measured as we move forward. The data will also assist DCHA in identifying specific training needs. Concurrently, ten members of the CRAT successfully completed a certification course "Through the Customer's Eyes" taught by HR Staff in

conjunction with Rockhurst University, Division of Continuing Education. These employees are now qualified to assist HR staff with the authority-wide customer relations training.

Partnership with Community Economic Engines

In addition to the service initiatives described above, DCHA will also explore new means of identifying and partnering with prominent public and/or private companies that serve as the economic engines in and around DCHA's public housing communities. DCHA owns public housing property throughout the District of Columbia, and has routinely developed new relationships with non-traditional partners for the provision of services, particularly in light of dwindling available federal resources.

There are a variety of community economic engines that, if effectively accessed, can serve as catalysts to improve lives and, by extension, stronger families. One example of such an economic engine is a university. Universities are stable economic engines that provide jobs, funding opportunities and serve as cultural hubs. By tapping into the strength of such an institution, DCHA will be able to generate multiple benefits for its residents. The same can also be said for large and medium-sized non-profits. Non-profits, hospitals and churches are also sources of employment, support services and potential vendor opportunities. DCHA will seek to identify these engines and create new streams of resources.

Coordinated On-Site Support Services

As DCHA carries out its empowerment and supportive services, it will continue to work on bringing quality, on-site services to its public housing developments. Over the past year, DCHA has improved the selection process of service providers wishing to use space at developments. By incorporating a formalized license agreement and with active input from the respective resident council, this new process and structure has improved the business relationship between the vendor, the resident council, and DCHA, and improved vendor accountability. With this new structure in place, DCHA is poised to identify and put in place service providers that can meet the specific needs of the resident population.

One example of an important on-site service that will improve the livability of our public housing communities is the provision of mental health services at the mixed population buildings. The need for this service is acknowledged by occupants of elderly/disabled buildings who repeatedly express concern for their neighbors who appear to be mentally disabled and in dire need of professional assistance. DCHA will work closely with the Department of Mental Health to facilitate these services.

B. Issues and Proposed Actions

Predictable annual grant funding to continue these activities is no longer available from HUD and resources from HUD or other categorical grants have become even scarcer than heretofore. As operating funds become tighter, DCHA must break new ground in finding ways to continue to provide these customer services.

DCHA will be intensify its efforts to ensure that DCHA residents are aware of and using to the full extent possible the array of supportive and special needs services offered by the government of the District of Columbia and local nonprofits.

With three residents serving on DCHA's nine member Board, with a Citywide Resident Advisory Board and extensive resident involvement in the planning and implementation of its HOPE VI redevelopment projects, DCHA is committed to encouraging resident self-determination and empowerment. As a fundamental part of all it does, DCHA will continue to seek to encourage, rather than require, community service as a key component of its commitment to encouraging and nurturing resident self-determination and empowerment.

In FY '03 DCHA initiated a sophisticated assessment protocol to reliably determine resident satisfaction. Through a third party professional analyst of customer satisfaction, DCHA assessed customer satisfaction using a combination of professionally administered surveys of a scientifically selected sample of residents and a carefully selected focus group representing a mix of interests. DCHA has found the information gathered from this process to be reliable and useful in shaping its programs and making key decisions.

As a result of input from this DCHA-initiated FY 2003 resident satisfaction assessment, DCHA recognized that it needed to improve its communication with residents. As a result of these findings, DCHA has instituted a newsletter for residents, held its first resident summit, and successfully redoubled its efforts to establish the Citywide Resident Advisory Board. In addition, despite funding difficulties, as a result of input from the resident satisfaction assessment, DCHA remains committed to maintaining an effective DCHA police force.

DCHA proposes to continue a similar process on an ongoing basis as part of its comprehensive two-way communications strategy. During FY 2007, DCHA will continue to emphasize on improving its customer service and on measuring the success of these efforts through several points of service customer satisfaction surveys. DCHA will also continue to monitor customer satisfaction by tracking the number of grievances filed; DCHA's hearing compliance and closure rate. DCHA will explore the expansion of its resident satisfaction monitoring to include both public housing and HCVP, in this way, DCHA will be monitoring customer satisfaction agency-wide, not just for public housing. By relying on an assessment of customer satisfaction using more scientific samples than the method used by HUD and customer satisfaction surveys at point of services delivery, DCHA feels that it will achieve a better sense of customer satisfaction than is achieved by the HUD administered survey, with its typically low response rates and high reliance on the literacy of the customers being surveyed

DCHA is currently in the process of revamping its existing Section 3 program and creating a centralized one-stop Section 3 service location. The end result will be to assist public housing residents secure gainful employment through Section 3 jobs creations with DCHA contractors for Section 3 eligible residents.

CREATIVE LIVING SOLUTIONS INITIATIVES

Overview

The outlines for the initiatives provided in this plan are just the beginning of a participatory exploration and implementation process. Each one of the initiatives outlined in this plan will be treated individually in great depth before any changes are final. Each Initiative will be subjected to a comprehensive public review process with residents and local advocates before DCHA implements any of them. During this participatory process, the nature of the proposed change may be modified significantly based on stakeholder input. The outlines for each initiative are purposefully broad so as not to undermine the validity of the participation and exploration process.

Many of the changes envisioned in the initiatives described in this plan will require official action of the DCHA Board of Commissioners after publication and public notice and comment in accordance with local law. In practice, prior to starting the public rulemaking process DCHA consults with and obtains comments and input on any proposed rule changes or new rules from key stakeholders such as the DCHA Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and Participant Advisory Committee and the housing advocate community. Once a draft regulatory rule is ready, it is presented to the appropriate committee(s) of the Board of Commissioners. The Board of Commissioners has three committees with defined responsibilities. These committees are:

- Development and Modernization;
- Operations; and
- Audit and Finance

Once the appropriate Board committee has provided approval to publish the proposed rule, it is published for 14 to 30 days in the DC Register by the government of the District of Columbia. Written comments are received and reviewed. Based on the comments and further discussion with stakeholders the proposed rule may or may not be amended. If it is significantly amended it is taken back before the appropriate Board committee(s) and with the committee(s) approval republished for an additional notice and comment period and additional review of all comments by the Board committee(s). Once the committee(s) approves the proposed rule it is placed on the Board of Commissioners public agenda for action after public testimony. The agenda is distributed to all of the Resident Council Presidents and reviewed with the Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and the Participant Advisory Committee. Prior to taking action at the Board meeting, the Board of Commissioners calls on staff for a public presentation of an analysis of the proposed rule and its potential impacts. The new rule or rule change is not in effect until final notice is published in the DC Register following the Board of Commissioners formal adoption of a resolution in a public meeting approving it.

For ease of tracking, the initiatives under each Objective start with the number of the objective, followed by the number of the initiative based on the order in which it was proposed in a CLS Plan, and finally followed by the year of the Plan in which it was first proposed. Thus in Objective 1, "Development of Enhanced Housing Opportunities", there were four Initiatives in the CLS Plan for '04 ending with 1.4.04 so that Initiatives proposed for the '05 Plan start with 1.5.05. Initiative 1.5.05 indicates that it falls under Objective 1, it is the fifth initiative under this objective and it was proposed in Fiscal Year 2005. Only Initiatives still under development from a prior year and new Initiatives for the Plan's CLS Year will be included in the following pages of this plan. Once an Initiative has been implemented it will not appear in the Plan, but will continue to appear in the Annual MTW Report. An Initiative that has been explored but not pursued will not appear in the Plan and will be reported in the Annual MTW Report in the year DCHA has determined not to further explore implementation of such Initiative.

Objective 1: Developing Enhanced Housing Opportunities

Introduction

This chapter describes the CLS activities that the District of Columbia Housing Authority (DCHA) will be undertaking to develop enhanced housing opportunities for the low-income citizens of the District. DCHA has proposed initiatives that will both facilitate the production or preservation of affordable units and improve the quality of life at the affordable units on which it has some influence.

CLS Initiatives

Initiative 1.7.05: *Security Deposit Guarantee Program*

Over the past 5 years, DCHA's voucher program has provided affordable housing options to approximately 5,000 additional families. As the program has matured, DCHA has identified areas within the program that will enhance housing opportunities available to our voucher participants. One of these issues is the limited ability of some voucher participants to secure funding for a security deposit.

