

Housing Authority of the County of San Bernardino

Moving to Work Fiscal Year 2009 Annual Report

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Building Communities, Changing Lives



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I. INTRODUCTION

Background – The Housing Authority of the County of San Bernardino (HACSB) completed its first year of participation in the United States Department of Housing and Urban Development’s Moving to Work (MTW) Demonstration Program in Fiscal Year (FY) 2009 (October 1, 2008-September 30, 2009). Although HACSB has only had its MTW designation for a short period of time the positive impact on our participants, landlords, community and staff is becoming evident. We are committed to achieving significant results throughout the term of our Agreement in order to meet the three statutory objectives, our long term vision and the affordable housing needs of the County of San Bernardino. This FY 2009 Annual Report provides in-depth information on our Moving to Work vision, activities and progress to HUD, community stakeholders and program participants.

Through the course of our first year we submitted an Initial MTW Plan to HUD, which was approved on September 25, 2008 and a Revised Initial Plan that was approved on June 29, 2009. A total of 12 MTW activities were proposed by the Housing Authority and subsequently accepted by HUD. Our Agency diligently worked to implement these activities throughout the course of the year in order to advance our long-term agency vision. Due to the submission of our Revised Initial Plan in late June we only had 3 full months to implement the majority of these activities in FY 2009 and as a result most activities were still in the development phase at the end of FY 2009 and will be fully implemented in FY 2010.

Overview of Agency’s Goals and Objectives - As the Agency has begun implementing its local MTW Program, HACSB has been guided by its long-term MTW goals as well as its strategic plan, mission, vision and values. Immediately prior to our designation as an MTW Agency we embarked on a 30 year strategic planning process. This effort, enhanced by flexibilities granted to us under MTW, will help us achieve our many goals and objectives.

We have also found in our first year of Moving to Work that the planning process to implement activities has energized our staff by providing tangible opportunities to meet the strategic vision developed by the agency. For example, while conducting in-depth staff interviews to establish baselines for our MTW Activities a front-line case worker remarked excitedly about one of our proposed activities, “with this flexibility we really can assist our families to move from entitlement to empowerment,” which is one of HACSB’s strategic goals.

Through the MTW program and our strategic plan, HACSB aims to accomplish the following through our established goals and objectives

Goal 1 - Operational efficiency through innovation – Maximizing HACSB’s economic viability and sustainability through the following objectives:

- Ensure excellent and efficient stewardship of resources and programs
- Maintain a workplace environment that attracts and retains capable employees who feel they are making a difference

- Develop a communication program that effectively disseminates information inside and outside the Agency
 - Provide world class customer service
- **Goal 2 - Self-Sufficiency** – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy through the following objectives:*
- Transform client mindset from entitlement to empowerment
 - Ensure that each client has, is committed to, and is implementing a feasible and inspiring (to them) plan for economic independence or life improvement.
 - Partner with external organizations to support clients in acquiring life skills, education and training
 - Assist clients in transitioning to Home Ownership/Market housing
- **Goal 3 - Expand housing opportunities through repositioned assets** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life services through the following objectives:*
- Have an increasingly diverse number of funding sources to provide the programs and services described in the Strategic Plan
 - Improve HACSB's existing housing stock
 - Increase building stock to meet the low income housing requirements of San Bernardino County

More detailed information on the agency's long-term MTW vision, including our goals, objectives and strategies is provided in Section IV: Long-Term MTW Plan.

FY 2009 Activities - In FY 2009 we began the development process to implement four activities aimed at increasing operational efficiencies, three activities developed to increase family self-sufficiency and four activities with the goal of expanding housing opportunities. Although the majority of these activities were implemented in October 2009, after the end of FY 2009, we anticipate that a significant level of operational effectiveness, self-sufficiency and expanded housing opportunities will be achieved throughout the term of our MTW Agreement.

Through the development phase of each of our MTW activities we reviewed and adopted changes to our current policies and procedures, established baselines, trained staff and conducted an in-depth impact analysis on each activity. Perhaps most importantly however, we clearly and comprehensively informed all impacted participants, residents and landlords of these changes through direct mailings, our website, on the phone and through in-person briefings. MTW activities implemented under the goal of operational efficiency and innovation will improve staff morale, reduce program fraud, increase accuracy, and make the program more understandable to the community and clients.

The chart below shows the 12 proposed activities that were included in our FY 2009 MTW Plan.

