

*The Lawrence-Douglas County  
Housing Authority*



**MOVING TO WORK**  
**Annual Report**  
*Fiscal Year 2009*



*Revision I June 2010*

# *The Lawrence-Douglas County Housing Authority*

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## **The City of Lawrence and Douglas County, Kansas**

The Lawrence-Douglas County Housing Authority (LDCHA) is located in Lawrence, Kansas. The county includes four incorporated towns and cities- Lawrence, Baldwin City, Eudora and Lecompton. The county has a total population of 112,123. All but 56 of the LDCHA's 1065 units are leased in the city of Lawrence. All LDCHA owned housing, including its 367 public housing units, are located in Lawrence.

Lawrence, with a population of 89,852, has long been recognized as a leader in the cultural and educational affairs of the Midwest and has gained prominence for its planning and commitment to quality of life. Lawrence possesses all the aspects of a friendly, active and culturally diverse community with the perfect combination of small-town hospitality and big city attractions. The city lays claim to its share of national recognitions and historical significance.

The city boasts one of the most vibrant downtown shopping, dining, and entertainment districts in the Midwest. It ranks 15<sup>th</sup> on John Villani's "The Best 100 Small Arts Towns in America". The National Endowment for the Arts ranks Lawrence 12<sup>th</sup> among cities in the U.S. with the largest percentage of professional artists in the workforce. The National Historic Trust named Lawrence one of its Dozen Distinctive Destinations, calling the city an example of the "best preserved and unique communities in America". U.S. News and World Report lists Lawrence as one of the best places to retire. The University of Kansas is consistently ranked as one of the best public universities in the country with its Special Education and Masters of Public Administration programs each listed as the best programs of all U.S. colleges and universities.

Lawrence is also home to two universities: the University of Kansas and Haskell Indian Nations University. Approximately 30,000 students attend KU, which is ranked as one of the nations' most beautiful campuses. Haskell Indian Nations University is the nation's only inter-tribal university for Native Americans, representing more than 150 tribes from across the country. Baldwin City is home to Baker University, the oldest university in Kansas.

Lawrence was the boyhood home of the writer and poet Langston Hughes, and in his later life the beat-writer William S. Burroughs. James Naismith, inventor of basketball, lived and coached most of his adult life in Lawrence. Dr. Naismith has the distinction of being the only KU basketball coach with a losing record.

Lawrence is located on the Kansas River, 35 east miles from the geographical center of the continental U.S. It is situated 45 minutes west of Kansas City and 35 minutes east of Topeka along Interstate 70. It is the county seat for Douglas County. Lawrence is in the 3<sup>rd</sup> Congressional District while parts of Douglas County are in both the 2<sup>nd</sup> and 3<sup>rd</sup> Congressional Districts.

Ninety-two point eight (92.8) percent of Lawrence residents age 25 and over have graduated high school. 47.7% have college degrees and 20.8% have graduate and professional degrees.

Lawrence's high educational attainment level does not translate into above average salaries. In 2007 the median household income for Lawrence was \$38,826 while the state of Kansas as a whole was \$47,451. In fact Lawrence has undergone a decline of 10.5 % in median income since 2000.

The 10 major employers in the city are the University of Kansas, Vangent, Inc., Lawrence Public Schools, The City of Lawrence, Lawrence Memorial Hospital, Hallmark Cards, The World Company, Aamar Garage Doors, Kmart Distribution Center, DCCCA. Education and Government are the largest employers in the city, followed by light manufacturing, retail and service sectors.

The 2006 census estimated that 12.5% of all Lawrence families were in poverty compared to 24.1% for individuals. The unemployment rate for the city as of January 1, 2010 was 5.8%.

Forty-eight percent of all households in Lawrence are renter households. The vacancy rate for rental units is 6.7%.

## **The Lawrence-Douglas County Housing Authority**

The Lawrence-Douglas County Housing Authority (LDCHA) was created in 2001 through the merger of the Lawrence Housing Authority (KS053) and the Douglas County Housing Authority (KS160). The predecessor, Lawrence Housing Authority, was created in 1968 under the Kansas Municipal Housing Act as an independent agent of the City of Lawrence charged with developing, operating and managing low rent housing for the low income population of Lawrence, Kansas. The Douglas County Housing Authority was created in 1983 by the Douglas County Commission for the purposes of administering the Section 8 Certificate Program in Douglas County Kansas. Through an Administrative Agreement between the City of Lawrence and Douglas County, the Lawrence Housing Authority was designated as the administering agency for the Douglas County Housing Authority program. With the passage of the Quality Housing and Work Responsibility Act of 1998, the dual administrative nature of the Lawrence Housing Authority became impractical given the new annual planning and board requirements placed upon housing authorities. Thus on January 1, 2001, through a joint resolution of the City of Lawrence and Douglas County, and with the approval of HUD, the two housing authorities merged as KS053. KS160 was abolished.

The LDCHA is governed by a five member board of commissioners, two appointed by the Douglas County Commission and three by the Mayor of the City of Lawrence. The resident member is an appointee of the City of Lawrence.

The LDCHA is constituted with the powers to:

- Plan, construct, maintain, operate and manage low rent housing developments of the City of Lawrence and Douglas County Kansas;
- Enter into contracts with federal, state, or local governments for funds to plan develop, support, construct, acquire or provide housing and housing developments for the low income;
- Enter into public and private joint ventures
- Enter into cooperative agreements with other incorporated jurisdictions of Douglas County to carryout affordable housing plans and developments for the low income in those jurisdictions.

The primary roles of the housing authority are as a housing developer and provider. Presently the LDCHA operates eight different types of affordable housing programs. Included in the role of housing provider is the responsibility to provide effective and equitable management services and to maintain and steward the agency's real estate portfolio.

The LDCHA partners and collaborates with other local agencies to provide housing assistance to special populations including special needs and homeless populations.

The LDCHA operates programs that support economic uplift of its tenant population through a comprehensive program of resident services including homeownership programs. The resident services programs also include services to facilitate healthy families and healthy aging in place.

The LDCHA follows business and fiscal policies that strive to achieve long term financial viability and solvency.

#### Organizational Structure

The LDCHA is divided into eight departments: 1. Administration and Business; 2. Maintenance Operations; 3. Capital Fund Program; 4. General Housing Program, a creation of the MTW program; 5. Senior Housing Program; 6. Multifamily Housing; 7. Resident Services; and beginning in late 2009, 8. Homeless Prevention and Rapid Re-housing. This department houses the e-Housing Connection, also a creation of the MTW program.

The LDCHA employs 41 staff and operates combined budgets in excess of \$8 million.

The LDCHA has been a designated *High Performer* agency by HUD for its public housing program since 1992 and for its Section 8 programs since the inception of the Section 8 Management Assessment Program.

## **MOVING TO WORK**

The LDCHA was selected by HUD as one of twenty-three housing authorities to participate in the Moving to Work Demonstration program in 1998. The Congressionally mandated demonstration was established to test new models for delivering public housing and Section 8 assistance. Congress established three objectives for the demonstration:

1. Reduce cost and achieve greater cost effectiveness in federal expenditures;
2. Give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, education or other programs that assist in obtaining employment and becoming economically self sufficient;
3. Increase housing choice for low-income families

The LDCHA signed its first five-year MTW Contract with HUD March 30, 1999. The agency began implementation of the program June 1, 1999.

The agency's objectives that were established to meet the Congressional goals were:

1. Abolish the public housing and Section 8 program administrative structure and create a new program of housing assistance called General Housing Assistance which combines the family housing units of the public housing and Section 8 TBRA.
2. Change or eliminate four basic federal rules under the 1937 Housing Act that contradict customary social and economic norms and create administrative expense. These rules form the structure of the public housing and Section 8 programs. The changes include:
  - The institution of suitability criteria as a part of eligibility criteria
  - The definition of countable income and adjusted income
  - The establishment of the concept of annual rent and the abolishment (with some exceptions) of interim re-examinations
  - Sweeping and comprehensive changes in the rent structure
3. Establish a rent structure that provides affordability while it:
  - Values the unit
  - Creates disincentives not to work
  - Motivates families to work
  - Establishes meaningful minimum and maximum rents
  - Increases PHA income thereby reducing federal subsidy or increasing housing assistance without additional subsidy

4. Increase Housing Choice:
  - For all Section 8 participants increase housing choice by permitting full discretion as to location size and cost without regard to local Fair Market Rents.
  - For public housing residents of Edgewood Homes, increase housing choice by vouchering out up to 50 percent of the units over a three- year period freeing units to rent to moderate income families, thus creating a mixed income development. This was later dropped.
5. Increase usage of existing federal funds.
  - Increase public housing rental income by \$150,000 per year.
  - Free \$500,000 per year of Section 8 subsidy.
  - Using these amounts to serve an additional 100 low-income families without additional federal subsidy.
6. Expand by at least 100 percent, the family self-sufficiency program to require participation of non-exempt public housing and Section 8 families.
7. Provide homeownership opportunities.