DCHA will explore the development of a small guarantee program to which voucher assistance recipients may subscribe for a monthly fee in lieu of a lump sum security deposit payment to landlords. The goal of the program is to provide a mechanism whereby voucher participants are not unduly restricted from leasing potential units. Participants will be able to provide this security through a small monthly payment over time. This Initiative will require flexible use of funds to allow for potential payment on any guarantee where the recipient caused damage. The extent of the guarantee and agreements with landlords would be negotiated and discussed with the DCHA's Landlord Advisory Committee and a resolution of the Board of Commissioners would be sufficient for allocation of funding. DCHA is also hoping to partner with the District's Department of Human Services for start-up costs associated with this initiative.

Initiative 1.9.06: *Modifications to DCHA's Project-Based Voucher Program Admissions*

Using MTW flexibility, DCHA has adopted several modifications to its project-based voucher program that DCHA calls its *Partnership Program*. Under Initiative 1.5.05, in FY 2005, DCHA made revisions to the Partnership Program including eligibility requirements for selecting occupants for Partnership Program properties for defined groups such as public housing residents with the right of return or occupants of project-based properties with rights of first refusal under local District law. These changes will be reported on more extensively in the CLS Annual Report.

DCHA will continue to explore potential modifications to this program in FY 2007. A continued review of the program will focus on achieving the following objectives:

- to increase participation by landlords;
- to meet local housing and community needs; and
- to be efficient to manage.

During FY 2007, DCHA will explore policy changes that will modify the management of the HCVP waiting list so that applicants can indicate, when applying or updating their applications, their willingness to accept a project based voucher and a property preference. This change in waiting list management will introduce much needed efficiency while maintaining opportunities and equity for residents. DCHA will also explore implementation of a similar change in process for applicants of its Mod/Rehab program, as well as other processes or procedural improvements to make the program more administratively effective.

Initiative 1.10.06: *Applicant Intake Site Designation*

In FY 2007, DCHA intends to introduce centrally managed, site-based waiting lists. The authority will give existing applicants the opportunity to state their preferences for individual DCHA properties as part of the process of updating applications. New applicants will only be added to the waiting list for properties that they select. This initiative will be part of DCHA's introduction of a comprehensive Application Intake Management program that is anticipated to include upgraded software, a focus on greater customer service and introduction of several efficiencies in client intake.

This initiative will complement the completed Initiative 2.5.04, Revised Site-Based Waiting Lists Policies and Procedures, which focused on Special Needs and Redevelopment Properties and will be implemented in conjunction the project based waiting lists described in Initiative 1.9.06.

Objective 2: Sustain Quality Property Management

Introduction

This chapter describes the initiatives the District of Columbia Housing Authority (DCHA) will explore and implement where feasible during FY 2007 to sustain the quality of the day-to-day management of the residential communities for which it is responsible. This chapter reflects DCHA's core business. DCHA's definition of quality property management is to provide CLASS--Clean, Livable, Attractive, Safe and Sustainable--properties.

DCHA has achieved an excellent record in property management. The challenge now is to continue to maintain this performance level, with significantly reduced funding. Using the flexibility and freedom allowed by the demonstration, DCHA will be able to consider avenues to improve the effectiveness of its operations, develop alternative policies and procedures through local rulemaking that achieve similar or better results for its customers, but are more efficient to administer – the essence of a demonstration program

CLS Initiatives

Initiative 2.1.04: Simplified Certification and Multi-year Income Recertification

This initiative has two parts, both designed to make the income and eligibility determination process more efficient and cost effective. The initiative is expected to have the double benefit of, first, saving staffing costs so that scarce resources can be used where they bring more benefit to DCHA's customers and, second, providing greater convenience as well as incentives for self-sufficiency to residents of DCHA properties and applicants for housing or assistance provided through DCHA.

At final determination of eligibility, as applicants are pulled from the waiting lists and forwarded to HCVP or public housing for lease-up, DCHA will consider extending the length of time that the verified application data is deemed valid. This will reduce the amount of duplicative work required of eligibility staff in DCHA's Client Placement Division and reduce the time necessary to build a qualified applicant pool.

As the second part of this initiative, DCHA proposes to adopt local rules that provide work incentives for public housing residents by adopting recertification procedures that do not require recertification every year. Under this Initiative, if adopted after considering input from all stakeholders, income-based rent would need only to be increased after a mandatory recertification completed on a multi-year basis. Rents could be reduced any time a resident requested an interim recertification as a result of a reduction in income. The revisions to the recertification process, as envisioned, would allow a delay in a rent increase until the next multi-year recertification for any increase in income. These revised procedures would provide a lifetime incentive to residents and voucher holders to increase income and would remove the current limitation on eligibility for the earned income disregard.

These changes could potentially save DCHA substantial overhead and limit opportunities for errors in rent determination. For the residents, they would remove the disincentive to employment and underemployment. In sum, these procedures will be easier for public housing residents and

staff, alike, to understand and will be simpler and thus more effective to administer. Residents will benefit directly from reduced paper work and more understandable incentives to work.

Initiative 2.6.07 Enhanced Public Housing Lease Enforcement Operations

As the largest landlord in the District of Columbia, effective lease enforcement is a challenge, given the myriad local rules that are applicable to a landlord, public or private in the District. DCHA will be exploring various procedural and substantive modifications to its operating rules and procedures, as well as to its outdated lease, in order to recognize and accommodate, where appropriate, the local rules. The goal of this revision to the lease and supporting local regulations is to assure that DCHA can efficiently carry out its mandate to provide decent, safe and sanitary housing for those eligible residents who can best use it to allow them to contribute to a healthy community.

The Authority expects to update its lease to include language reflecting the latest Federal Fight Back/One Strike provisions and the requirements of the Violence Against Women Act. The revised lease language will reflect DCHA's commitment to avoid whenever possible any adverse actions against a victim of domestic violence, insuring that she is not subject to eviction resulting from criminal activity of a household member when it is directed against her.

DCHA will use the flexibility allowed under its MTW Agreement to explore the inclusion of provisions in its updated lease that will allow the incorporation by reference of property specific community rules developed and adopted by the individual Resident Councils. It may also include provisions that allow DCHA to be comparable to many of its colleagues in the private sector in the District of Columbia in the treatment of nonpayment of rent. MTW flexibility may also be needed to adjust the definition of rent to streamline rent collection processes.

The resulting lease, local regulations, policies and procedures is expected to allow DCHA to be more effective in ensuring the safety and comfort of its residents, give greater control of its properties to residents who are committed to a community's wellbeing and improve the effectiveness of its lease enforcement efforts.

Objective 3: Achieve Effective Customer Support Services

Introduction

This chapter describes those potential initiatives DCHA will undertake that will enhance the authority's business relationships with its external partners and its residents. This section also includes those initiatives that will be explored to augment the authority's supportive services for both its residents and voucher participants.

Despite DCHA's commitment to provide the necessary services for its customers, the loss of PHDEP funding demands a creative approach to the funding of these critical activities. The flexibility allowed by participation in the demonstration will be an important factor in the DCHA strategy to continue its commitment to customer service. Innovations in how DCHA does business, budgeting and active and creative fundraising and partnership development will continue to be other important components of the strategy.

Both public housing residents and HCVP voucher recipients can benefit from a carefully developed program of support and enrichment services. DCHA can only fully achieve its mission to be an excellent provider of affordable housing for its low income clientele if it can make support services available both to its customers who are HCVP voucher recipients and to those who are public housing residents. The challenge, given funding realities, is to sustain the current services to residents. DCHA will be looking to its nonprofit, 501 (c) 3 DCHA subsidiary, Community Vision, Inc., established in 2003, as a vehicle for raising private and other federal and local public funds for continuing to coordinate and/or provide these services.

DCHA has both a Citywide Resident Advisory Board, which represents the needs of our public housing tenants, and a Participant Advisory Committee, which provides voucher participants and DCHA staff with a forum for the exchange of ideas and discussion of program concerns. DCHA calls on these groups, and its resident council presidents and other active residents for feedback during the formulation of this plan and other DCHA policy issues.