	Activity	Plan Year Adopted	Goal
1	Single Fund Budget with Full Flexibility	FY 2009	Expanding Housing Opportunities
2	Strategic Investment Policies	FY 2009	Expanding Housing Opportunities
3	Alternate Assessment Programs	FY 2009	Operational Efficiency
4	Biennial Recertifications	FY 2009	Operational Efficiency
5	Local Verification Policies	FY 2009	Operational Efficiency
6	Elimination of Assets	FY 2009	Operational Efficiency
7	Controlled Program Moves	FY 2009	Operational Efficiency
8	Local Policies for Portability	FY 2009	Self-Sufficiency
9	Elimination of Earned Income Disallowance	FY 2009	Self-Sufficiency
10	Minimum Rent	FY 2009	Self-Sufficiency
11	Local Project-Based Voucher Program	FY 2009	Expanding Housing Opportunities
12	Local Payment Standards	FY 2009	Expanding Housing Opportunities

HACSB took large steps to implement the majority of all activities adopted in our FY 2009 Plan. However, the only activity with an effective date in FY 2009 was the first phase of our Local Payment Standards activity. Additionally, we postponed planning on one activity, Alternate Assessment Programs, in FY 2009 due to uncertainty about how HUD and other MTW Agencies will develop successor systems to the Public Housing Assessment System (PHAS) and the Section Eight Management Assessment Program (SEMAP) collectively. HACSB intends to work collaboratively with HUD and other MTW Agencies once the development of this system commences.

II. GENERAL OPERATING INFORMATION

HACSB administers almost 11,000 units of housing assistance throughout the County of San Bernardino consisting of Public Housing, Section 8 Housing Choice Vouchers, Shelter Plus Care Vouchers, Veterans Administration Supportive Housing (VASH) Vouchers and other local programs.

A. HOUSING STOCK INFORMATION

Public Housing– HACSB began FY 2009 with 1,680 public housing units under ACC. However, 9 of these units previously had been permanently converted to non-dwelling units for resident service purposes such as head-start centers, child care, and education centers. Therefore, as of October 1, 2008 there were 1,671 public housing units available for occupancy. The following changes resulted in the removal of 10 units in FY 2009:

- 3 additional public housing units were taken off-line
- 7 other public housing units were sold under the Section 32 Homeownership program to low-income families

No additions were made to the public housing inventory. These reductions resulted in 1,661 units available for occupancy at the end of FY 2009. Units removed from the inventory in FY 2009 are detailed in the chart below.

PUBLIC HOUSING STOCK CHANGES FY 2009			
Units Removed from ACC			
Property Address	City	Total Units	AMP
345 North Lancewood Avenue	Rialto	1	160
1149 Broadway Avenue	Barstow	1	170
288 North Church Avenue	Rialto	1	160
999 Forest Drive	Colton	1	160
395 South Macy Street	San Bernardino	1	130
10720 Lilac Street	Loma Linda	1	150
369 East Fromer Street	Rialto	1	160
Units Offline			
Property Address	City	Total Units	AMP
901 North Wilson	San Bernardino	1	130
924 North Wilson	San Bernardino	1	130
1645 10 th Street	San Bernardino	1	130

In our FY 2009 MTW Plan we indicated that the Housing Authority would remove 702 units from the existing Public Housing ACC; 367 units would be demolished and the

sites redeveloped as Mixed Income Housing Developments. The balance of 335 would be disposed of to an affiliate non-profit entity of the Housing Authority. However, the demolition and disposition applications were not submitted to HUD prior to the end of FY 2009 and the units remained part of the ACC during FY 2009. HACSB does intend to submit a plan to dispose of the 335 units in FY 2010. The demolition of the 367 units will be submitted with a HOPE VI application which was described in our first amendment to the FY 2010 Annual Plan.

Capital Fund Program – In FY 2009 HACSB completed the comprehensive modernization of the Colton Senior public housing complex which consists of 40 units. The property was completely renovated, essentially a gut-rehab, and included the following components:

- Lead-based paint abatement;
- New roof structures;
- ADA improvements;
- New plumbing fixtures and appliances;
- HVAC systems;
- Doors, windows and interior finishes;
- Electrical lighting; and
- Landscaping and site improvements.

Although HACSB did engage in other capital fund projects, this was the only significant expenditure of funds throughout FY 2009.

Housing Choice Voucher Program – HACSB's baseline number of Housing Choice Vouchers is 8,279; however, Attachment A of our MTW Agreement funds our HCV MTW Vouchers at a baseline of 7,748. This reflects the number of units that were under contract at the start of our participation as an MTW Agency in March 2008. Throughout HACSB's participation in the MTW program our voucher baseline will be 7,748. All program statistics will be based upon the MTW baseline of 7,748.

In our FY 2009 Plan we described our intent to apply for additional Housing Choice Vouchers based on the approval of demolition and/or disposition of public housing units that were described above. However, because these units were not disposed of during FY 2009 we did not apply for any additional Housing Choice Vouchers. Therefore there was no change in the number of MTW or non-MTW Vouchers throughout FY 2009. There was also no change to the number of project based vouchers

Non-HUD Housing Stock – In addition to the HUD programs and units identified above, HACSB owns and administers a variety of other affordable housing programs. The chart below lists the properties and total number of units in each property in the HACSB Non-HUD Affordable Housing Portfolio. In FY 2009, 187 units were added to this portfolio including 4 commercial units (this includes 40 units currently under construction which should be completed in FY 2010).