The above objectives created a locally driven housing program that continues to reflect community needs and values.

The 1999 MTW agreement established the specific authorizations or activities granted the LDCHA to carry out the above stated objectives.

Established as a five year demonstration, the agency's MTW agreement was extended three times in 2004, 2005, and 2006. In 2007 HUD restructured the MTW program and standardized the individual agreements that MTW participating agencies each had with HUD. In April 2008 the agency signed a new 10 year standardized agreement extending the program to 2018. The new agreement provided new expanded authorities for many housing authorities.

SUMMARY OF MTW INITIATIVES			
PAGE	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
<i>Reduce cost and achieve greater cost effectiveness</i>			
	Single fund budget With full flexibility	The LDCHA combined its public housing operating and Capital fund subsidies and HVAC assistance into a single authority source	2009
	Biennial re-examinations	Conduct biennial re-examinations for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or 50% AMI	2009
	Revised definition of countable income-1	Excluded earned income of adult children between the ages of 18 and 21	2009
	Revised definition of countable income-2	Counted income under the income disallowed 12:12:48 regulation	2009
	Streamlined public and Section 8 TBRA programs and operations	Combined public housing family housing units and Section 8 TBRA into one program called General Housing with one waiting list and single organizational program structure	1999
<i>Increase work and self-sufficiency among public housing residents and Section 8 residents</i>			
	Expanded services to residents	Required mandatory orientation program for all new residents	2009
	Use single fund budget to expand case management services to MTW households	Provided case management for households below 40% AMI to reduce barriers to employment and underemployment to maximize household's potential for securing long-term employment	2009
	Alternative rent structure	Developed alternative rent structure with minimum and maximum <b>annual</b> rents applied to all non-disabled/non-elderly households in the General Housing program	1999
	Work requirement	Required all non-elderly/non-disabled adults age 50 and younger to work or be engaged in a work-related activity	1999
<i>Increase housing choices for low-income families and individuals</i>			
	Homeownership matching grant	Provided up to \$3000 matching grant for MTW households that purchase a home	2009
	Use single fund to create temporary housing for homeless families	Created the e-Housing Connection, a temporary housing program for homeless families	2009
	Use single fund to create second chance housing	Provided TBRA to 5 participants in partnership with Douglas County Corrections prisoner re-entry program	2009

## Section I

### **Overview of the Agency's Ongoing MTW Goals and Objectives**

In its 2009 MTW Annual Plan the agency sought and received HUD approval to initiate several new changes to its MTW program under the expanded authorities that were granted under the amended and restated MTW agreement. These are to:

- Establish the LDCHA as a single fund agency with full flexibility to combine its public housing operating and Capital Fund subsidies and its Section 8 Housing Choice Voucher funds into one budget
- Conduct biennial re-examinations for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or at 50% AMI.
- Revise the definition of countable income to exclude the income of adult children between the ages of 18 and 21. However all able bodied adults between the ages of 18 and 21 must meet the work requirement. Revise the definition of countable income by abolishing the 12-12-48 month income exclusion for affected public housing and Section 8 tenants.
- Revise the homeownership program to create equity between public housing and Section 8 MTW by eliminating the escrow requirement and replacing it with a matching grant of up to \$3000 for all MTW participants that purchase a home.
- Use single fund authority to create a new housing initiative called the e-Housing Connection, a temporary transitional housing program for homeless families;
- Use single fund authority to provide five units of rental assistance to be used in collaboration with the Douglas County jail for its prisoner Reentry Program.
- Expand Resident Services to provide a mandatory orientation for all new incoming residents.
- Expand Resident Services to provide individual case management for all households with income below 40% AMI to reduce barriers to employment and underemployment, in order to maximize the household's potential for securing worthwhile long term employment.

In 2009 the LDCHA continued with all its previously approved MTW initiatives that were first implemented in 1999. These are:

- The agency streamlined its family public housing and Section 8 programs and operations by combining all functions into one program called General Housing with one waiting list and single organizational structure. To combine these different housing programs the agency established the same eligibility and

suitability criteria for all public housing and Section 8 applicants whether or not they were in the MTW rent structure

- The agency developed and applied an alternative rent structure with minimum and maximum **annual fixed** rents applied to all non-elderly, non-disabled households. In conformance with HUD requirements the agency also developed a rent hardship policy. Under the hardship policy a family may be recertified to the minimum rent for their bedroom size if they have a loss of income. The hardship policy does not permit a household in the MTW rent structure to be recertified to income based rents.

In 2009 the minimum and maximum rents for households in the MTW rent structure were:

Bedroom Size	Minimum	Maximum
1 Bdrm.	\$175	\$405
2 Bdrm.	205	465
3 Bdrm.	245	535
4 Bdrm.	265	620

Specific details of the alternative rent structure are provided in Section VI.

- The agency instituted a work requirement for all non-elderly, non-disabled adults age 50 and younger. This work requirement applies to the General Housing Program in particular. However elderly and disabled resident living senior public housing, or who are General Housing Program participants, may opt into the MTW rent structure if they are employed. In order to limit resident attempts to flee the rent structure and work requirement the agency placed a restriction on Section 8 portability which is described in Section VI.

<b>II General Housing Authority Operating Information</b>	
<b>A. Housing Stock Information:</b>	
Number of public housing units at the end of the year, discuss any changes over 10%;	The agency has 367 public housing units at the end of the year. This is the same as at the start of the year. Four of these units are approved for non-dwelling purposes. Two senior developments - Babcock Place, 120 units, and Peterson Acres, 25 units, are designated elderly housing.
Description of any significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year);	The agency spent \$623,548 in formula capital funds in 2009. No expenditure met the threshold of greater than 30%. The agency spent \$361,625 in ARRA capital funds during the same period. No expenditure met the greater than 30% threshold.
Description of any new public housing units to be added during the year by development (specifying bedroom size, type, accessible features, if applicable);	The agency added no new public housing units during the year.
Number of public housing units to be removed from the inventory during the year by development specifying the justification for the removal;	The agency removed no public housing units during the year.
Number of MTW HCV authorized at the end of the Plan Year, discuss any changes over 10%;	The agency had 591 units authorized under ACC at the end of the fiscal year. In addition to ACC units, five units were authorized in 2009 for the Douglas County Prisoner Re-entry program.
Number of non-MTW HCV units authorized at the end of the Plan Year, discuss any changes over 10%; and	The agency had one DEHAP unit authorized at the end of the Plan Year
Number of HCV units project-based during the Plan Year, including description of each separate project; and	None
Overview of other housing managed by the Agency, e.g., tax credit, state-funded, market rate.	Besides PH and Section 8 HCV units, the LDCHA owns a 58 unit multifamily project, 8 below market rate rental units and administers 50 units of HOME TBRA, and 6 units of PSH, all of which are outside the MTW contract.
<b>B. Leasing information - Actual</b>	
Total number of MTW PH units leased in Plan Year;	The LDCHA had an average 352 units under lease in the Plan Year.
Total number of non-MTW PH unit leased in	The agency had an average 52 of its 58

the Plan Year;	multifamily units under lease during the Plan Year and all 8 of its below market rate units under lease during the Plan Year.
Total number of MTW HCV units leased in Plan Year;	There were an average 592 units under lease during the Plan Year.
Total number of non-MTW HCV units leased in Plan Year; and	There was one DHAP unit under lease during the Plan Year.(This was added to the agency's ACC effective January 1, 2010).
Description of any issues related to leasing of PH or HCVs; and	For PH units the length of time it took to fill vacancies is related to approved authorized reasons for vacancy days including vacancy days created by Kansas State Law and multiple vacancies that occur in elderly properties due to conditions beyond the agency's control such as death. In the multifamily development, vacancies were due to planned rehabilitation of units.
Number of project-based vouchers committed or in use at the start of the Plan Year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the Plan Year).	None
<b>C. Waiting List Information</b>	
Number and characteristics of households on the waiting lists (all housing types) at the end of the Plan Year; and	See Chart A
Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year.	See Chart B

**Chart A  
Waiting List Information**

Number and Characteristics of Households on the Waiting Lists (All Housing Types)							
	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>TOTAL</b>
<b>Elderly</b>	5	72	5	0	1	0	<b>83</b>
<b>Near Elderly</b>	3	20	0	0	0	0	<b>23</b>
<b>Disabled</b>	22	103	16	4	3	0	<b>148</b>
<b>Family</b>	4	121	125	51	36	3	<b>340</b>
<b>TOTAL</b>	<b>34</b>	<b>316</b>	<b>146</b>	<b>55</b>	<b>40</b>	<b>3</b>	<b>594</b>