CLS Initiatives

Initiative 3.3.05: *Streamlined Subsidy-Only Protocol (the "OPERating Assistance Program")*

While most residents of and applicants for occupancy in DCHA properties just need affordable housing in a livable environment, many DCHA residents have a wide range of support needs. Support needs can range from the needs of grandparents, or other kin, serving as the primary caregiver for grandchildren, or other minor related children, all the way to mentally disabled individuals requiring a case manager. In FY 2007, DCHA will continue its efforts to partner with faith-based and other nonprofit organizations in order to effectively combat and prevent homelessness and increase the supply of public housing assisted units in the District of Columbia. Initially, DCHA will be focusing its new subsidy-only protocols on providing public housing units that will be owned by private entities for the most vulnerable of low-income families who will receive supportive service in a residential setting. These additional units will be provided using public housing subsidy for housing provided in a service-rich environment in partnership with nonprofit and for-profit housing providers.

DCHA will use the MTW flexibility described in this Initiative to substitute local requirements for any statutory or regulatory barriers to successful partnerships both in Mixed Finance opportunities and in working with supportive service programs of the government of the District of Columbia. DCHA has submitted to HUD for review and approval a streamlined Subsidy-Only Development Protocol (the "OPERating Assistance Program") that will reduce transaction time and costs in order to negotiate and finalize subsidy-only arrangements quickly and inexpensively. DCHA is looking to make it attractive for private sector partners to dedicate units in existing, as well as prospective, rental developments to subsidy-only public housing development. This initiative will facilitate the provision of enhanced public housing dispersed throughout the community with the support needed by our most vulnerable residents DCHA has developed a simplified Subsidy-Only Development Protocol by which the HUD field office can authorize DCHA to close such transactions on an expedited basis, using simplified model documents, without further HUD approval, thus reducing the transaction costs to facilitate the addition of public housing units in small numbers with multiple owners in a shorter period of time.

DCHA has proposes a protocol that would provide for the submission of a Transaction Summary memorandum to HUD, for information purposes, no later than 30 business days prior to the proposed closing of a subsidy-only mixed financed transaction. The Transaction Summary Memo will include a brief narrative describing (i) the proposed project, including the types of units, number of units and unit mix (ii) the surrounding neighborhood and other ongoing or planned revitalization in the area (iii) the project participants, (iv) the nature of the supportive services to be provided and (v) key management and operations requirements. No later than 10 business days following the closing, DCHA will provide HUD with a memo updating all material changes to the Transaction Summary Memo, a Mixed Finance ACC Amendment to the Consolidated Annual Contributions Contracts executed by DCHA for execution by HUD and an operating subsidy agreement executed by DCHA and the owner consolidating the standard amalgam of HUD required certifications. No later than 30 days following the closing, DCHA will submit to HUD a copy of all executed simplified model documents associated with the closing and any other information requested by HUD for review rather than approval.]

Initiative 3.4.05: *Supporting Grandfamilies*

Many of DCHA's seniors are raising their grandchildren. Grandparents have become the legal guardian or primary caregiver for their grandchildren. DCHA will explore ways to use or modify public housing or voucher policies as resources to help provide support for such families. DCHA will work closely with residents in drafting appropriate responses to this issue and it may require modifications to admission, transfer or other admissions and occupancy policies. DCHA will take these up in consultation with the residents and participants.

This Initiative was specifically requested by the City-Wide Resident Advisory Board as a special concern to many residents. Any program and regulatory modifications will be tailored to a program developed for this specialized population. This initiative is part of DCHA's goal to use its resources as efficiently as possible to meet the needs of its customers.

Initiative 3.5.06: *Rent Simplification and Collections*

Over the past two years, DCHA has used its MTW authority to evaluate the existing rent system with the dual goal of improving program efficiency and encouraging self-sufficiency.

HUD's current requirements for income determination and rent calculation require 19 HUD income exclusions, 20 federally mandated exclusions and 5 deductions from income. This leads to confusion and opportunities for error or misinterpretation.

DCHA is aware of HUD's interest in creating a national rent simplification model, and that other MTW housing authorities have experimented with new models as well. DCHA intends to build on this foundation of knowledge to design a model that simplifies the calculation process while not unduly burdening the neediest of families.

DCHA will explore the development of a simplified rent system in both the public housing and Housing Choice Voucher programs. It is DCHA's objective to create a revised system that will ease administrative burdens, reduce potential calculation errors, simplify the collection of all rent and charges, and create incentives for work. This incentive will complement Initiatives already completed such as 2.2.04, The Market-Based Rent Cap.

Objective 4: Organize Efficient Businesslike Operating Systems

Introduction

This chapter outlines the initiatives that DCHA will explore and consider for implementation in FY 2007 to target its resources where they are most needed and develop revenue sources to augment those provided by HUD and tenant rent. DCHA expects to continue to develop additional revenue sources through a network of wholly-owned subsidiaries.

As the largest landlord in the District of Columbia, DCHA is an important business citizen of the District. DCHA, in pursuing its mandated activities, has assembled and developed a core of dedicated staff with expertise that has value in the marketplace outside of DCHA's immediate operations. DCHA is using the expertise and commitment of its staff to allow it to take an enhanced position in the District of Columbia business community.

CLS Initiatives

Initiative 4.1.04: *DCHA Subsidiary to Act as Energy Services Company*

DCHA has been exploring the use of its wholly owned subsidiary, Construction Services Administration, LLC (CSA) as an Energy Services Company (ESCO). The DCHA subsidiary, CSA, is planned to play the key role in the implementation of a comprehensive energy management strategy. The strategy will combine MTW flexibility and freedom from regulatory restraint with HUD's Operating Subsidy incentives at 24 CFR 990.107(c)(4) and (f)(1), modified by MTW flexibility, that encourage a comprehensive energy conservation program. DCHA expects to use HUD provisions allowing, for the purposes of energy subsidy calculation, a frozen base of consumption costs plus actual consumption costs savings to amortize private financing of a comprehensive DCHA energy management program. The frozen base method of operating subsidy calculation may be used for some aspects of the program in conjunction with an add-on for energy conservation related debt service for other aspects of DCHA's comprehensive energy conservation program. As part of its comprehensive energy program, DCHA will continue to pay resident utility costs directly and consider adjustment to DCHA's schedule of excess utility usage charges.

DCHA may, without prior HUD approval, enter into energy performance contracts with Energy Service Companies (ESCO's), also called energy Service Agreements (ESA's) and make local determinations of the terms and conditions of energy performance contracts, including the debt service source, in order to satisfy reasonable financing requirements, provided that with respect to each contract, (i) the term does not exceed 12 years, (ii) at least 50% of the energy cost savings are used to pay financing and debt service costs and (iii) DCHA maintains adequate file documentation showing the basis for DCHA's determination that debt service payments can be funded from the reasonably anticipated energy cost savings. DCHA or its agents or subsidiaries may also function as its own ESCO, provided that any financing complies with requirements (i) through (iii) of this paragraph. HUD will honor the terms and conditions of such contracts during and beyond the term of DCHA's MTW Agreement.

DCHA is authorized to use or pledge its reserves or other funds provided by HUD (for use during and after the terms of the DCHA's MTW Agreement) for energy performance measures and/or to guarantee the payment of debt service in the event that projected energy savings are not adequate to cover the debt service costs for an energy conservation project undertaken during the term of DCHA's MTW Agreement.

HUD agrees to freeze DCHA's utility consumption based on a three-year average rolling consumption base, for purposes of entering into energy performance contract (s) at such levels as maybe identified by DCHA in its CLS Plan or an amendment thereto.

To satisfy financing requirements, HUD will provide to DCHA any reasonable documentation affirming the terms of this initiative, including the authority to enter into performance requirements or function as its own ESCo and HUD's agreement to freeze DCHA's utility consumption for purposes of calculating operating subsidy eligibility with adjustments for new units, or provide an add-on based on debt service requirements, as described in this initiative, during the term of DCHA's MTW Agreement and continuing for the term of any contract or financial arrangement, as provided above.

DCHA's plan was submitted to HUD in November 2005. This initial implementation of this Initiative will carry over into FY 2007 as DCHA is still awaiting HUD's approval of the plan so that DCHA may proceed with its financing of the Plan.

Initiative 4.2.05: *Revolving Loan Fund for HCVP Landlords*

DCHA has discovered that the HCVP lease-up process is often impeded due to delays in making repairs to units with HQS deficiencies. Additionally, DCHA is often faced with no other option than to halt the payment of HAP subsidy for existing clients when landlords are delinquent in repairing deficiencies identified during annual inspections. To lessen these problems, DCHA will work toward the implementation of a revolving loan program as an incentive for landlords to make required HQS repairs quickly.