HACSB HOUSING STOCK SUMMARY – AUTHORITY OWNED PORTFOLIO		
SECTION 8 PROJECT BASED ASSISTANCE PROPERTIES		
Property Name	City	Total Units
Fontana (Redwood Terrace)	Fontana	68
Robert O. Townsend	Montclair	48
Arrowhead Woods	San Bernardino	51
Twin Peaks	Twin Peaks	40
Desert Village	Victorville	46
Yucaipa Crest	Yucaipa	45
Yucaipa Terrace	Yucaipa	51
TOTAL SECTION 8 PROJECT BASED UNITS		349

HACSB HOUSING STOCK SUMMARY – AUTHORITY OWNED PORTFOLIO		
HOME FUNDED OR OTHER AFFORDABLE HOUSING PROPERTIES		
Property Name	City	Total Units
Chehalis	Apple Valley	30
Baker (Desert View)	Baker	24
9 th Street	Colton	3
Cahuilla (Canyon villas)	Colton	46
Acacia	Fontana	28
Date Street (Las Palmas)	Fontana	16
A Avenue	Hesperia	4
Sunnyside	Hesperia	30
G Avenue (Mesa Gardens)	Hesperia	29
Sequoia	Hesperia	35
Muni	Apple Valley	7
Stone Creek	Loma Linda	20
Van Leuven	Loma Linda	22
Mentone	Mentone	34
Kingsley Patio	Montclair	34
Bahia	Ontario	3
Brockton	Redlands	8
Crafton	Mentone	5
Third	Yucaipa	19
Hampton Court	Redlands	24
Stillman	Redlands	9
Lombard	Redlands	4
Merrill	Rialto	24
Kendall	San Bernardino	37

HACSB HOUSING STOCK SUMMARY – AUTHORITY OWNED PORTFOLIO		
HOME FUNDED OR OTHER AFFORDABLE HOUSING PROPERTIES		
Property Name	City	Total Units
Yucca	San Bernardino	14
Sunset Gardens	Yucaipa	39
Kendall Park	San Bernardino	52
Charlemagne	Ontario	20
Scattered Site Homes	Hesperia, Yucaipa	3
Andalusia	Victorville	164
TOTAL OTHER AFFORDABLE HOUSING UNITS		989
TOTAL ALL NON-HUD HOUSING STOCK		1,136

B. LEASING INFORMATION

Summary – At the end of FY 2009 the Public Housing program was 97.4% leased and remained within that range throughout the course of the year. During FY 2009 the Housing Choice Voucher program did not sustain the allocated baseline vouchers due to its available Annual Budget Authority (ABA). Thus, leasing information provided further in this Plan is premised on the ABA supportable vouchers as reflected below.

The Housing Choice Voucher Program utilization rate was 104.8% at the end of FY 2009. In an effort to correct the Agency’s over-utilization, the units under contract dropped from 100% at the beginning of our MTW Agreement in March 2008 to 93.8% at the end of FY 2009. One contributing factor to our modest reduction over-utilization is the increase in our per unit costs (from \$716.90 in October 2008 to \$738.53 in September 2009) and another is a shortfall in Housing Assistance Payment funding for Calendar Year 2009 in the amount of \$4.5 million.

Although HUD did provide \$1.1 million in funding to help meet this gap, HACSB saw a significant budget reduction in the HCV program which resulted in the Housing Authority exhausting its reserve funds in an effort to continue to serve families and honor active HAP contracts. During FY 2009 we did not issue any additional vouchers and worked diligently to reduce the utilization percentage of Annual Budget Authority. The chart below provides a utilization analysis of the Housing Choice Voucher Program at the end of FY 2009.

HOUSING CHOICE VOUCHER UTILIZATION ANALYSIS	
Annual Budget Authority	
Baseline	\$62,828,826
Under Contract	\$65,871,845
Utilization Percentage	104.8%

HACSB LEASING INFORMATION					
Public Housing		Housing Choice Vouchers		Non-HUD Housing Units	
Total Units	1,661	Total MTW Vouchers	7,748	Total Units	949
Total Units Leased	1,618	Total MTW Vouchers Leased	7,267	Total Units Leased	866
Percent of Units Leased	97.4%	Percent of MTW Voucher Utilization	93.8%	Percent of Units Leased	91.3%
		Total Non MTW Vouchers	270		
		Total Non MTW Vouchers Leased	203		
		Percent of Non MTW Vouchers Leased	75.2%		

WAITING LIST INFORMATION

Summary – The chart below provides a summary of the waiting list applicants by income and household type for both the Public Housing Program and the Housing Choice Voucher Program at the end of FY 2009. The waiting list for the Housing Choice Voucher Program has been closed since April 2007 and was not opened during FY 2009, therefore there were no changes in the waiting list during the Plan year other than applicant-requested removal from the waiting list.

The Public Housing waiting list is site based and remains open at all AMPs. However, in FY 2009 we did close one waiting list for AMP 8 which has 82 scattered site units that are scheduled for disposition in FY 2010. The AMP's occupancy rate at the end of FY 2009 was 99% with 2,176 families already on the waiting list for the 82 units. Since the units will be taken off line soon it is highly unlikely that families at the end of the waiting list would be served by this AMP. As a result, the waiting list was closed and families were encouraged to apply at our other AMPs.