**Chart B  
Waiting List Descriptions**

	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>TOTAL</b>
Public Housing Site Based							
<b>Babcock Place</b>	10	37	2				49
<b>Peterson Acres I</b>	0	34					34
Multifamily Housing							
<b>Clinton Place</b>		10					10
LDCHA Owned Below Market Rate Development							
<b>Peterson Acres II</b>	0	0	6				6
Merged Waiting Lists (PH Family Units / Section 8 TBRA)							
<b>General Housing</b>	22	200	116	46	33	1	418
HOME TBRA							
<b>City HOME</b>	1	21	19	8	5	0	54
<b>State HOME</b>	0	8	3	0	0	0	11
MTW TBRA							
<b>Douglas County Prisoner Reentry</b>	0	1	0	0	0	0	1
Permanent Supportive Housing							
<b>HOPE Building</b>	0	1					1
e-Housing Connection							
<b>e-Housing Connection</b>	0	2	2	1	2	2	9
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
<b>TOTAL</b>	<b>33</b>	<b>314</b>	<b>148</b>	<b>55</b>	<b>40</b>	<b>3</b>	<b>593</b>

Section III: Non-MTW Related Housing Authority Information

Section IV: Long Term MTW Plan

These sections are optional and therefore not reported on in this report. They were included in the agency's 2010 MTW Annual Plan.

## Section V

### **MTW Activities Not Implemented During the 2009 Plan Year**

#### **Conduct biennial re-examinations for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or at 50% AMI.**

For 2009 the agency was approved to expand its rent reform initiative by adopting biennial re-examinations for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or at 50% AMI. Final approval for this new initiative was not received until December 2008. The LDCHA begins its annual re-examination process four months before the effective date of the re-exam. Therefore the first MTW biennial re-examinations under this activity went into effect January 2010.

During the Plan Year new biennial re-examination procedures were developed and MTW households eligible for biennial re-examination identified. The threshold for eligibility for this activity are households who met the criteria at the time of their 2009 re-examination. At the time the 2009 MTW Annual Plan was submitted there were 82 MTW households that qualified for this activity. At the time the activity was first applied there were 78 households that qualified. The benchmark for this activity is 25% of those eligible for biennial re-examination will elect it. The maximum that can elect it is 50% of those that qualify.

Since re-examinations continue throughout the year, the numbers that ultimately elect it will not be known until the end of September, which is the month when January 2011 re-examination notices are sent. However for every month that this has been in effect, beginning in September 2009 for January 2010 re-examinations, more than 50% of the eligible households have elected biennial re-examination, requiring the agency to go to a lottery system to make selections.

## Section VI

### **Ongoing MTW Activities: HUD Approval Previously Granted**

#### **Single fund budget with full flexibility.**

Year First Approved: 2009

##### *A. Describe each ongoing activity:*

Beginning in 2009 the LDCHA was approved to combine its public housing operating subsidies, public housing capital funds and its Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source (MTW Funds). Public housing capital funds are subject to the obligation and expenditure deadlines and requirements provided in section 9(j) despite the fact that they are combined into a single fund. The approval permitted the MTW fund to be increased by any additional allocation of housing choice vouchers that the agency may receive during the demonstration. Special purpose funds cannot be included in the fund during their initial term, though they will be included upon their renewal.

Specifically the agency sought this approval in order to have maximum flexibility to carry out any and all of the following approved activities:

- Provision of capital funds or operating assistance to housing previously developed, or operated pursuant to a contract between HUD and LDCHA, or newly acquired or developed.
- The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, or other housing as deemed appropriate by LDCHA, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration. Such activities may include but are not limited to: real property acquisition; site improvement; development of utilities and utility services and energy efficiency systems; conversion, demolition, financing, administration and planning costs; relocation and other related activities; provided, however, that prior HUD approval is required for the development of any incremental public housing units, pursuant to Section 9(g) (3) of the 1937 Act.
- The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or home ownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.
- The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of

tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program.

- The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime.
- The provision of Section 8 tenant-based assistance or project-based rental assistance, alone or in conjunction with other private or public sources of assistance.
- The preservation of units currently serving people of low income or the acquisition and/or development of new units for people of low income, provided that all rehabilitation and construction is done in accordance with the requirements of Section 504 of the Rehabilitation Act and where applicable, the design and construction requirements of the Fair Housing Act.
- The use of housing assistance payments for purposes other than payments to owners, so long as these purposes are consistent with other eligible uses of section 8 and section 9 funds.
- Hiring staff as necessary to assist with administering the program to ensure that activities are in line with the agreement. LDCHA also makes necessary technological enhancements to benefit the organization and the residents as ideas and concepts are tested during the demonstration.

*B. Analyze the Actual Impact of the Activity on the Stated Objectives:*

By creating a Single Fund Budget with full flexibility, LDCHA was able achieve local flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures. This allowed LDCHA the ability to give incentives to families with children where the head of household is working, seeking work, or is preparing for work, and to increase housing choices for low-income families. The greatest impact is that LDCHA resources are utilized more effectively and funding for programs are aligned more accurately based on local needs.

The 2009 MTW Annual Plan stated that the baseline and benchmark for this activity would “be seen through the results of the other activities succeeding and achieving this with greater financial ease.”

*C. 2009 Accomplishments under this Activity:*

In 2009 the Single Fund Budget and Flexibility was used to increase housing choice through the creation of two new housing initiatives to meet local need. The first was the e-housing Connection, a temporary housing program for homeless families and a Second Chance Prisoner Re-entry rental assistance program in cooperation with the Douglas County Corrections Department.

Funds were also used to assist families to increase work and self-sufficiency by expanding Resident Services programs to provide case management services to households at or below 40% AMI and to provide a Mandatory Orientation program for all new households.

Funds were also used to increase housing choice by providing up to \$3000 matching grant to MTW households that purchase a home.

These activities are discussed in individual sections following this discussion.

*D. The benchmarks for this activity were achieved.*

This activity is deemed highly effective.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This activity relates to all three statutory objectives.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity.*

Attachment C Section B. Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers: 1. Single Fund Budget with Full Flexibility: This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 905, 982, and 990 as necessary to implement the Agency's Annual MTW Plan.

Restriction on the use of public housing operating and Capital Fund subsidies, and Section 8 TBRA funds are restricted to the purposes described in Sections 8 and 9 of the 1937 Act. None of the activities described above would have been allowed without the funding flexibility granted by the above waiver.

**Expand Resident Services to provide mandatory orientation for all new incoming residents**

Year First Approved: 2009

*A. Describe each ongoing activity:*

The LDCHA expanded its Resident Services program to require all new MTW admissions to attend an orientation program on the services and programs offered by the Resident Services Department. The direct services available to tenants through this department include programs to advance economic uplift through employment assistance, programs to facilitate healthy families through therapeutic, recreational and educational programs, programs to help families identify and secure community services and resources necessary to maintain lease and program compliance in order to safeguard their housing, and programs to facilitate the transition to homeownership. By mandating this orientation program it is believed that new MTW residents would be armed with all the salient information about what is available to them so they can

access services before a family crisis occurs that jeopardizes their housing. In addition, in non-crisis situations families have information about services they can access that can enrich and enhance their family lives including education and employment opportunities.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

Mandatory participation in an orientation program reduced cost and achieved greater cost effectiveness by forestalling family crisis that lead to program and lease violations and subsequent terminations. Likewise this activity gave incentives to families with children to work or seek educational opportunities that moved them to self-sufficiency by providing upfront information on jobs, jobs training, educational opportunities, enrichment and personal development activities of the Resident Services department suitable to their circumstances and conditions

*C. 2009 Accomplishments under this Activity*

This activity was implemented April 1, 2009. Between April 1 and December 31, 2009, 64 MTW households entered the MTW program. This is the baseline for this activity. The benchmark was 80% participations. Only 25 families, or 40 percent, received the orientation. The benchmark was not achieved because the operational procedures were not fully adhered to. This matter has been resolved.

Of the 25 households that received the orientation, 12 households went on to enter the agency's family self-sufficiency program which grants participants full access to the agency's case management and supportive employment programs.

Of the 25 households that received the orientation, seven families experienced difficulty paying rent for one or more months. However, all these families were able to be assisted and none were evicted for non-payment of rent. Of the seven families, one left the program before completing their one-year lease.

In 2008, before the implementation of this activity, a monthly average of 17 MTW households had difficulty paying rent. It is not known if the cause was attributable to a reduction in income or poor money management which is frequently a factor.