Components of the program design will include deducting the loan payments from the HAP payment and placing a lien on the property until the loan is paid off. DCHA expects to capitalize this program, if feasible, using the flexibility allowed by the MTW Block Grant. With a mechanism, such as the proposed loan program, in place to make HQS repairs quickly, DCHA hopes to maintain the supply of affordable HCVP units and to reduce the inconvenience for the voucher holder. The revolving loan fund would allow an HCVP participant occupied unit to be repaired timely rather than force a participant to find and move to a compliant unit

Initiative 4.3.05: *Flexible Funding*

DCHA's intends to use a small, limited portion of the FY 2007 HCVP funds that will be available through the MTW Block Grant to support investments in operational costs and costs associated with providing improved customer service.

Initiative 4.4.06: *Reformulation of HUD Forms*

Many of DCHA's functions, both public housing and assisted housing through the Housing Choice Voucher Program use HUD prescribed forms for implementation. The forms facilitate uniformity and efficiency and in many cases work very well. The staff have discovered, however, that the prescribed forms may not in all cases serve our customers or internal operations as effectively or efficiently as possible. Some forms may not request as much information as would be useful to the customer or to DCHA. Additionally, they may not appropriately request or document information on aspects of the programs that have been modified locally through a CLS Initiative.

For instance, the Housing Choice Voucher Program has simplified the voucher program by providing vouchers for a full 180 days, rather than a 60 day initial period with a 120 day extension. This has reduced the amount of staff time and also has been customer friendly as it allows all voucher holders the full amount of the time to locate a unit without requiring staff to "evaluate" each request for an extension. The HUD provided forms do not reflect this policy change and in its current form requires staff to input two dates, the initial period and an extension. In situations like this, where there would be efficiencies and customer improvements from a local form, DCHA would develop a local form in substitution of the HUD provided form. DCHA would not be modifying the forms, rather it would substitute, as the Moving to Work program contemplated, a locally devised solution that responds to locally identified program needs.

DCHA contemplates this Initiative continuing through the term of the Moving to Work Agreement in order to facilitate implementation of locally revised or devised programs, rather than a burdensome review of all forms at one point in time when Initiatives are still being developed and implemented.

Conclusion

This plan is written for the period from October 1, 2006 through September 30, 2007, DCHA's Fiscal Year 2007. DCHA will report on progress in completing the initiatives described in the Plan for FY 2006 on or before December 31, 2006. The Annual Report will also include information meeting the requirements for the Annual Report described in the MTW Agreement and progress DCHA has made in accomplishing each of several benchmarks established in its MTW Agreement with HUD. In accordance with the terms of the MTW Agreement, DCHA does not provide reports or self assessments for the purposes of PHAS or SEMAP reporting and will be evaluated by HUD exclusively through HUD's review of DCHA's Annual MTW Report and DCHA's progress in meeting its goals and benchmarks.

Flexibility and Local Control

DCHA's participation in the MTW Demonstration with its Creative Living Solutions program provides the Authority with the flexibility and local control that will allow the agency to continue progress towards achieving its mission. This Creative Living Solutions Plan provides DCHA with many exciting possibilities.

The implementation of each of the initiatives described in this plan will allow DCHA to continue to progress in achieving its mission of, "...enhancing the quality of life in the District of Columbia by providing and effectively managing affordable housing which is diverse, well maintained, and aesthetically pleasing for those whose circumstances prevent them from competing in the general marketplace. The District of Columbia Housing Authority seeks to achieve the highest and best use of that housing for people of low and moderate income through the promotion of economic development and self-sufficiency opportunities and the facilitation of other supportive services."

Appendix A: Capital Budget

DISTRICT OF COLUMBIA HOUSING AUTHORITY

Development and Modernization Administration

CAPITAL FUNDS AVAILABLE FOR MODERNIZATION

Fiscal Year 2007

Final

Capital Grant Funds	20,299,111
Less: Replacement Housing Factor Funds	2,630,380
Less: Annual Debt Service	6,123,245
Less: Operations 10% limit	1,766,873
Less: Administrative Costs 10% limit	1,766,873
Less: Operating - Public Safety & MIP 20% limit	<u>3,533,746</u>
Net Capital Funds Available, for FY 2007	4,477,994

Property Name	General Description	TOTAL COSTS
Claridge Towers	Plumbing system replacement & façade improvements	50,000
Fort Lincoln	Water infiltration	100,000
Harvard Towers	Mech. & elec. system replacement & units renovations	100,000
Highland Dwell.	Sewer system upgrade, erosion control & site lighting	100,000
Horizon House	Critical & Other Mod.	127,994
James Creek	Roof replacement	100,000
Langston Terrace	Roof replacement	250,000
LeDroit Apts	Roof replacement	100,000
Park Morton	Security site lighting	100,000
Richardson Dwell.	Roof replacement	100,000
Sibley Plaza	Roof & systems replacement	100,000
Woodland Terrace	Boiler room upgrade	100,000
Authority-wide	A&E fees, surveys, testing, etc.	800,000
Authority-wide	Vacant Units Rehab/ADA Compliance	1,000,000
Authority-wide	Mechanical Systems Upgrade	250,000
Authority-wide	Common Areas Upgrade	100,000
Authority-wide	Non-dwelling Equipment	900,000
Authority-wide	Resident Relocation Costs	100,000
Net Capital Funds Available, for FY 2007		4,477,994

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary**

PHA Name: District of Columbia Housing Authority	Grant Type and Number Capital Fund Program Grant No: DC-39-P001-501-06 Replacement Housing Factor Grant No:
Federal FY of Grant: 2006	

Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost		
		Original	Revised	Obligated	Expended	Total Actual Cost	
						Obligated	Expended
1	Total non-CFP Funds	\$0	\$0	\$0	\$0	\$0	\$0
2	1406 Operations	\$0	\$0	\$0	\$0	\$0	\$0
3	1408 Management Improvements	\$0	\$0	\$0	\$0	\$0	\$0
4	1410 Administration	\$0	\$0	\$0	\$0	\$0	\$0
5	1411 Audit	\$0	\$0	\$0	\$0	\$0	\$0
6	1415 Liquidated Damages	\$0	\$0	\$0	\$0	\$0	\$0
7	1430 Fees and Costs	\$0	\$0	\$0	\$0	\$0	\$0
8	1440 Site Acquisition	\$0	\$0	\$0	\$0	\$0	\$0
9	1450 Site Improvement	\$0	\$0	\$0	\$0	\$0	\$0
10	1460 Dwelling Structures	\$0	\$0	\$0	\$0	\$0	\$0
11	1465.1 Dwelling Equipment - Nonexpendable	\$0	\$0	\$0	\$0	\$0	\$0
12	1470 Nondwelling Structures	\$0	\$0	\$0	\$0	\$0	\$0
13	1475 Nondwelling Equipment	\$0	\$0	\$0	\$0	\$0	\$0
14	1485 Demolition	\$0	\$0	\$0	\$0	\$0	\$0
15	1490 Replacement Reserve	\$0	\$0	\$0	\$0	\$0	\$0
16	1492 Moving to Work Demonstration	\$17,668,731	\$0	\$0	\$0	\$0	\$0
17	1495.1 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0
18	1499 Development Activities	\$0	\$0	\$0	\$0	\$0	\$0
19	1501 Collateralization or Debt Service	\$0	\$0	\$0	\$0	\$0	\$0

Annual Statement/Performance and Evaluation Report									
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary									
PHA Name:		Grant Type and Number		Capital Fund Program Grant No:		DC-39-P001-501-06		Federal FY of Grant:	
District of Columbia Housing Authority				Replacement Housing Factor Grant No:				2006	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report									
Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost				
		Original	Revised	Obligated	Expended				
20	1502 Contingency	\$0	\$0	\$0	\$0				
21	Amount of Annual Grant: (sum of lines 2-20)	\$17,668,731	\$0	\$0	\$0				
22	Amount of line 21 Related to LBP Activities	\$0	\$0	\$0	\$0				
23	Amount of line 21 Related to Section 504 compliance	\$300,000	\$0	\$0	\$0				
24	Amount of line 21 Related to Security - Soft Costs	\$3,433,743	\$0	\$0	\$0				
25	Amount of line 21 Related to Security - Hard Costs	\$250,000	\$0	\$0	\$0				
26	Amount of line 21 Related to Energy Conserv. Meas	\$0	\$0	\$0	\$0				

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary**

PHA Name: **District of Columbia Housing Authority** Grant Type and Number: **2006**
 Capital Fund Program Grant No.: **DC-39-R001-502-06**
 Replacement Housing Factor Grant No.: **DC-39-R001-502-06**