In February of 2006, HACSB closed all Public Housing waiting lists. The waiting lists were then purged between May and September of that year. The waiting list for the Barstow AMP was opened in February of 2007 and then all other AMPs were opened in July of 2007. After noticing a modest number of families applying for assistance, HACSB ramped up advertising efforts in 2009 and the results can be seen from the increased number of families on the waiting list.

Our Public Housing waiting list increased by 11,882 families in FY 2009. We believe this is a result of many factors including increased advertising efforts, the weak economy and the high unemployment rate in San Bernardino County. In addition, the HCV waiting list has remained closed; therefore, low-income families could only apply to the Public Housing waiting list.

We have been diligently working to create an effective and efficient Public Housing waiting list to ensure units are turned around quickly for families and we currently have no intention of closing the waiting list for any other AMPs in the near future.

Below are the waiting list demographics at the end of FY 2009:

HACSB WAITING LISTS DEMOGRAPHICS								
Family Type	Public Housing Waiting List				Housing Choice Voucher Waiting List			
	ELI (30% AMI)	VLI (50% AMI)	LI (80% AMI)	TOTAL PH	ELI (30% AMI)	VLI (50% AMI)	LI (80% AMI)	TOTAL HCV
Elderly	1,140	273	54	1,467	1,063	386	41	1,490
Disabled	570	156	14	740	425	111	18	554
All Other	12,538	3,474	1,299	17,311	19,766	5,023	770	25,559
TOTAL	14,248	3,903	1,367	19,518	21,254	5,520	829	27,603
PUBLIC HOUSING AND HOUSING CHOICE VOUCHER WAITING LIST INCOME SUMMARY								
TOTAL EXTREMELY LOW INCOME APPLICANTS								35,502
TOTAL VERY LOW INCOME APPLICANTS								9,423
TOTAL LOWER INCOME APPLICANTS								2,196
TOTAL APPLICANTS ALL PROGRAMS								47,121

III. NON-MTW RELATED INFORMATION

Strategic Plan – Through FY 2009 HACSB has worked to incorporate its Moving to Work Plan with the Housing Authority's comprehensive 30 year strategic plan that was developed prior to the MTW designation. This strategic plan has served as a guiding map for HACSB to ensure that all assisted families are working toward and achieve independence from government aid as well as ensuring the financial viability and sustainability of the Agency.

Non-MTW HUD Voucher programs – In addition to the Housing Choice Voucher Program, HACSB administers other HUD voucher programs, such as the Mainstream, Shelter + Care and HOPWA programs. Below is a brief description of each.

- **Mainstream** – This program is designed to provide rental assistance to persons with disabilities to enable them to rent suitable and accessible housing in the private market. At the end of FY 2009, 93 persons were assisted under this program.
- **Shelter + Care (SPC)**- This program provides rental assistance for hard to serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. At the end of FY 2009, 32 persons were assisted under this program.
- **Housing Opportunities for People with AIDS (HOPWA)**- HACSB has partnered with Foothill Aids Project to offer rental assistance and supportive services to persons with AIDS. At the end of FY 2009, 47 persons were assisted under this program.
- **Veteran's Affairs Supportive Housing (VASH)** - VASH is for homeless veterans with severe psychiatric or substance abuse disorders. The Housing Authority and Veterans Administration Medical Center have partnered to provide rental vouchers and supportive services to eligible veterans. At the end of FY 2009 31 persons were assisted under this program
- **Tenant Protection (Mayfield)** – At the end of FY 2009 HACSB was administering 31 tenant-protection vouchers for families that previously resided at the Mayfield property. These vouchers became MTW Vouchers during FY 2009.

Local Programs - In addition to HUD Programs, HACSB has a portfolio of other affordable housing properties and administers local programs. In addition to the non-HUD affordable housing portfolios identified above in Section II, HACSB administers two local Rental Assistance Programs.

- **Tenant Based Assistance (TBA)** – This program is funded by HOME funds and serves 125 families. The TBA program is modeled after the federal Housing Choice Voucher program and HACSB administers the TBA program identically to the HUD HCV Program.

- **Master Leasing Program** – This program is funded by State of California Mental Health funds and serves 35 mentally ill or developmentally disabled families in a group home setting. Case management and comprehensive support services are provided for residents participating in this program.

American Recovery and Reinvestment Act (ARRA) – There were no expenses and no revenue received from ARRA grants during the fiscal year.

Other Affordable Rental Housing – As discussed in the previous section, HACSB owns 1,096 Authority Owned (Non-HUD) residential units. Many of those units are affordable as a result of public funds, such as HOME and Redevelopment Housing Set-Aside funds.