In 2009, more MTW household had difficulty paying rent than the 7 that went through the mandatory orientation. Besides these 7, an additional monthly average of 14 MTW households had difficulty paying rent.

In assessing the achievements of this activity, data will continue to be gathered on the number of MTW public housing terminations. A reduction in terminations reduces turnovers which reduces cost and achieves greater cost effectiveness by reducing extraordinary maintenance and management expenses. In assessing this outcome, staff did not generalize it to terminations of all MTW households but only those 25 households that participated in the orientation. Of the twenty-five, two were terminated for lease and program violations in 2009.

*D. The benchmark for this activity was not achieved.*

Although the benchmark was not achieved this activity is deemed effective. The original benchmark is not being revised because the reason it was not achieved, as stated under C, has been addressed.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This activity relates to two statutory objectives: reduce cost and achieve greater cost effectiveness and increase work and self-sufficiency.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity.*

Attachment C: Section B.1. b. iii. Single Fund Budget with Full Flexibility

*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration

Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:

iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.

Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

**Expand Resident Services to provide individual case management for all households with income below 40% AMI to reduce barriers to employment and underemployment, in order to maximize the household's potential for securing worthwhile long term employment.**

First Year Approved: 2009

*A. Describe each ongoing activity:*

The LDCHA expanded its Resident Services programs by adding two case managers to work with MTW households to help each household member age 18 and older develop the skills and competencies required to qualify for the education or employment they desire to pursue. This activity focused on identifying the family and individual issues that act as barriers to gainful education and employment, applying strategies to mitigate those barriers while at the same time participating in employment counseling, preparation, training or educational activities. The expanded activities had a strong outreach component to local employers and educational institutions. The intent of this activity was to work directly with MTW individuals to move them to their highest income producing potential over time through consistent and ongoing job and life coaching, counseling, training and placement.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

The impact of this objective was to help the individual identify and work toward securing jobs of interest as a means of creating economic stability for the family in order to move them toward becoming economically self sufficient. The Plan calls for measuring this objective over time.

*C. 2009 Accomplishments under this Activity*

The first clients were served under this objective in April 2009. From January until April additional staff were hired and trained and the program design and implementation strategies developed.

On April 1 there were 241 MTW Households with incomes at or below 40% AMI. This is 70 more than the 171 reported in the 2009 Plan document which was submitted in October 2008. While no hard data exists to explain the increase, during the 6 months between October 2008 and April 2009 many families experienced a financial decline due to the overall nationwide downturn in the economy.

Of the 241 households, 106 or 43 % elected to participate in this objective. These 106 households are the benchmark. Of the 106 households, 48 were public housing and 58 Section TBRA households.

The average AMI of these 106 households upon entering the program was at 23.5% AMI. During the Plan Year 46 of the 106 (43%) did experience an increase in income ranging from a low of 1% to a high of 49%. The average increase in rent that these families paid is 18.40%. Seven of these households moved to the maximum rent for their bedroom size.

The remaining households experienced no increase in income. However the increases in income for the 46 households had an overall impact of raising the AMI for all 106 households by 4%.

While 60 households experienced no increase in income, the majority of the 60 households did participate in activities that overtime can lead to increased income and economic self-sufficiency.

When viewing all 106 households, 28 participated in job search and job preparation activities that lead to new employment, 50 retained and improved their employment, three continued in education programs that they began prior to 2009, two completed four-year college degrees, and one family purchased a home.

*D. The benchmarks for this activity were achieved. This activity is deemed effective*

The baseline for this activity was set at the number of MTW households at or below 40% AMI at the start of the Plan Year. This number was 241 at the start of the Plan Year. Although staff outreached to all 241 households, only 106 households elected to participate. This is the benchmark.

The benchmarks for this activity are to increase the LDCHA's overall income from rent in public housing from tenants in these households by 5%, to reduce subsidy for Section 8 tenants by 5%, and to move 3% more tenants to maximum rent, increasing the total percentage of tenants at maximum rent to 28%. (At the end of the Plan Year 25% of all MTW participants were at the maximum rent for their bedroom size.) Another benchmark is to reduce public housing turnovers by 10% and reduce hours of management staff working with residents unable to pay rent by 360 hours per year. However the Plan addresses the fact that the reduction in management staff hours will shift Resident Services staff.

During the Plan Year, 16 MTW households living in public housing were terminated for non-payment of rent and other lease violations. In 2008 the number was 23. This is a 30% reduction for the Plan Year.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

While the above did not change, it seems apparent that staff should revisit the benchmarks and metrics to determine, after one year of experience, how best to measure and evaluate this activity. Since the number of MTW households is significantly greater than the number that participate, the number that participate should be tracked as an experimental group over time verses those that do not as a control group. In addition staff needs to identify the salient activities that can be considered exclusively as having self-sufficiency potential or properties and measure gains and losses against these specific activities. As well, some measurement should be made of the jobs and economic conditions of the community so that this activity can be effectively measured against those conditions for more accurate assessment of the

program's effectiveness. The benchmarks and metrics will be reevaluated in the 2011 MTW Annual Plan.

*F. Relationship of Activity to Statutory Objective*

This activity relates directly to statutory objective 2: Give incentives to families with children whose head of households are either working, seeking work, or are participating in job training, education, or other programs that assist in obtaining employment and becoming economically self sufficient.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity.*

F. Statutory Authorization for the Activity.

Attachment C: Section B.1. b. iii. Single Fund Budget with Full Flexibility

*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:

iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.

Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

**Revise the Agency's Homeownership program to create equity between public housing and Section 8 TBRA MTW households by eliminating the escrow requirement and replacing it with a matching grant up to \$3000 for all MTW households that purchase a home.**

*A. Describe each ongoing activity:*

The agency revised its Homeownership Program in 2009 to create equity between the public housing and Section 8 TBRA households by eliminating the escrow requirement and replacing it with a matching grant of up to \$3000 for down payment assistance.

In general the contract rents for Section 8 units are higher than the contract rents for public housing units. The effect of this was that the escrow accounts of Section 8 tenants grew at a faster pace than that of public housing tenants. However the more inequitable effect was that under the Section 8 program the funds being escrowed were HAP funds where under the public housing program the money being escrowed was actually the tenant's money. The agency desired to correct this inequity and standardize the homeownership program for both public housing and Section 8 MTW households participating in the homeownership program.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

Providing limited funds to assist MTW households purchase a home served as an incentive and motivator for families to achieve economic self-sufficiency. Secondly, when families purchase a home it increases housing choice. In addition it opens up public housing and Section 8 assistance for other income eligible households thus perpetuating the objectives of the MTW program.

*C. 2009 Accomplishments under this Activity*

In 2009, seven MTW families purchased a home. Four purchases were made under the new matching grant program. Two were public housing and two Section 8 TBRA participants. Three households made purchases under the former escrow provisions. Households who began the homeownership program under the escrow provisions were allowed to retain that feature.

Of the four households that made purchases under the matching grant program, the matching grants ranged from \$2177 to \$3000 with two households receiving the full \$3000 match.

*D. The benchmark for this activity was achieved. This activity is deemed effective*

The proposed baseline for this activity was five since an average of five MTW families purchase a home annually. The benchmark that was set was 10 families purchasing a home over a three-year period after which the benchmark would be reset. Although the benchmark was achieved it is not being revised earlier than the three year period due to the uncertainty in the economy.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This activity relates to objective number 2 - to give incentives to families with children who are working to become economically self sufficient and objective number 3 - to increase housing choice for low income families.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity.*

Attachment C: B. b.iii. Single Fund Budget with Full Flexibility

*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration

Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:

iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.

Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

**Revise the definition of countable income under the LDCHA's existing MTW plan to exclude the earned income of adult children between the ages of 18 and 21. This activity pertains to adult children who are not full time students.**

*A. Describe each ongoing activity:*

The earned income of adult children between the ages of 18 and 24 who are enrolled full-time in school is excluded under the agency's MTW plan. However, for those not in

school, the income was counted and the work requirement applied. This change focuses on adult children ages 18-21.

This 18-21 year old population that is not in school frequently places their family at risk for being terminated when the adult child fails to go to work, or to retain employment after their income is factored into their household's rent. This latter situation results in an increased rent burden for the heads of household which it cannot then meet when the adult child quits employment. It also results in an MTW work requirement violation. The entire household is subject to action under the violations. In addition, it was frequently reported that in cases where an adult child works the head of household has no control over the child's willingness to contribute to the rent. In most cases these households are headed by single females. Under this change the work requirement was retained for this population.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

This activity was intended to reduce the amount of time staff spent on program enforcement activities; and to reduce the number of housing and program terminations that resulted through program enforcement. In addition it is intended to give households with adult children ages 18-21, the incentive to pursue employment activities without the rent burden that is imposed when the adult child goes to work. By not counting this income it provided an incentive to the adult child to work.