[X]Original Annual Statement []Reserve for Disasters/Emergencies []Revised Annual Statement (revision no:)
 []Performance and Evaluation Report for Period Ending: []Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost		
		Original	Revised	Obligated	Expended		
1	Total non-CFP Funds	\$0	\$0	\$0	\$0		
2	1406 Operations	\$0	\$0	\$0	\$0		
3	1408 Management Improvements	\$0	\$0	\$0	\$0		
4	1410 Administration	\$0	\$0	\$0	\$0		
5	1411 Audit	\$0	\$0	\$0	\$0		
6	1415 Liquidated Damages	\$0	\$0	\$0	\$0		
7	1430 Fees and Costs	\$0	\$0	\$0	\$0		
8	1440 Site Acquisition	\$0	\$0	\$0	\$0		
9	1450 Site Improvement	\$0	\$0	\$0	\$0		
10	1460 Dwelling Structures	\$0	\$0	\$0	\$0		
11	1465.1 Dwelling Equipment - Nonexpendable	\$0	\$0	\$0	\$0		
12	1470 Nondwelling Structures	\$0	\$0	\$0	\$0		
13	1475 Nondwelling Equipment	\$0	\$0	\$0	\$0		
14	1485 Demolition	\$0	\$0	\$0	\$0		
15	1490 Replacement Reserve	\$0	\$0	\$0	\$0		
16	1492 Moving to Work Demonstration	\$0	\$0	\$0	\$0		
17	1495.1 Relocation Costs	\$0	\$0	\$0	\$0		
18	1499 Development Activities	\$1,870,104	\$0	\$0	\$0		
19	1501 Collateralization or Debt Service	\$0	\$0	\$0	\$0		

**Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary**

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Federal FY of Grant: 2006	

Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost	
		Original	Revised	Obligated	Expended	
20	1502 Contingency	\$0	\$0	\$0	\$0	
21	Amount of Annual Grant: (sum of lines 2-20)	\$1,870,104	\$0	\$0	\$0	
22	Amount of line 21 Related to LBP Activities	\$0	\$0	\$0	\$0	
23	Amount of line 21 Related to Section 504 compliance	\$100,000	\$0	\$0	\$0	
24	Amount of line 21 Related to Security - Soft Costs	\$0	\$0	\$0	\$0	
25	Amount of line 21 Related to Security - Hard Costs	\$0	\$0	\$0	\$0	
26	Amount of line 21 Related to Energy Conserv. Meas	\$0	\$0	\$0	\$0	

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary**

PHA Name: District of Columbia Housing Authority	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: DC-39-R001-501-06
Federal FY of Grant: 2006	

[X]Original Annual Statement []Reserve for Disasters/Emergencies []Revised Annual Statement (revision no:)
 []Performance and Evaluation Report for Period Ending: []Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost		
		Original	Revised	Obligated	Expended		
1	Total non-CFP Funds	\$0	\$0	\$0	\$0		
2	1406 Operations	\$0	\$0	\$0	\$0		
3	1408 Management Improvements	\$0	\$0	\$0	\$0		
4	1410 Administration	\$0	\$0	\$0	\$0		
5	1411 Audit	\$0	\$0	\$0	\$0		
6	1415 Liquidated Damages	\$0	\$0	\$0	\$0		
7	1430 Fees and Costs	\$0	\$0	\$0	\$0		
8	1440 Site Acquisition	\$0	\$0	\$0	\$0		
9	1450 Site Improvement	\$0	\$0	\$0	\$0		
10	1460 Dwelling Structures	\$0	\$0	\$0	\$0		
11	1465.1 Dwelling Equipment - Nonexpendable	\$0	\$0	\$0	\$0		
12	1470 Nondwelling Structures	\$0	\$0	\$0	\$0		
13	1475 Nondwelling Equipment	\$0	\$0	\$0	\$0		
14	1485 Demolition	\$0	\$0	\$0	\$0		
15	1490 Replacement Reserve	\$0	\$0	\$0	\$0		
16	1492 Moving to Work Demonstration	\$0	\$0	\$0	\$0		
17	1495.1 Relocation Costs	\$0	\$0	\$0	\$0		
18	1499 Development Activities	\$760,276	\$0	\$0	\$0		
19	1501 Collateralization or Debt Service	\$0	\$0	\$0	\$0		

Annual Statement/Performance and Evaluation Report									
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary									
PHA Name: District of Columbia Housing Authority					Grant Type and Number Capital Fund Program Grant No: 2006				
[X]Original Annual Statement []Reserve for Disasters/Emergencies []Revised Annual Statement (revision no:)					Replacement Housing Factor Grant No: DC-39-R001-501-06				
[]Performance and Evaluation Report for Period Ending:					[]Final Performance and Evaluation Report				
Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost				
		Original	Revised	Obligated	Expended				
20	1502 Contingency	\$0	\$0	\$0	\$0				
21	Amount of Annual Grant: (sum of lines 2-20)	\$760,276	\$0	\$0	\$0				
22	Amount of line 21 Related to LBP Activities	\$0	\$0	\$0	\$0				
23	Amount of line 21 Related to Section 504 compliance	\$50,000	\$0	\$0	\$0				
24	Amount of line 21 Related to Security - Soft Costs	\$0	\$0	\$0	\$0				
25	Amount of line 21 Related to Security - Hard Costs	\$0	\$0	\$0	\$0				
26	Amount of line 21 Related to Energy Conserv. Meas	\$0	\$0	\$0	\$0				

Appendix B: Bond Funded Projects and Energy Improvement Projects

District of Columbia Housing Authority
 Modernization Program
 Bond Financed Project List as of June 2006

Property Number	Property	Units	Duration	Start	Finish	CFP	Bond	Energy	TOTALS
DC-1-30	Hopkins Apartments 1430 L Street, SE	158	12	3/1/2006	3/1/2007	\$5,481.00	\$294,519.00	\$0.00	\$300,000.00
DC-1-34	Park Morton 617 Morton Street, NW	174	26	2/1/2006	4/25/2008	\$3,332,930.00	\$2,052,000.00	\$1,100,000.00	\$6,484,930.00
DC-1-09	Barry Farm Dwellings 1230 Sumner Road, SE	432	15	9/6/2005	12/31/2006	\$810,676.00	\$139,324.00	\$0.00	\$950,000.00
DC-1-16	Highland Addition 400 Atlantic Street, SE	118	18	3/1/2006	9/1/2007	\$255,000.00	\$2,100,000.00	\$1,145,000.00	\$3,500,000.00
DC-1-23	Stoddert Terrace 155 Ridge Road, SE	158	12	7/1/2006	7/1/2007	\$2,005,000.00	\$1,700,000.00	\$60,000.00	\$3,765,000.00
DC-1-01	Fort Dupont Dwellings 155 Ridge Road, SE	110	6	6/21/2006	12/31/2006	\$0.00	\$901,913.00	\$39,000.00	\$940,913.00
DC-1-95	Columbia Road Apartments 1475 Columbia Road, NW	23	12	6/3/2006	6/3/2007	\$69,000.00	\$500,000.00	\$87,000.00	\$656,000.00
DC-1-85	Eivans Road 2440 Eivans Road, SE	20	12	7/6/2006	7/6/2007	\$0.00	\$700,000.00	\$0.00	\$700,000.00
DC-1-44	Montana Terrace 1625 Montana Ave., NE	65	24	10/1/2005	10/1/2007	\$465,000.00	\$700,000.00	\$0.00	\$1,165,000.00
DC-1-58	Wade Apartments 2608-2640 Wade Rd., SE	12	6	1/30/2006	7/30/2006	\$25,500.00	\$400,000.00	\$0.00	\$425,500.00
DC-1-57	Fort Dupont Addition 155 Ridge Road, SE	19	5	5/21/2006	10/31/2006	\$278,250.00	\$350,750.00	\$0.00	\$629,000.00
DC-1-98	Lincoln Road Apartments 11 R Street, NE	33	12	1/2/2006	1/2/2007	\$96,000.00	\$200,000.00	\$57,000.00	\$353,000.00
DC-1-53	Highland Dwellings 400 Atlantic St., SE	200	23	1/2/2006	12/31/2007	\$2,265,000.00	\$2,500,000.00	\$170,000.00	\$4,935,000.00
DC-1-22	Benning Terrace 4450 G Street, SE	274	36	9/1/2005	9/3/2008	\$96,202.00	\$3,718,998.00	\$514,000.00	\$4,329,200.00