Affiliate Non-Profit – Housing Partners I, Inc. (HPI, I) is an affiliate non-profit of HACSB. Throughout FY 2009 HPI, I was in the construction phase of a 71 unit senior affordable housing community (Vista Del Sol) in North Redlands which will be completed in FY 2010. Through funding received from the County of San Bernardino and the City of Redlands, approximately 75% of the development will be affordable at no more than 80% of the Area Median Income (AMI). This project, which began in 2006, is a great example of the cooperative efforts between HACSB, the City of Redlands, the County of San Bernardino and Housing Partners I, Inc. to bring an affordable housing development to fruition.



Construction is almost complete at the senior community Vista del Sol (Redlands, CA).

IV. LONG-TERM MTW PLAN

In our FY 2009 Annual Plan we articulated our long-term MTW Plan. During FY 2009 we worked to implement this plan. We remain committed to the long-term MTW Plan that we provided in our FY 2009 Annual Plan. Described below are our agency's Mission, Vision and Values which have driven our activities throughout FY 2009.

Mission - The Mission of the Housing Authority of the County of San Bernardino is: *"Empower all individuals and families in need, to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County."* The goals established in the MTW Agreement and the corresponding MTW activities are designed to support HACSB's Mission.

Vision – The long term strategic vision of the Housing Authority of the County of San Bernardino is: *"Become a vital community partner and national leader in the delivery of affordable housing services."*

Values - The HACSB strives to be a key participant in supporting and improving the community it serves. HACSB seeks to streamline its program and establish a higher standard of services to the community. To this end, the Agency has adopted the following values that will guide it towards achieving its Mission and Vision.

- **Respect** | We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.
- **Safety** | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.
- **Integrity** | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity-building within our organization is key toward fulfilling our mission statement.
- **Service** | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.

Goals – Our long term MTW Plan aims to accomplish the following goals:

- **Operational Efficiency through Innovation** – *Maximizing HACSB's economic viability and sustainability*
- **Self-Sufficiency** – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy*
- **Expand Housing Opportunities through Repositioned Assets** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life services*

Goal 1 - Operational Efficiency through Innovation - One of the key benefits of participating in MTW is regulatory relief that allows HACSB to streamline its business processes to operate more cost-effectively and efficiently. HACSB will maximize this flexibility and implement innovative business solutions, amend policies, and redesign processes and procedures that will reduce administrative complexity, costs and staff time. MTW activities implemented under the goal of operational efficiency and innovation will improve staff morale, reduce program fraud, increase accuracy, and make the program more understandable to the community and clients. The following strategies under the agency's 30 year strategic plan will direct the MTW activities under this goal:

- Ensure excellent and efficient stewardship of resources and programs
- Maintain a workplace environment that attracts and retains capable employees who feel they are making a difference
- Develop a communication program that effectively disseminates information inside and outside the Agency
- Provide world class customer service

The specific MTW Activities that address these strategies are:

- Biennial Recertifications
- Local Verification Policies
- Elimination of Assets
- Controlled Program Moves



Occupancy Technician II, Laurie Herrera, works to implement Operational Efficiencies through MTW Activities.

Goal 2 - Promote Self-Sufficiency - Building on the success of its affordable housing programs and increased flexibility provided through the MTW demonstration, HACSB has developed strategies to increase family self-sufficiency. The following long-term strategy and sub-strategies will help improve the quality of lives of HACSB assisted families:

- Transform client mindset from entitlement to empowerment
 - Ensure that each client has, is committed to, and is implementing a feasible and inspiring (to them) plan for economic independence or life improvement.
 - Partner with external organizations to support clients in acquiring life skills, education and training
 - Assist clients in transitioning to Home Ownership/Market housing

The specific MTW activities that address these strategies are:

- Local Policies for Portability
- Elimination of Earned Income Disallowance
- Minimum Rent

Goal 3 - Expand Housing Opportunities through Repositioned Assets - Creating quality housing choice options for low-income families is a top priority of HACSB. Through its Initial Plan the Agency has already begun repositioning assets in order to better serve the community. HACSB is implementing the following long-term strategies to expand housing opportunities:

- Have an increasingly diverse number of funding sources to provide the programs and services described in the Strategic Plan
- Improve HACSB's existing housing stock
- Increase building stock to meet the low income housing requirements of San Bernardino County

The specific MTW activities that that address these strategies are:

- Local Project-Based Voucher Program
- Local Payment Standards

V. PROPOSED MTW ACTIVITIES

Postponed MTW Activities

In FY 2009 HACSB proposed to develop Activity 3: Alternate Assessment Programs that would meet the statutory goal of increasing operational efficiencies. HACSB staff attended and participated in HUD's Annual MTW Conference held in May. While at this conference we learned that there was an effort to establish an MTW-wide successor to the SEMAP and PHAS systems currently in place. Although under our MTW Agreement we have the opportunity to develop our own assessment systems in lieu of these systems, it is our understanding that we would lose our "High-Performer" status once HUD implements the new version of PHAS. Rather than risk losing our "High-Performer" status, HACSB has chosen to postpone this activity and continue to report through the HUD systems. Along with other MTW agencies we believe that systems do not allow us to accurately measure the full impact of our programs based on our MTW Activities. However, until such time that MTW agencies collectively develop alternate systems, HACSB will continue reporting through the HUD required systems.