*C. 2009 Accomplishments under this Activity*

In 2009, 63 households, 19 in public housing and 44 in Section 8 TBRA, had adult children between the ages of 18 and 21 who were not in school and whose income was excluded under this initiative. Of the 63 households, 49 were in the MTW rent structure. A total of \$179,086 in wage income was excluded from use in the calculation of rent for these 63 households.

There were five work requirement actions taken against this population for failure to meet the work requirement. All complied by either getting a job or enrolling in school.

*D. In 2009 there was no benchmark for this activity. This activity was deemed effective. For 2010 the benchmark for this activity will be 50.*

The agency will continue to keep data on the number of MTW households that have adult children between the ages of 18 and 21 as to their employment, educational, and income status and age at which they leave the household. The agency is interested in the impact of this population on low income households, particularly those that are headed by a single female head of household. Beginning in 2010 the agency will also keep data on the amount of staff time used under this activity and the number of terminations that occur in the households with adult children between the ages of 18 and 21.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This activity relates to statutory objective #1; to reduce cost and achieve greater cost effectiveness in federal expenditures. It also relates to statutory objective #2; to give an incentive to families with children that are working...to become economically self-sufficient.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C Section C. Authorizations Related to Public Housing; (11) Rent Policies and Term Limits.

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

Attachment C: D. 2.a Rent Policies and Term Limits

The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

The agency cannot modify the definition of income without MTW authority

**Revise the definition of countable income to include income presently disallowed under the 12:12:48 regulations.**

*A. Describe each ongoing activity:*

In 2009 the LDCHA began to count as income wages from employment of disabled residents. This activity pertains to the income disallowance for disabled public housing and Section 8 tenants under the 12:12:48 month income disallowances rule. This exclusion has a direct result of increasing the federal contribution to housing and housing assistance by disallowing earned income that can be counted toward the

household's contribution toward rent. The tracking for this disallowance was extremely burdensome and added two hours additional processing time per month for every household with disallowed income under this regulation.

Nineteen households presently were participating in the 12:12:48 income exclusion. Their total of the excluded income was \$85,500. Staff spent 253 hours annually tracking and processing income changes under this regulation.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

This activity was intended to eliminate the processing time that it took to track and record this income exclusion. It also resulted in a decrease HAP subsidy paid to the landlord on the behalf of these households. Please see comments under *E*.

*C. 2009 Accomplishments under this Activity*

In 2009, 19 households with excluded income were recertified and their excluded income identified for inclusion in the tenant's 2009 share of rent having a potential overall impact of increasing rent an average \$372/mo per household. The total amount of the excluded income was \$85,000. However, as is the policy of the LDCHA's MTW program, elderly and disabled tenants with employment income may participate in the MTW rent structure. These households joined other elderly and disabled households in participating in the MTW rent structure. In 2009, 28 elderly and disabled households were voluntarily participating in the MTW rent structure, 21 in Section TBRA, and seven in public housing.

*D. The benchmark for this activity was met. This activity is deemed effective*

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

The baseline for this activity was the reduction of subsidy and staff processing time. Tracking under this activity is very labor intensive given the complexities of the rule and the declining income percentage that is counted over what can be up to a 48 month period. In addition each change has to be tracked, not only on an annual basis, but on an intermittent basis throughout the year every time there is a reduction in earned income. Besides tracking the households that were covered by this rule at the time the change was adopted, staff must also track those that would have been covered by the rule had the change not been adopted. Tracking for MTW reporting purposes eliminates the cost savings in staff time. In addition since elderly and disabled households may join the MTW rent structure they can choose which rent structure is of greatest benefit the them. The agency will continue to attempt to measure the reduction in staff processing time annually at the time of the individual's annual recertification.

*F. Relationship of Activity to Statutory Objective*

This activity relates to statutory objective #1; to reduce cost and achieve greater cost effectiveness in federal expenditures.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C Section C. Authorizations Related to Public Housing; (11) Rent Policies and Term Limits.

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

Attachment C: D. 2.a Rent Policies and Term Limits

The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

**Use up to \$58,000 from the single fund MTW budget to fund a new housing initiative called the e-Housing Connection, a temporary transitional housing program for homeless families and individuals..**

*A. Describe each ongoing activity:*

In 2009 the LDCHA created the e-Housing Connection as a volunteer temporary housing program that matches landlords with vacancies with homeless families for whom the local emergency homeless shelter is not an appropriate placement. (Lawrence does not have homeless shelter for families). The LDCHA maintains a data base of landlords willing to work with e-Housing clients for three months. The LDCHA determines eligibility based upon residency and federal housing prohibitions only, and then facilitates the match. All participants are case managed by local social service providers as part of the client's participation requirements. The agency provides up to \$500 in HOME funds for security deposit assistance, and in 2009 also was able to provide \$300 in rental assistance for up to three months for 19 families with \$8,900 in City of Lawrence Outside Agency funds.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

This program expanded the amount of affordable temporary housing in Lawrence Kansas at no cost to the taxpayer. In addition the case management requirement included goals and activities to help the family and individual overcome the barriers that led to their homeless condition. The intent is to start moving the family and individual to employment.

*C. 2009 Accomplishments under this Activity*

The agency initiated this program in January 2009. A coordinator was hired and activity undertaken to implement the program's design including the recruitment of landlords into a data base and outreach to homeless families through local social service agencies as expressed in the benchmarks listed in the 2009 MTW Annual Plan. In 2009, forty-five families were found eligible, thirty leased up, twelve went on to receive HOME Transitional Housing vouchers, and were leased up in public housing. Thirty-five applicants have been found ineligible. There were twenty-four landlords who signed up to participate in the program in 2009.

*D. The benchmark for this activity was met. This activity is deemed very effective.*

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This objective relates to statutory objective number 3: Increase housing choice for low-income families.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C: Section B Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers (4) Transitional/Conditional Housing Program. The agency may develop and adopt new short-term transitional housing programs consistent with the eligible use of Section 8 and 9 funds with supportive services...in collaboration with local community based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. More specifically, under no circumstances will residents of such programs be required to participate in supportive services that are targeted at persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs developed under this section will not be conditioned on the presence of a disability or a particular disability. This section is not intended to govern the designation of housing that is subject to Section 7 of the 1937 Act. *This authorization waives certain provisions*

*of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

**Allocate funds from the Single Fund MTW budget to provide five units of tenant based rent assistance to be used in partnership with the Douglas County Sheriff's Department Corrections Division for their prisoner re-entry program.**

*A. Describe each ongoing activity:*

In January 2009 the LDCHA set aside funding for 5 units of TBRA to be used in collaboration with the Douglas County Corrections Department to provide housing assistance for five of their inmates being released from Douglas County jail under their Prisoner Re-entry Program. To be eligible for referral the inmate must meet performance criteria established by the Department of Corrections. To qualify for assistance the inmate must be a Douglas County resident and must not be excluded under the federal housing mandatory prohibition rules.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

This program provided housing to individuals who otherwise would not be eligible for housing assistance. It permits the individual to have affordable, decent and sanitary housing so that they can focus on attaining their re-entry goals which includes obtaining employment.

*C. 2009 Accomplishments under this Activity*

In the Plan Year 3 individuals were leased up in this program. One lease was terminated before the tenant took possession because he re-offended and was returned to jail. A total of \$2,693 in monthly subsidy was paid on behalf of these individuals and another \$1020 in security deposits.

*D. The benchmark for this activity was met. This activity is under evaluation.*

The baseline for this activity was zero and the benchmark the number housed or three. There were not a sufficient number of referrals by Corrections to fill all 5 vacancies. This caused the LDCHA and Corrections staff to reevaluate referral criteria. The LDCHA continues to work with Corrections on filling this program. Currently there are two referrals in progress and two tenants under contract.

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This objective relates to statutory objective number 3: Increase housing choice for low income families.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C: Section B Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers (4) Transitional/Conditional Housing Program. The agency may develop and adopt new short-term transitional housing programs consistent with the eligible use of Section 8 and 9 funds with supportive services...in collaboration with local community based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. More specifically, under no circumstances will residents of such programs be required to participate in supportive services that are targeted at persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs developed under this section will not be conditioned on the presence of a disability or a particular disability. This section is not intended to govern the designation of housing that is subject to Section 7 of the 1937 Act. *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

**Combined Public Housing Family Housing Units and Section 8 TBRA into One Program Called General Housing with one Waiting List and Single Program**

**Organizational Structure**

Year First Approved: 1999

*Describe each ongoing activity:*

The LDCHA combined the 591 Section 8 TBRA program units and 210 units of family housing under the public housing program into one program called General Housing Assistance with a combined waiting list. In determining eligibility for this program the agency adopted the same suitability criteria as used in the public housing program. Applicants on the General Housing waiting list are offered the first available form of assistance, either a family public housing unit or Section 8 TBRA. For all waiting lists, including site based waiting lists for senior public housing, and the General Housing waiting list, an applicant who rejects two offers of assistance is dropped from the waiting list. Families who accept an offer of assistance are removed from all waiting lists.