District of Columbia Housing Authority
 Modernization Program
 Bond Financed Project List as of June 2006

Property Number	Property	Units	Duration	Start	Finish	CFP	Bond	Energy	TOTALS
DC-1-37	Garfield Terrace 2301 11 Street, NW	279	18	1/2/2006	7/27/2007	\$0.00	\$3,713,000.00	\$840,000.00	\$4,553,000.00
DC-1-69	Regency House 5201 Connecticut Ave., NW	160	36	10/15/2005	10/15/2008	\$0.00	\$4,080,000.00	\$640,000.00	\$4,720,000.00
DC-1-64	Fort Lincoln 2855 Bladensburg, Road, SE	120	22	11/1/2005	9/28/2007	\$0.00	\$3,000,000.00	\$610,000.00	\$3,610,000.00
DC-1-62	Horizon House 1150 12th Street, NW	105	35	1/2/2006	11/28/2008	\$490,000.00	\$4,500,000.00	\$300,000.00	\$5,290,000.00
DC-1-39A	Ledroit Apartments 2125 4th Street, NW	124	24	4/17/2006	3/14/2008	\$0.00	\$3,000,000.00	\$400,000.00	\$3,400,000.00
DC-1-36B	Kentucky Courts 1332 D Street, SE	163	12	2/1/2006	2/1/2007	\$672,997.00	\$1,500,000.00	\$1,050,000.00	\$3,222,997.00
DC-1-03	James Apartments 1425 N Street, NW	141	23	1/2/2006	12/28/2007	\$0.00	\$2,000,000.00	\$875,000.00	\$2,875,000.00
DC-1-61	Knox Hill 2700 Jasper Street, SE	122	9	12/1/2005	9/1/2006	\$0.00	\$700,000.00	\$630,000.00	\$1,330,000.00
DC-1-140	Langston Addition 2101 G Street, NE	34	15	12/05/2005	8/30/2007	\$0.00	\$452,343.00	\$0.00	\$452,343.00
DC-1-125	Langston Terrace 2101 G Street, NE	274	15	12/05/2005	8/30/2007	\$2,564,000.00	\$2,500,000.00	\$1,410,000.00	\$6,474,000.00
DC-1-13	Lincoln Heights 400 50th Street, NE	440	24	2/1/2006	2/1/2008	\$145,000.00	\$120,000.00	\$0.00	\$265,000.00
DC-1-36C	Carroll Apartments 410 M Street, SE	60	12	1/4/2006	1/4/2007	\$0.00	\$450,000.00	\$230,000.00	\$680,000.00
Totals						\$18,836,473.00	\$81,500,000.00	\$19,016,700.00	\$119,353,173.00

District of Columbia Housing Authority
ENERGY CAPITAL IMPROVEMENT PROGRAM
PROJECT LISTING AS OF JUNE 2006

Property Number	Property	Units	Duration	Start	Finish	Supervision	TOTALS
DC-1-16	Highland Addition 400 Atlantic Street, SE	118	18	12/15/2005	6/15/2007		\$217,000.00
DC-1-23	Stoddert Terrace 155 Ridge Road, SE	158	12	12/15/2005	12/15/2006		\$159,180.00
DC-1-01	Fort Dupont Dwellings 155 Ridge Road, SE	110	8	3/15/2006	11/15/2006		\$99,840.00
DC-1-95	Columbia Road Apartments 1475 Columbia Road, NW	23	8	3/15/2006	11/15/2005		\$101,080.00
DC-1-53	Highland Dwellings 400 Atlantic St., SE	208	18	12/15/2005	6/15/2007		\$217,000.00
DC-1-24	Syphax Gardens 64 P Street, SW	174	12	12/15/2005	12/15/2006		\$467,040.00
DC-1-97	Colorado Apartments 5336 Colorado Ave., NW	21	8	3/15/2006	11/15/2006		\$92,200.00
DC-1-91	Villager, The 3810 Southern Ave., SE	20	6	3/15/2006	9/15/2006		\$126,700.00
DC-1-36A	Woodland Terrace 2301 Ainger Place, SE	234	36	3/15/2006	3/15/2009		\$2,159,640.00
DC-1-08	Kelly Miller Apartments 234 W Street, NW	169	36	12/15/2005	12/15/2008		\$1,131,240.00
DC-1-17	Richardson Dwellings 5331 Dix Street, NE	190	24	4/15/2006	4/15/2008		\$432,400.00
DC-1-19	Kenilworth Courts 4500 Quarles Street, NE	290	18	3/15/2006	11/3/2007		\$1,778,400.00
DC-1-03	James Creek 100 N Street, SW	239	18	12/15/2005	6/15/2007		\$229,440.00
DC-1-60	Claridge Towers 1221 M Street, NW	343	36	12/15/2005	12/15/2008		\$909,280.00

District of Columbia Housing Authority
ENERGY CAPITAL IMPROVEMENT PROGRAM
PROJECT LISTING AS OF JUNE 2006

Property Number	Property	Units	Duration	Start	Finish	Supervision	TOTALS
DC-1-22	Benning Terrace 4450 G Street, SE	274	24	3/15/2006	3/15/2008		\$675,040.00
DC-1-25	Langston Terrace 2101 G Street, NE	274	36	3/15/2006	3/15/2009		\$1,595,680.00
DC-1-98	Lincoln Road 1140 North Capitol St, NW	20	6	3/15/2006	10/15/2006		\$69,200.00
DC-1-34	Park Morton 617 Morton St., NW	174	36	3/15/2006	3/15/2009		\$1,187,040.00
DC-1-65	Judiciary House 461 H Street, NW	271	36	12/15/2005	12/15/2008		\$675,160.00
DC-1-68	Harvard Towers 1845 Harvard Street, NW	193	24	3/15/2006	3/15/2008		\$763,280.00
DC-1-29	Sibley Plaza 1140 North Capitol St., NW	246	24	3/15/2006	3/15/2008		\$867,160.00
DC-1-21	Greenleaf Senior 201 N Street, SW	215	36	3/15/2006	3/15/2009		\$806,400.00
DC-1-37	Garfield Terrace 2301 11 Street, NW	279	24	3/15/2006	3/15/2008		\$1,049,000.00
DC-1-69	Regency House 5201 Connecticut Ave., NW	160	36	12/15/2005	12/15/2008		\$733,600.00
DC-1-64	Fort Lincoln 2855 Bladensburg, Road, SE	120	24	12/15/2005	12/15/2007		\$685,200.00
DC-1-62	Horizon House 1150 12th Street, NW	105	24	12/15/2005	12/15/2007		\$365,800.00
DC-1-39A	Ledroit Apartments 2125 4th Street, NW	124	24	12/15/2005	12/15/2007		\$464,040.00
DC-1-36B	Kentucky Courts 1332 D Street, SE	163	12	3/15/2006	3/15/2007		\$1,056,480.00

Appendix C: Operating Subsidy Request (FY 2006)

Operating Fund
Calculation of Operating Subsidy
 PHA-Owned Rental Housing

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

OMB Approval No. 2577-0029 (exp. 10/31/2004)

Section 1

a) Name and Address of Public Housing Agency District of Columbia Housing Authority 1133 N. Capitol, NE Washington, DC 20002				b) Budget Submission to HUD required <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
				c) Type of Submission <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No.	
d) No. of HA Units 7,672	e) Unit Months Available (UMAs) 92,064	f) Subject FYE 9/30/2006	g) ACC Number W-76	h) Operating Fund Project Number D C 0 0 1 0 0 1 0 6 S 	i) DUNS Number