MTW Activities Developed in FY 2009

In the Initial Plan submitted to HUD, HACSB proposed and adopted 12 Moving to Work Activities. Due to the submission of our Revised Initial Plan in late June of 2009 the majority of our activities were only in the development phase at the close of FY 2009. HACSB reviewed other MTW Agency best practices and spent a considerable amount of time planning, training and communicating for these MTW Activities. Only one MTW Activity, Local Payment Standards, had an effective date in FY 2009 and is described in Section VI: On-going MTW Activities. All other activities were in the development stages with full implementation dates in FY 2010. However, we did finalize all baselines for each MTW Activity and have provided that information in the following section. We also have provided a summary of all MTW Activities proposed in the FY 2009 MTW Plan.

STATUS OF MTW ACTIVITIES				
	Activity	Plan Year Approved	Activity Status	Goal
1	Single Fund Budget with Full Flexibility	FY 2009	Effective Oct 1, 2009	Expanding Housing Opportunities
2	Strategic Investment Policies	FY 2009	Development phase	Expanding Housing Opportunities
	Alternate Assessment Programs	FY 2009	Postponed	Operational Efficiency
4	Biennial Recertifications	FY 2009	Effective Oct 1, 2009	Operational Efficiency
5	Local Verification Policies	FY 2009	Effective Oct 1, 2009	Operational Efficiency
6	Elimination of Assets	FY 2009	Effective Oct 1, 2009	Operational Efficiency
7	Controlled Program Moves	FY 2009	Effective Feb. 1, 2010	Operational Efficiency
8	Local Policies for Portability	FY 2009	Effective Oct 1, 2009	Self-Sufficiency
9	Elimination of Earned Income Disallowance	FY 2009	Effective Oct 1, 2009	Self-Sufficiency
10	Minimum Rent	FY 2009	Effective Oct 1, 2009 for Annual Recertification; Jan. 1, 2010 for all families	Self-Sufficiency
11	Local Project-Based Voucher Program	FY 2009	Development phase	Expanding Housing Opportunities
12	Local Payment Standards	FY 2009	Effective June 1, 2009	Expanding Housing Opportunities

Activity 1. Single Fund Budget with Full Flexibility

A. Activity Description

In our Initial Plan for FY 2009 we proposed to implement a Single Fund Budget with Full Flexibility that would combine Housing Choice Voucher, Public Housing Capital and Operating funds. We conducted brainstorming sessions throughout FY 2009 and developed our FY 2010 MTW Fund Budget using this flexibility.

B. Activity Impact

During FY 2009 we revisited the baselines, metrics and benchmarks for this activity which we describe in section D below. This activity will not be fully implemented until FY 2010 so therefore we cannot yet measure the impact of this activity. However, HACSB developed its FY 2010 budget with one MTW fund by combining Housing Choice Voucher, Public Housing and Capital Funds into one funding stream. These block grant funds have been allocated for the upcoming fiscal year based on program need assuring that all programs are sufficiently funded to continue successful administration and operations. HACSB is also working to modify its current financial tracking and reporting systems to support the MTW reporting requirements under the FDS and VMS systems.

C. Benchmark Achievement

This activity was not fully implemented in FY 2009 and therefore cannot yet be benchmarked.

D. Measurement Revisions

After developing the FY 2010 budget using fungibility, HACSB decided to revisit the proposed baselines, metrics and benchmarks for this activity. We originally proposed the following measurements:

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Per unit funds by program	Allocation of funds	Decrease of per unit cost at the end of the MTW Agreement	Programs funded based on need

However, HACSB determined that measuring the budget expenditures of each program's budget more closely measures the impact of a Single Fund Budget. Our final measurements are included in the chart below:

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Shortfall or Excess in HCV	FYE 2009 HCV operating shortfall of \$4,799,052	Dollar amount of shortfall/ Percentage of excess	No program has a shortfall and no program has an excess of more than 5%	Programs funded based on need
Shortfall or Excess in Public Housing	FYE 2009 Public Housing Operating shortfall of \$4,790,069	Dollar amount of shortfall/ Percentage of excess	No program has a shortfall and no program has an excess of more than 5%	Programs funded based on need

In FY 2009, the Housing Choice Voucher program saw a shortfall of \$4,799,052 which was 6.5% of total HCV expenditures. In FY 2009, the Public Housing Operating fund had a loss of \$4,790,069 which was 30% of the total PH expenditures. The shortfall in both programs was related to expenditures in the amount of \$3.9 million for the Housing Authority's retiree medical program in order to comply with the Governmental Accounting Standards Board (GASB) Statements No. 43 (Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans) and 45 (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions) along with a shortfall for HCV Housing Assistance Payments (HAP) in the amount of \$3,043,019. The shortfall for HCV HAP payments was covered by restricted HAP reserves. In FY 2010 it is expected that no program will have a shortfall or an excess of more than 5% of the total program budget.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (B)(1) which waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 CFR 982 and 990. This flexibility was needed to meet the statutory objective of expanding housing opportunities by providing the authority to combine funds from Sections 8 and 9 to develop a single fund budget. This single fund budget will allow the Agency to budget more effectively and increase housing offered to families throughout the term of our Moving to Work Agreement and specifically through our MTW Activities.