The General Housing Department is organized functionally into two units. One unit is responsible for all functions from initial housing inquiry to applications processing eligibility determinations, initial examinations, annual or biennial re-examinations, program enforcement relative to income reporting and HAP processing. The second unit is responsible for all program and property management functions including lease enforcement of the public housing units and program enforcement of Section 8 TBRA tenant and landlord contracts. All physical property inspections are carried out by this unit.

*B. Analyze the Actual Impact of the Activity on the Stated Objective:*

This activity has had the effect of standardizing eligibility criteria, maintaining high occupancy rates in family public housing units, decreasing the waiting time for an affordable housing unit, and streamlining administrative program functions.

*C. 2009 Accomplishments under this Activity*

**Suitability Criteria**

During the Plan Year, 796 households applied for housing assistance with the LDCHA. All applications were screened under LDCHA MTW screening criteria which contain the following restrictions.

- History of violent or drug related criminal activity as evidenced by repeated arrests and/or convictions within five years of the date of application and/or the date assistance is offered.
- Residential history reflecting a pattern of property damage, willful disregard for the safety and well being of others, disregard for the peaceful enjoyment of neighbors, and/or inability to comply with contractual obligations of the lease within three years prior to the date of application and/or date assistance is offered.

A total of 66 applicants were denied under the suitability criteria. Twenty-nine (29) could not be processed because of incomplete or inconsistent information. Another 95 did not complete the final application interview.

**General Housing Merged Waiting List**

Of the 606 households found eligible, 354 were eligible for placement on the General Housing merged waiting list to be offered the first form of housing assistance that became available, either public housing or Section 8 tenant-based assistance. The remaining 104 requested and were placed on the Elderly, Transitional, or Supported Housing waiting lists. Those eligible for elderly housing who were also eligible for general housing were placed on that waiting list if they so requested on their application. Thus some households had placement on multiple waiting lists. Regardless, LDCHA MTW procedure provides that an applicant will be made two offers of housing assistance before being dropped from the waiting list after which they must reapply.

On January 1, 2009, there were 416 households on the General Housing combined waiting list. During the year 354 additional households were added to the list. Of the households placed on the General Housing waiting list, 224 offers of housing assistance were made during the Plan Year, six passed on two offers of assistance and were eventually dropped from the General Housing waiting list. During this period 112 housing vouchers were offered, and 56 were issued for Section 8 assistance, and 144 offers for public housing assistance were made. A total of 136 households entered into leases. Of this number, 78 were MTW households, 42 were public housing, and another 36 were under tenant-based housing.

*D. There is no benchmark for this activity. This activity is deemed effective. The benchmark for 2010 will be set based upon the 2009 occupancy rate for public housing and Section 8 TBRA.*

*E. The metrics, and cited authorizations did not change over the year.*

*F. Relationship of Activity to Statutory Objective*

This activity relates to statutory objective 1: to reduce cost and achieve greater cost effectiveness in federal expenditure. This activity also is in keeping with the purpose of the MTW program to devise locally driven housing solutions.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C: Section C.1 Site Based or Geographic Area Waiting List System

The Agency is authorized to implement a locally designed waiting list system in lieu of the specific procedural requirements of 24 C.F.R. Part 903 provided that it provides applicants with a reasonable choice of location in accordance with title VI of the Civil Rights Act, the Fair Housing Act, and other applicable civil rights requirements. The Agency may implement additional site-based waiting lists under this MTW Agreement. Such additional site-based waiting lists will be developed, at the Agency's option, to address various situations, including, but not limited to the following: (1) any existing or new or mixed-income, mixed finance communities; (2) any on-site and/or off-site public housing replacement units developed in support of the Agency's redevelopment or HOPE VI efforts, if any; (3) any specially designated public housing or project-based communities; and **(4) combining or separating waiting lists for Section 8 tenant-based or project-based assistance, public housing rental communities, homeownership opportunities, and mixed-income, mixed-finance communities.**

*This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan. And,*

Attachment C: Section D. 4. Waiting List Policies

The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program

requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

The merged waiting list and adoption of suitability criteria requires MTW authorization

**Alternate Rent Policy**  
Year First Approved: 1999

*A. Describe each ongoing activity:*

**MTW Rent Structure**

The agency developed a rent structure that requires all able-bodied adults to pay a significant minimum amount of rent regardless of their income. To reward work, the agency set a maximum or ceiling rent for each size house or apartment. To encourage employment advancement the agency established a system of income deductions that increase as hours of work increase.

Under the standard federal housing assistance rent formula tenants pay 30% of their adjusted gross income for rent. (The 1998 Reform Act now permits housing agencies to deviate from this by requiring agencies to offer the options of flat rents along with income-based rents for public housing residents.) Income-based rent is a system that discourages work and encourages fraud, for the less income a household has, the less rent it pays. The LDCCHA's MTW rent structure requires a significant minimum payment regardless of income and caps rent as income rises.

In 2009 the minimum and maximum rents for households in the MTW rent structure were:

Bedroom Size	Minimum	Maximum
1 Bdrm.	\$175	\$405
2 Bdrm.	205	465
3 Bdrm.	245	535
4 Bdrm.	265	620

Besides household income, the other factor that determines a household's rent payment is the system of income deductions awarded to working households. These include:

- 10% earned income deduction for those working at least 35 hours/week
- \$2,000 medical deduction for those working at least 35 hours/week
- full out-of-pocket dependent care deduction necessary to allow work or school attendance
- utility allowance as an annual income deduction, not as a monthly deduction from rent

- increase in the child dependent deduction to \$840 per child capped at \$1680 per family

Actual monthly rent is determined by:

- annualizing total household income
- subtracting allowable deductions
- multiplying the sum by 30%
- dividing the amount by 12

If the final amount is less than the minimum rent for the bedroom size occupied by the household, the annual rent is raised to the minimum. If it is higher than the maximum rent, it is lowered to the maximum. If it falls between the minimum and maximum, it is set where it falls. Families that receive tenant-based assistance may pay a rent higher than the maximum if they select a unit with a contract rent that exceeds the payment standard.

#### Application of MTW Rent Structure

The alternative rent policy and work requirement apply to all households that receive General Housing Assistance which contain a non disabled adult age 50 and younger in the household. Exempt households may elect to participate in the alternate rent policy if they meet the work requirement.

#### Annual Rent

An important component of the LDCHA's MTW rent structure is the feature of **Annual Rent** or Fixed Rent. Rent is fixed for one year and does not change, regardless of changes in household income or composition except in instances where a household permanently loses income through death, divorce, or when an income producing adult child moves out of the household.

#### Other Approved Rent Reform Elements of the Rent Structure

Section 8 portability is restricted. MTW families may not move outside the LDCHA's jurisdiction except if the family applies for and receives an exception from this rule as a reasonable accommodation for a disability or other good cause, such as to take a job in a different city. Households porting into the LDCHA's jurisdiction must participate in the MTW program.

Rent loss protection is available to private sector landlords in cases where an MTW household is evicted for nonpayment of rent equal to up to two months unpaid tenant rent in the event that the security deposit is not sufficient to cover the unpaid rent.

Families who have an annual gross income that exceeds 50% of the area median income are offered an opportunity to join the homeownership program. Families who do not join the homeownership program may remain in their rental unit until their gross annual income reaches 80% AMI at which time they become responsible for paying the full contract rent. When a family gross annual income reaches 100% AMI they must pay rent under income based regulations. The flat rent option under the public housing regulations does not apply.

Households that have both elderly/disabled members and able bodied adults members are considered mix eligibility households and are place in the MTW rent structure.

Discretionary Exemptions are exemptions from the MTW rent structure and work requirements reserved for older able-bodied adults who fit the MTW participation criteria. They are adults with undiagnosed mental or emotional disabilities who, through their behavior, demonstrate limited skills level or capacity, or have been determined to be incapable of acquiring or maintaining employment

#### Rent Hardship Policy

The MTW agreement required the LDCHA to develop a Rent Hardship Policy. The LDCHA's policy permits a degree of rent relief if the household experiences a loss in income due to lay-offs, plant closing, or medical illness. Under the policy, a family may be re-certified to the MTW minimum rent based on the nature and amount of the income loss. The rent reduction is for a period not to exceed three months. Only one hardship is granted per calendar year.