Section 2

Line No.	Description	Requested by PHA (PUM)	HUD Modifications (PUM)
Part A. Allowable Expenses and Additions			
01	Previous allowable expense level (Part A, Line 08 of form HUD-52723 for previous year)	367.35	
02	Part A, Line 01 multiplied by .005	1.84	
03	Delta from form HUD-52720-B, if applicable (see instructions)	(11.11)	
04	"Requested" year units from latest form HUD-52720-A (see instructions)		
05	Add-ons to allowable expense level from previous fiscal year (see instructions)		
06	Total of Part A, Lines 01, 02, 03 and 05	358.08	
07	Inflation factor	1.028	
08	Revised allowable expense level (AEL) (Part A, Line 06 times Line 07)	368.10	
09	Transition Funding	-	
10	Increase to AEL	-	
11	Allowable utilities expense level from form HUD-52722-A	257.79	
12	Actual PUM cost of Independent Audit (IA) (Through FYE 9/30/2004)	1.51	
13	Costs attributable to deprogrammed units Detail Attached	10.11	
14	Total Allowable Expenses and Additions (Sum of Part A, Lines 08 thru 13)	637.51	
Part B. Dwelling Rental Income			
01	Total rent roll (as of 4/1/2005)	\$ 1,422,357	
02	Number of occupied units as of rent roll date	6,798	
03	Average monthly dwelling rental charge per unit for current budget year (Part B, Line 01 div by Line 02)	209.23	
04	Average monthly dwelling rental charge per unit for prior budget year	196.03	
05	Average monthly dwelling rental charge per unit for budget year 2 years ago	187.62	
06	Three-year average monthly dwelling rental charge per unit ([Part B, Line 03 + Line 04 + Line 05] div by 3)	197.63	
07	50/50 Income split ([Part B, Line 03 + Line 06] div by 2)	203.43	
08	Average monthly dwelling rental charge per unit (lesser of Part B, Line 03 or Line 07)	203.43	
09	Rental income adjustment factor	1. 1.03 1.	
10	Projected average monthly dwelling rental charge per unit (Part B, Line 08 times Line 09)	209.53	
11	Projected occupancy percentage from form HUD-52728	90%	
12	Projected average monthly dwelling rental income per unit (Part B, Line 10 times Line 11)	188.58	
Part C. Non-dwelling Income			
01	Other income	3.95	
02	Total operating receipts (Part B, Line 12 plus Part C, Line 01)	192.53	
03	PUM deficit or (Income) (Part A, Line 14 minus Part C, Line 02)	444.98	
		Requested by PHA (Whole Dollars)	HUD Modifications (Whole dollars)
04	Deficit of (Income) before add-ons (Part C, Line 03 times Section 1, e)	40,966,639	

Line No.	Description	Requested by PHA (Whole Dollars)	HUD Modifications (Whole Dollars)
Part D. Add-ons for changes in Federal law or regulation and other eligibility			
01	FICA contributions See attached Worksheet	1,869,046	
02	Unemployment compensation 2.7% x 917 employees x 1st \$9,000	222,831	
03	Family Self Sufficiency Program		
04	Energy Add-On for loan amortization		
05	Unit reconfiguration 98 x 368.10x 12	432,886	
06	Non-dwelling units approved for subsidy 93 x 368.10 x 12	410,800	
07	Long-term vacant units		
08	Phase Down for Demolitions	3,831,952	
09	Units Eligible for Resident Participation:		
	Occupied Units (Part B, Line 02)	6,798	
10	Employee Units	18	
11	Police Units		
12	Total Units Eligible for Resident participation (Sum of Part D, Lines 09 thru 11)	6,816	
13	Funding for Resident participation (Part D, Line 12 x \$25)	170,400	
14	Other approved funding, not listed (Specify in Section 3)		
15	Total add-ons (sum of Part D, Lines 01, 02, 03, 04, 05, 06, 07, 08, 13 and 14)	6,937,915	
Part E. Calculation of Operating Subsidy Eligibility Before Adjustments			
01	Deficit or (Income) before adjustments (Total of Part C, Line 04 and Part D, Line 15)	47,904,554	
02	Actual cost of Independent Audit (IA)	138,942	
03	Operating subsidy eligibility before adjustments (greater of Part E, Line 01 or Line 02) (If less than zero, enter zero (0))	47,904,554	
Part F. Calculation of Operating Subsidy Approvable for Subject Fiscal Year (Note: Do not revise after the end of the subject FY)			
01	Utility Adjustment for Prior years		
02	Additional subject fiscal year operating subsidy eligibility (specify)		
03	Unfunded eligibility in prior fiscal years to be obligated in subject fiscal year		
04	HUD discretionary adjustments		
05	Other (specify)		
06	Other (specify)	()	
07	Unfunded portion due to proration	()	()
08	Net adjustments to operating subsidy (total of Part F, Lines 01 thru 07)		
09	Operating subsidy approvable for subject fiscal year (total of Part E, Line 03 and Part F, Line 08)	47,904,554	
HUD Use Only (Note: Do not revise after the end of the subject FY)			
10	Amount of operating subsidy approvable for subject fiscal year not funded		()
11	Amount of funds obligated in excess of operating subsidy approvable for subject fiscal year		
12	Funds obligated in subject fiscal year (sum of Part F, Lines 09 thru 11) (Must be the same as line 690 of the Operating Budget, form HUD-52564, for the subject fiscal year) Appropriation symbol (s):		
Part G. Memorandum of Amounts Due HUD, Including Amounts on Repayment Schedules			
01	Total amount due in previous fiscal year (Part G, Line 04 of form HUD-52723 for previous fiscal year)		
02	Total amount to be collected in subject fiscal year (Identify individual amounts under Section 3)	()	()
03	Total additional amount due HUD (include any amount entered on Part F, Line 11) (Identify individual amounts under Section 3)		
04	Total amount due HUD to be collected in future fiscal year(s) (Total of Part G, Lines 01 thru 03) (Identify individual amounts under Section 3)		

Line No.	Description	Requested by PHA (Whole Dollars)	HUD Modifications (Whole Dollars)
Part H. Calculation of Adjustments for Subject Fiscal Year			
This part is to be completed only after the subject fiscal year has ended			
01	Indicate the type of adjustments that have been reflected on this form: <input type="checkbox"/> Utility Adjustment <input type="checkbox"/> HUD discretionary adjustment (Specify under Section 3)		
02	Utility adjustment from form HUD-52722-B	-	
03	Deficit or (Income) after adjustments (total of Part E, Line 01 and Part H, Line 02)	-	
04	Operating subsidy eligibility after year-end adjustments (greater of Part E, Line 02 or Part H, Line 03)	-	
05	Part E, Line 03 of latest form HUD-52723 approved during subject FY (Do not use Part E, Line 03 of this revision)		
06	Net adjustments for subject fiscal year (Part H, Line 04 minus Part H, Line 05)	-	
07	Utility adjustment (enter same amount as Part H, Line 02)	-	
08	Total HUD discretionary adjustments (Part H, Line 06 minus Line 07)	-	
09	Unfunded portion of utility adjustment due to proration		
10	Unfunded portion of HUD discretionary adjustment due to proration		
11	Prorated utility adjustment (Part H, Line 07 plus Line 09)	-	
12	Prorated HUD discretionary adjustment (Part H, Line 08 plus Line 10)	-	
Section 3			
Remarks (provide part and line numbers)			

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Authorized HA Representative & Date: X	Signature of Authorized Field Office Representative & Date: 5/14/2004 X
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Operating Fund
Calculation of Operating Subsidy
 PHA-Owned Rental Housing

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

OMB Approval No. 2577-0029 (exp. 10/31/2004)

Section 1

a) Name and Address of Public Housing Agency District of Columbia Housing Authority 1133 N. Capitol, NE Washington, DC 20002					b) Budget Submission to HUD required	
					c) Type of Submission	
d) No. of HA Units 329	e) Unit Months Available (UMAs) 3,948	f) Subject FYE 9/30/2006	g) ACC Number W-76	h) Operating Fund Project Number D C 0 0 1 7 0 1 0 6 S 		i) DUNS Number