Activity 2. Strategic Investment Policies

A. Activity Description

Through its FY 2009 MTW Plan, HACSB proposed a Strategic Investment Policy MTW Activity. Throughout FY 2009 HACSB analyzed its options for adopting a Strategic Investment Policy that differs from HUD guidelines. However, at the end of FY 2009 a new policy had not been developed and adopted by the Board. This activity remains on schedule and will be implemented in FY 2010.

B. Activity Impact

This activity was not fully implemented in FY 2009 so its impact cannot yet be measured. However, in FY 2009 we did begin planning for implementation. HACSB began an analysis of investment options available under California state law. Also during FY 2009 we finalized the baseline, metrics and benchmarks for this activity. We've included the baseline information based on FY 2009 data. The chart provided below show the proposed measurements and the final adopted measurements.

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Average interest earned on HUD investments during FY 2009	Interest earned on investments	.01% increase per year.	Increased overall investment returns

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Average interest earned on MTW funds invested during FY 2009	1.72% interest earned on MTW funds invested during FY 2009	Interest earned on MTW funds invested	Percentage increase in investment earnings over State LAIF interest rates	Increased overall investment returns

In FY 2009 HACSB earned 1.72% on its MTW funds invested. This figure excludes the interest earned on the Agency's energy performance contract (2.94%) because that will expire in FY 2010. To accurately measure the impact of this activity over 10 years we did not want to skew the data with a large investment that the Agency will soon no longer have.

Upon full implementation this activity will allow HACSB to adopt investment policies consistent with California Government Code to the extent such policies are in compliance with applicable OMB circulars and other federal laws which will result in an increase in investment income earnings over the State of California's LAIF interest rates. HACSB shall invest only in securities authorized under state law that will allow the flexibility to invest productively, efficiently and securely.

C. Benchmark Achievement

As this activity has not been fully implemented we cannot report on benchmark achievement throughout FY 2009. However, in our FY 2010 Annual Report we expect to be able to show interest earnings above the state LAIF interest rates as a result of this activity's successful implementation.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. Our benchmark was revised to reflect the changes in market that could prevent us from earning .01% over prior year investment earnings.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (B)(5) which waives certain provisions of Sections 6(c)(4) of the 1937 Act and 24 CFR982.156. By receiving the authority to modify these provisions HACSB is able to achieve the statutory goal of achieving greater effectiveness in federal expenditures by earning more interest funds on its investments.

Activity 3. Alternate Assessment Programs

See Postponed MTW Activities section above.

Activity 4. Biennial Recertifications

A. Activity Description

Using the flexibility provided to the Authority through its FY 2009 Annual Plan, HACSB will conduct re-certifications every two years for elderly and disabled households that have no other adult members with earned income for both the Public Housing and Housing Choice Voucher programs.

B. Activity Impact

Throughout FY 2009, the Agency developed a detailed Implementation Plan for this activity. While the Biennial recertification of families was not implemented until after the

fiscal year end, the Housing Authority made significant progress in developing the activity. In FY 2009 we prepared an impact analysis on the activity, communicated the new policy to families and sent them modified recertification dates, made modifications to the family records in our VisualHOMES database and prepared our baseline data for on-going analysis. We conducted time-studies on recertifications using both interviews and measurements of activities as they were occurring.

During FY 2009 we also finalized our measurement data and have provided our originally proposed baselines, as included in our approval annual plan, as well as our final baselines.

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Total number of staff hours to complete recertification	Hours to complete recertification (estimate of 1.5)	Staff hours reduced by 1,816 in HCV and 263 in PH	Total number of staff hours reduced
Actual number of families required to complete recertification packet annually	Number of families completing recertification packet annually	Families completing recertification packets will decrease by 2,000	Reduced reporting burden for families as less families complete recertification packets

We slightly reduced the benchmark for our second baseline to reflect the actual data captured as of September 30, 2009. The original benchmark said the number of packets would be reduced by 2,000 but the reduction should be 1,500.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Total number of staff hours to complete recertification	306 hours for Public Housing; 2,224 hours for HCV in FY 2009	0.85 hours to conduct recertification for eligible families	153 hours to complete recertification in PH: 1122 hours for HCV. The benchmarks will be the same for all forthcoming years.	Total number of staff hours reduced
Actual number of families eligible to complete recertification packet bi-annually	360 eligible families in Public Housing; 2,640 in HCV.	Number of families completing packet annually.	Of total eligible families, 180 will complete packet annually and 1320 in HCV. The benchmarks will be the same for all forthcoming years	Reduced reporting burden for families as less families complete recertification packets

C. Benchmark Achievement

As this activity was not fully implemented as scheduled in FY 2009 we cannot yet measure our achievement towards established benchmarks. However, we do expect to meet the proposed benchmarks in FY 2010.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. As the above described measurements provided only the finalized data that was proposed in the FY 2009 Plan there is no anticipated change in the impact of this Activity.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (C)(4) which waives certain provisions of Sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 CFR 966.4 and 960.257 and Attachment C(D)(1)(c) which waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 CFR 982.516. This authorization allows the Authority to meet the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures by implementing a reduced number of recertifications which will result in decreased costs and staff time devoted to other priorities.