If the family's income loss is due to a condition that then qualifies the individual for a disability under ADA, the household's designation is changed from MTW to income based and they are then recertified under the income base rent structure.

#### *B. Analyze the Actual Impact of the Activity on the Stated Objective:*

The MTW Rent Structure serves as an incentive to work by requiring the household to pay a significant minimum rent. In addition the maximum rent options and the income deductions reward individuals that seek to move up the economic ladder by encouraging them to seek employment advancement. The number of households that purchase homes annually is evidence of the impact of this objective as well as the small number of termination that are done annually for nonpayment of rent.

#### *C. 2009 Accomplishments under this Activity*

##### MTW Rent Impact Analysis

The following analysis looks at the amount of rent MTW participants were paying during Plan Year and compares it to the rent they would have paid if operating under standard federal regulations using the 30% income-based rent model with mandatory income exclusions. This analysis does not take into consideration the impact the "flat rent" option that public housing residents would have in the absence of the MTW Program. This option would cap public housing rent at a fixed ceiling as determined by the agency.

There were 428 households that participated in the MTW Program during the Plan Year; 185 in project- based units and 243 in tenant-based vouchers. This evaluation does not draw comparisons between project-based and tenant-based rents because of the effect that local rental market conditions have on tenant-based rents. The MTW rent formula

for tenant-based participants includes a maximum subsidy based on the voucher payment standard. Tenant-based participants that rent a unit costing more than the maximum subsidy have an additional rent responsibility.

#### Public Housing Participants

One hundred eighty-five (185) public housing households are included in this analysis, Sixty-seven (67) of this number, or 36 %, were at the minimum rent for their bedroom size. Fifty-eight (58), or 31%, were at the maximum rent. The remaining sixty (60) or 33% were paying a rent equal to 30 percent of their adjusted gross income as determined by MTW factors.

Eighty-eight (88,) or 48%, of the 185 MTW households were paying a higher monthly rent under MTW than they would pay under standard federal regulations. **This population includes households with income that is excluded under other federal statutes.** Therefore the reader cannot draw a conclusion as to the true impact of the rent structure on this population except to say that these households with income now have a rent obligation where they otherwise did not under standard federal regulations.

The rents for this group ranged from an average \$25 more for a one bedroom household to a high of an average \$122 more in monthly rent for a three bedroom.

Ninety (90) households or 49% of public housing participants paid lower monthly rents under MTW than they would pay under the standard income-based formula rents. Their rents ranged from an average low of \$123 monthly rent for a one bedroom unit to an average high of \$307 less for a four bedroom unit.

In all but one case, the aggregate average MTW rent paid for each bedroom size unit was less than the average that would have been paid under the income-based formula

during the Plan Year. The differences are shown below:

	<u>Avg. MTW Rent</u>	<u>Avg. Income-based Rent</u>
1 Bedroom	\$332	\$392
2 Bedroom	281	280
3 Bedroom	384	454
4 Bedroom	465	491

#### Section 8 TBRA Assistance

In the public housing analysis above, the starting and primary element affecting a tenant's rent amount is total household income. This is not the case in tenant-based assistance where rent subsidies are capped at the payment standard and tenants pay the difference between the cap and actual rent charged. An illustration of this from two actual cases follows:

Case 1: Family “X” rents a three-bedroom apartment in Edgewood Homes, a public housing development. The family has \$7,100 in adjusted gross income. Under the MTW rent formula the family pays \$245 monthly rent for the unit.

Case 2: Family “Y” rents a three-bedroom apartment from a private landlord with a contract rent of \$1250. The payment standard or subsidy cap is \$1190. The family has adjusted gross income of \$7,100, which places the family’s monthly MTW rent obligation at \$245, the same monthly rent as the public housing resident above. The LDCHA will pay \$945 in rent subsidy to the landlord (\$1190 cap less the tenant’s \$245 MTW share of rent). The tenant must pay the \$60 overage. Thus the same similarly situated tenant-based assisted resident will pay \$305 rent under the MTW program because they selected an apartment with rent in excess of the payment standard. The LDCHA payment standard is set at 110% of the local Fair Market Rent. (FMR) This payment standard is used as the maximum subsidy for MTW rent calculations. MTW households that select a unit with a contract rent that exceeds the payment standard, thereby choosing to pay an overage, skew the data related to rent averages.

In the Plan Year there were 30 households that paid an overage. Of those households, eight paid a rent higher than the maximum rent for their bedroom size. The average overage ranged from a low of \$26 more a month for a two-bedroom unit to a high of \$125 more for a four-bedroom unit.

There were 241 Section 8 tenant-based assisted households that participated in the MTW Program during the Plan Year. Of this number 44 or 18% were at the maximum rent for their unit size. Sixty-nine (69) or 29% were at the minimum rent. One hundred twenty-one (121) or 50% were paying 30% of their monthly income for rent under the MTW rent formula.

Of the 241, 99 or 41% were paying a higher monthly rent under MTW than they would pay under conventional income-based rent formula.

The remaining 142 families, 59%, paid lower monthly rents under the MTW formula.

With the exception of two-bedroom households, the aggregate average rent for the other unit sizes was less than the average that would have been paid under the income-based formula.

	<u>Avg. MTW Rent</u>	<u>Avg. Income-based Rent</u>
1 Bedroom	\$335	\$407
2 Bedroom	296	284
3 Bedroom	380	399
4 Bedroom	437	509

#### Changes in Gross Income of MTW Participating Households

Of the 426 families participating in the MTW program in the 2009 Plan Year, 299 (70%) were also participants in 2008.

### Public Housing Participants

Of the 299 participants, 114 (38%) were in public housing. Of this number 66 or 58% had an increase in gross household income; 43 or 38% had a decrease in household income and 5 or 4% experienced no change in household income. Of the 66 households that had an increase in household income, the average increase was \$8,854 per household. The average increase was \$3,781 per household more than the previous year. Of the 43 who experienced a decrease the average decrease was \$12,171 per household. This average loss is \$5,828 greater per household than for the same population in the previous year.

### Tenant Base Rent Assistance

Of the 299 participants, 185 (62%) were Section 8 tenant based voucher participants. Of this number 109 or 59% had an increase in household income, 61 or 33% had a decrease in household income and 51 or 8% experienced no change in household income. Of the 109 households that had an income increase, the average increase was \$7,034 per household. This is \$356 more per household than the previous year. Of the 61 who experienced a decrease, the average decrease in household income was \$10,057. This is a \$2857 greater loss per household than the previous year.

For both public housing and Section 8 TBRA participants in the MTW rent structure the change in household income was taken between 2008 and 2009.

The economy is the primary reason for the loss of income. In the last quarter of 2008 and first three quarters of 2009 more LDCHA residents, with long stable work histories, lost jobs than in any previous period. For those who were able to find reemployment the new jobs came with a salary that was significantly less than the previous jobs. Resident Services provides job counseling and employment assistance with households in this category. In addition the hardship policy is frequently applied in these cases. Other reasons for loss or reduction of income are changes in household composition that is due to divorce, separation, or older children leaving the household. Another reason is that the head of household goes back to school and the household income is reduced and no longer countable.

### Maximum Rent Households

There were a total of 111 households at maximum rent for their bedroom size for both public housing and Section 8 TBRA participants. This equals 25% of the MTW participants.

### Discretionary Exceptions

During the Plan Year 28 discretionary exemptions from the rent structure and work requirement were granted, ten in public housing and eighteen in Section 8 TBRA.

### Re-Examinations of Annual Rent

During the Plan Year four households, two in public housing and two in Section 8 TBRA, were granted rent recalculations under the Annual Rent requirement and were re-certified to a lower rent because of death, divorce, or where an income producing adult child left the household.

## Hardships

During the Plan Year, ten hardships were granted, five from public housing and five from Section 8 TBRA. Six of the hardships were granted for loss of employment and four for medical reasons. A household may remain at the hardship minimum rent for up to 90 days after which they are returned to their previous rent amount.

## Terminations for Failure to Pay Rent

During the Plan Year fourteen MTW households were terminated for failure to pay rent, thirteen in public housing and one in Section 8 TBRA

*D. The benchmark for this activity was met. This activity is deemed effective.*

*E. The metrics, benchmarks, and cited authorizations did not change over the year.*

## *F. Relationship of Activity to Statutory Objective*

These activities relate to statutory objectives 1 and 2; Reduce the cost and achieve greater cost effectiveness in federal expenditures, and give incentives to families.....to become economically self sufficient.