Section 2

Line No.	Description	Requested by PHA (PUM)	HUD Modifications (PUM)
Part A. Allowable Expenses and Additions			
01	Previous allowable expense level (Part A, Line 08 of form HUD-52723 for previous year)	368.86	
02	Part A, Line 01 multiplied by .005	1.84	
03	Delta from form HUD-52720-B, if applicable (see instructions)	-	
04	"Requested" year units from latest form HUD-52720-A (see instructions)		
05	Add-ons to allowable expense level from previous fiscal year (see instructions)		
06	Total of Part A, Lines 01, 02, 03 and 05	370.70	
07	Inflation factor	1.028	
08	Revised allowable expense level (AEL) (Part A, Line 06 times Line 07)	381.08	
09	Transition Funding		
10	Increase to AEL	-	
11	Allowable utilities expense level from form HUD-52722-A	286.35	
12	Actual PUM cost of Independent Audit (IA) (Through FYE 9/30/2004)	1.35	
13	Costs attributable to deprogrammed units	-	
14	Total Allowable Expenses and Additions (Sum of Part A, Lines 08 thru 13)	668.78	
Part B. Dwelling Rental Income			
01	Total rent roll (as of 4/1/2005)	102,797	
02	Number of occupied units as of rent roll date	313	
03	Average monthly dwelling rental charge per unit for current budget year (Part B, Line 01 div by Line 02)	328.42	
04	Average monthly dwelling rental charge per unit for prior budget year	306.97	
05	Average monthly dwelling rental charge per unit for budget year 2 years ago	297.19	
06	Three-year average monthly dwelling rental charge per unit ((Part B, Line 03 + Line 04 + Line 05) div by 3)	310.86	
07	50/50 Income split ((Part B, Line 03 + Line 06) div by 2)	319.64	
08	Average monthly dwelling rental charge per unit (lesser of Part B, Line 03 or Line 07)	319.64	
09	Rental income adjustment factor	1.03	
10	Projected average monthly dwelling rental charge per unit (Part B, Line 08 times Line 09)	329.23	
11	Projected occupancy percentage from form HUD-52728	0.97	
12	Projected average monthly dwelling rental income per unit (Part B, Line 10 times Line 11)	319.35	
Part C. Non-dwelling income			
01	Other income	-	
02	Total operating receipts (Part B, Line 12 plus Part C, Line 01)	319.35	
03	PUM deficit or (Income) (Part A, Line 14 minus Part C, Line 02)	349.43	
		Requested by PHA (Whole Dollars)	HUD Modifications (Whole dollars)
04	Deficit of (Income) before add-ons (Part C, Line 03 times Section 1, e)	1,379,550	

Line No.	Description	Requested by PHA (Whole Dollars)	HUD Modifications (Whole Dollars)
Part D. Add-ons for changes in Federal law or regulation and other eligibility			
01	FICA contributions		
02	Unemployment compensation		
03	Family Self Sufficiency Program		
04	Energy Add-On for loan amortization		
05	Unit reconfiguration		
06	Non-dwelling units approved for subsidy	9,146	
07	Long-term vacant units		
08	Phase Down for Demolitions		
09	Units Eligible for Resident Participation:		
	Occupied Units (Part B, Line 02)	313	
10	Employee Units		
11	Police Units		
12	Total Units Eligible for Resident participation (Sum of Part D, Lines 09 thru 11)	313	
13	Funding for Resident participation (Part D, Line 12 x \$25)	7,825	
14	Other approved funding, not listed (Specify in Section 3)		
15	Total add-ons (sum of Part D, Lines 01, 02, 03, 04, 05, 06, 07, 08, 13 and 14)	16,971	
Part E. Calculation of Operating Subsidy Eligibility Before Adjustments			
01	Deficit or (Income) before adjustments (Total of Part C, Line 04 and Part D, Line 15)	1,396,521	
02	Actual cost of Independent Audit (IA)	5,338	
03	Operating subsidy eligibility before adjustments (greater of Part E, Line 01 or Line 02) (If less than zero, enter zero (0))	1,396,521	
Part F. Calculation of Operating Subsidy Approvable for Subject Fiscal Year (Note: Do not revise after the end of the subject FY)			
01	Utility Adjustment for Prior years		
02	Additional subject fiscal year operating subsidy eligibility (specify)		
03	Unfunded eligibility in prior fiscal years to be obligated in subject fiscal year		
04	HUD discretionary adjustments		
05	Other (specify)		
06	Other (specify)	()	
07	Unfunded portion due to proration		
08	Net adjustments to operating subsidy (total of Part F, Lines 01 thru 07)		
09	Operating subsidy approvable for subject fiscal year (total of Part E, Line 03 and Part F, Line 08)	1,396,521	
HUD Use Only (Note: Do not revise after the end of the subject FY)			
10	Amount of operating subsidy approvable for subject fiscal year not funded		
11	Amount of funds obligated in excess of operating subsidy approvable for subject fiscal year		
12	Funds obligated in subject fiscal year (sum of Part F, Lines 09 thru 11) (Must be the same as line 690 of the Operating Budget, form HUD-52564, for the subject fiscal year) Appropriation symbol (s):		
Part G. Memorandum of Amounts Due HUD, Including Amounts on Repayment Schedules			
01	Total amount due in previous fiscal year (Part G, Line 04 of form HUD-52723 for previous fiscal year)		
02	Total amount to be collected in subject fiscal year (Identify individual amounts under Section 3)		
03	Total additional amount due HUD (include any amount entered on Part F, Line 11) (Identify individual amounts under Section 3)		
04	Total amount due HUD to be collected in future fiscal year(s) (Total of Part G, Lines 01 thru 03) (Identify individual amounts under Section 3)		-

Line No.	Description	Requested by PHA (Whole Dollars)	HUD Modifications (Whole Dollars)
Part H. Calculation of Adjustments for Subject Fiscal Year			
This part is to be completed only after the subject fiscal year has ended			
01	Indicate the type of adjustments that have been reflected on this form: (Specify under Section 3)		
02	Utility adjustment from form HUD-52722-B	-	
03	Deficit or (Income) after adjustments (total of Part E, Line 01 and Part H, Line 02)	-	
04	Operating subsidy eligibility after year-end adjustments (greater of Part E, Line 02 or Part H, Line 03)	-	
05	Part E, Line 03 of latest form HUD-52723 approved during subject FY (Do not use Part E, Line 03 of this revision)		
06	Net adjustments for subject fiscal year (Part H, Line 04 minus Part H, Line 05)	-	
07	Utility adjustment (enter same amount as Part H, Line 02)	-	
08	Total HUD discretionary adjustments (Part H, Line 06 minus Line 07)	-	
09	Unfunded portion of utility adjustment due to proration		
10	Unfunded portion of HUD discretionary adjustment due to proration		
11	Prorated utility adjustment (Part H, Line 07 plus Line 09)	-	
12	Prorated HUD discretionary adjustment (Part H, Line 08 plus Line 10)	-	

Section 3

Remarks (provide part and line numbers)

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Authorized HA Representative & Date:

Signature of Authorized Field Office Representative & Date:

X

7/26/2005 X

Appendix D: Board Resolution and Certifications

RESOLUTION 06 - 19

TO APPROVE THE CREATIVE LIVING SOLUTIONS PLAN
FOR FISCAL YEAR 2007

WHEREAS, the District of Columbia Housing Authority (DCHA) has entered into an agreement with the U.S. Department of Housing and Urban Development (HUD) setting forth the terms and conditions of DCHA's participation in the Moving to Work Demonstration Program (MTW Agreement); and

WHEREAS, DCHA has prepared its Fiscal Year 2007 Plan in accordance with the requirements of the MTW Agreement and has called this Plan the Creative Living Solutions Plan (CLS); and

WHEREAS, the CLS Plan outlines the initiatives that DCHA will pursue for this fourth year of participation in the MTW Demonstration Program and provides information regarding the operation of the Authority as required by HUD; and

WHEREAS, the draft CLS Plan was made available to the public and discussed at a public hearing on June 29, 2006 and the final draft of the MTW Plan was prepared taking the comments from the public, staff and the Board of Commissioners into consideration; and

WHEREAS, the Board of Commissioners is required to certify that the Plan complies with the requirements of the MTW Agreement and that it meets various other federal requirements.

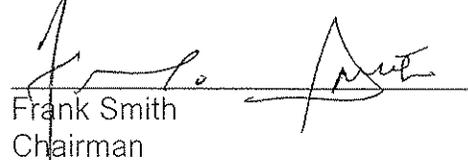
NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby approves the CLS Annual Plan for Fiscal Year 2007 and authorizes the Executive Director to finalize and submit the FY 2007 CLS Annual Plan to HUD on or before July 31, 2006.

ADOPTED, by the Board of Commissioners and signed in authentication of its passage the 12th day of July, 2006

ATTEST:


Michael Kelly
Executive Director/Secretary

APPROVAL:


Frank Smith
Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:


Margaret McFarland
General Counsel

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Applicant Name

District of Columbia Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work Demonstration Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

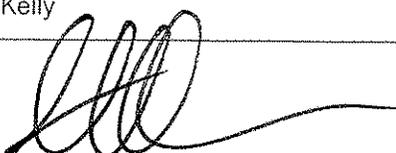
Name of Authorized Official

Michael Kelly

Title

Executive Director

Signature



Date (mm/dd/yyyy)

7/27/06