## *G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

### Attachment C: Section C. 11. Rent Policies and Term Limits

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan. And,*

### Attachment C: Section D. 2.a. Rent Policies and Term Limits

The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan. And,*

Attachment C. Section D. 1.g. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. *This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C. Section D.1.d. The Agency is authorized to determine a damage claim and/or vacancy loss policy and payment policy for occupied units that differs from the policy requirements currently mandated in the 1937 Act and its implementing regulations. Damage and vacancy authority are subject to state and local laws. *This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C. Section E. Authorizations Related to Family Self Sufficiency

The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the Agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

This waiver is necessary because federal regulations do not permit deviations from federal rent rules.

## **Work Requirement**

Year First Approved: 1999

### *A. Describe each ongoing activity:*

The agency established a work requirement as part of its MTW program. The work requirement mandates that all able-bodied adults age 18 and older work a minimum of 15 hours a week. For a two-adult household with minor children, the work requirement can be met if one adult works 35 hours per week. Enrollment in a post secondary education program or work training program satisfies the work requirement. An adult child in the household is also subject to the work requirement. Failure to meet the work requirement is a major program breach that can lead to termination of housing assistance.

A household's housing assistance is suspended and they must pay the full contract rent for their public housing or Section 8 TBRA unit if the household fails to meet the work requirement. Households that have their housing assistance suspended are given 30 days to correct the violation before termination action begins. Termination actions are in conformance with the agency's lease policy.

### *B. Analyze the Actual Impact of the Activity on the Stated Objective:*

The work requirement mandate has been demonstrated to move families to work or risk losing their housing assistance

### *C. 2009 Accomplishments under this Activity*

Of the 428 households that participated in the MTW program during the Plan Year there were 45 work requirement enforcement actions. All households came into compliance. Of the 45, 26 were in Section 8 TBRA and 19 in public housing.

Of the 428 households 164 were working full time and 116 were working part time.

During the Plan Year, 84 (20%) of the households were meeting the work requirement by being enrolled full time in a post secondary educational institution.

### *D. The benchmark for this activity was met. This activity is deemed effective*

### *E. The metrics, benchmarks, and cited authorizations did not change over the year.*

### *F. Relationship of Activity to Statutory Objective*

This activities relate to statutory objectives 1 and 2; Reduce the cost and achieve greater cost effectiveness in Federal expenditures, and give incentives to families.....to become economically self sufficient.

*G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity*

Attachment C: Section C. 11. Rent Policies and Term Limits

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C: Section D. 2.a. Rent Policies and Term Limits

The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C. Section D. 1.g. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. *This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C. Section D.1.d. The Agency is authorized to determine a damage claim and/or vacancy loss policy and payment policy for occupied units that differs from the policy requirements currently mandated in the 1937 Act and its implementing regulations. Damage and vacancy authority are subject to state and local laws. *This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan.* And,

Attachment C. Section E. Authorizations Related to Family Self-Sufficiency

The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the Agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the

above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

This waiver is necessary because standard federal regulations do not permit the institution of a work requirement

## Section VII

### **2009 Consolidated Revenues and Expenditure**

#### Sources of 2009 Funds

The Consolidate Revenues and Expenditures lists all the sources of funds that the agency received in 2009. These sources remain unchanged over previous years with the exception of ARRA Capital Funds. S For ongoing previously approved HUD ROSS grants, only 2009 allocations for multi-year grants are presented.

#### Uses of Funds

The uses operated by account and not by program as required by the MTW Plan requirements.

Administrative and Management Salaries included all the salaries for all positions except those salaries which provide direct resident and social services to tenants.

Other Operating Administrative Expenses represents the costs of all administrative expenses including legal, staff training, communication, accounting services, sundry, etc.

General Expenses include the cost of insurance, PILOT, collection losses.

Resident and Social Services represents the direct costs associated with providing resident services to all residents whether or not they are participants in the MTW program.

Extraordinary/Capital Improvements/ Equipment includes costs associated with physical improvements to the agency's public housing developments. It also includes costs for purchase of computers and software.

The LDCHA used funds in 2009 for the intended purposes of the specific federal, state, local and resident services programs even though it operated the Public Housing, Section 8 assistance, and Capital Fund as a single fund budget with full flexibility. The agency did not reduce the number of public housing and Section 8 assisted units in 2009. Public Housing, Section 8 and capital funds were used to pay for the administrative, operational, and maintenance costs and capital fund improvements of the respective programs which included previously approved MTW Initiatives.

Since all the agency's public housing and Section 8 TBRA units/ households are in the MTW program, even though not all households participate in the alternative rent structure and work requirement, these programs are listed as MTW activities in the Consolidated Revenue and Expense Statement.

While the LDCHA will operate as a single fund budget, in 2009 it used its capital funds for the intended and authorized purposes of the regulations governing this program. However this program is also included under the MTW budget.

## 2009 Consolidated Revenues and Expenditures

SOURCES OF FUNDS	January 2009 – December 2009
Public Housing Operating Subsidy	\$ 696,178
Public Housing Rental Income	1,247,39
Capital Fund	635,567
Public Housing Investment Income	13,682
Other Public Housing Income – Cell Tower, Vending, Bus Receipts	122,018
Public Housing Non Dwelling Rent	400
Other Public Housing Income – Tenant Late Fees/Tenant Damages	35,393
Section 8 TBRA Funding Allocation	3,869,290
Section 8 TBRA Investment Income	42,945
Section 8 TBRA Fraud Recovery	0
Section 8 TBRA Administrative Fees Portables	0
HUD Resident Services Grants/HCV	292,839
Resident Services Foundation Grants	0
Section 8 Multi Family Operating Subsidy and Rental Income	342,498
Section 8 Multi Family Investment Income	708
Section 8 Multi Family Other Income – Vending, Laundry	3,991
Section 8 Multi Family Other Income – Tenant Late Fees/Damages	1,619
HOME Investment Partnership Program TBRA	279,121
HOME Investment Partnership Program TBRA Interest Income	224
Continuum of Care: Permanent Supportive Housing	102,234
Continuum of Care: Permanent Supportive Shelter Tenant Rental Income	4,630
Component Unit: Peterson Acres II Tenant Rental Income	50,074
Component Unit: Peterson Acres II Investment Income	174
Capital Fund ARRA	767,108
<b>TOTAL SOURCES OF FUNDS:</b>	<b>\$ 8,508,087</b>
USES OF FUNDS	
Administration and Management Salaries	\$ 1,094,476
Employee Benefits	262,178
Auditing	11,751
Other Operating – Administrative	330,710
General Expenses	122,298
Utilities	335,518
Protective Services	30,963
Resident and Social Services	346,879
Ordinary Maintenance and Operations – Labor	450,465
Maintenance Materials and Other Operations	96,855
Maintenance Contract Costs	118,091
Extraordinary Maintenance / Capital Improvements / Equipment	623,548
Capital Fund ARRA	367,237
HAP / Leasing	3,207,121
2009 MTW Initiative	178,528
<b>TOTAL USES OF FUNDS</b>	<b>\$ 7,575,618</b>

**2009**  
**Moving To Work Revenues and Expenditures**

All public housing and Section 8 units (954 combined) are in the MTW program. Of this number 815 units comprised the General Housing Program which was created under the MTW program. Of this number 426 households participated in the MTW alternative rent structure and work requirement during 2009. The consolidated MTW budget includes the costs associated with the public housing, Section 8 TBRA programs, the Capital Fund Program and the specific new 2009 MTW initiatives. The new 2009 initiatives were Expanded Resident Services and Homeownership, Prisoner Re-Entry Program and the e-Housing Connection.

<b>MTW FUNDS</b>	
<b>SOURCES OF FUNDS</b>	<b>January 2009 – December 2009</b>
Public Housing Operating Subsidy	\$ 696,174
Section 8 TBRA Allocation	3,869,290
Public Housing Rental Income	1,247,394
Capital Fund	635,567
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 6,448,425</b>
<b>USES OF FUNDS</b>	
Previously Approved Initiative	\$5,347,467
2009 New Initiative	178,528
2009 Capital Fund*	623,548
<b>TOTAL USES OF FUNDS</b>	<b>\$ 6,149,543</b>

\*Includes expenditures made under 2008 and 2009 Capital Grants

## Section VIII

### **Administrative**

- A. The agency has had no deficiencies cited from monitoring visits, physical inspections, or other oversight and monitoring mechanisms.
- B. The agency has not conducted directed evaluations of the demonstration other than monitoring and tracking of pertinent information relative to each approved MTW initiatives as presented earlier in this report document.
- C. The Performance and Evaluation Report for Capital Fund activities were presented with the 2010 Annual Plan Statement and are not presented in this document. Please indicate if Capital Fund ARRA reports are requested.
- D. The Certification of Compliance with the Statutory Requirements are attached.