Activity 5. Local Verification Policies

A. Activity Description

Using the MTW flexibility provided to the Agency through its FY 2009 Annual Plan, HACSB has developed local verification policies for both the Public Housing and Housing Choice Voucher programs for full implementation in FY 2010. Verification for new admissions, including incoming ports, will be conducted by reviewing documents provided by the applicant; no third party verification will be required. Verification for annual and/or interim re-certifications will continue to be based on the HUD Enterprise Income Verification (EIV) reports and HACSB has established a local schedule of values that will govern when third party verification will be required. The local schedule of values is detailed in our ACOP and Administrative plan. In addition, under these local policies all verifications will remain valid for a period of six months from the date received.

B. Activity Impact

Because this activity has not been fully implemented its impact cannot yet be measured. However, HACSB took significant steps toward implementing this activity in FY 2009 including communicating changes to participants and all housing authorities that currently have ports within HACSB jurisdiction. In addition, we have developed a comprehensive Implementation Plan, and trained staff on the new policies and procedures. The Agency amended its HCV Administrative Plan and ACOP as well to reflect these changes.

Finally, HACSB conducted in-depth staff interviews and asked staff to measure their time in order to produce reliable time study information to establish our baseline measurements.

As we implemented this activity we realized that our proposed measurements did not completely reflect the components of this activity. As such, we have modified our measurements and described them in section D below.

C. Benchmark Achievement

As this activity was not fully implemented in FY 2009 we cannot yet measure our achievement towards benchmarks. However, we do expect to meet the proposed benchmarks established in section D below during FY 2010.

D. Measurement Revisions

After working towards full implementation of this activity HACSB revisited the proposed measurements and revised them to fully capture the components of this activity.

The following measurements were originally proposed in our FY 2009 Annual Plan:

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Average minutes of staff time to process third party verification	Minutes per verification (estimate of 15)	Number of staff hours reduced	Total number of staff hours reduced (estimate of 1,939 HCV and 428 PH)
Current annual cost of postage for third party verifications	Cost of postage per third party verification	Reduction in postage costs	Total amount spent on postage is reduced (estimate of \$8,300/year)

However, our methodology to implement this activity impacted more than just third party verifications. As a result, we would like to change our measurement to reflect the total amount of time it takes to process verifications and then measure the expected reduction after the activity has been implemented.

Another component of this activity, only reviewing documents viewed for applicants, should be measured as well. HACSB proposes that on a monthly basis we pull an EIV report for 5% of new admissions that came on the program six months prior. We will compare the documents viewed provided at initial eligibility to the data now available in EIV. HACSB will measure the amount of income reported versus the amount of verifiable income in EIV. This will assist HACSB in determining if reviewing documents provided by applicants provides completely accurate income information.

After reviewing multiple data collection techniques it was determined that measuring the cost of postage for third party verifications was not practical and we have eliminated that measurement.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Total number of staff hours to process verifications	1,133 hours to process verifications in Public Housing; 5,814 in HCV	Hours to conduct verifications per family (0.7 in PH and 0.8 in HCV)	705 hours to process verification in PH: 3875 in HCV. The benchmarks will be the same for all forthcoming years.	Total number of staff hours reduced which allows staff to focus on other MTW activities
Income variation between documents viewed and third party confirmation for new applicants	Will establish during our 1 st Quarterly Report and provide in FY 2011 Plan.	Dollar value of variation	The dollar variation between documents viewed and EIV is no more than 10%. The benchmarks will be the same for all forthcoming years.	Accurate income information from applicants results in correct subsidy.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology for our first baseline to determine the number of staff hours it takes to process verifications. HACSB will collect data for the new baseline, the income variation between documents viewed and third party confirmation, by developing a random sample methodology to choose applicants who will have their documents viewed confirmed by EIV. Data for this baseline will also be collected through tracking mechanisms developed using spreadsheets.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (C)(4) and (11) which waives certain provisions of Sections 3(a)(1), 3(a)(2), 3(a)(3)(A) of the 1937 Act and 24 CFR 5.603, 5.611, 5.628, 5.630, 5.632, 5.634, 960.255, 966.4 and 960.257 and Attachment C(D)(1)(c) and (3)(b) which waives certain provisions of Section 8(o)(5) and 24 CFR 982.516 and 982 Subpart E. Through this regulatory waiver HACSB is able to meet the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures by performing fewer time consuming and as a result costly, income verifications. In the time saved performing these verifications staff will be working towards developing and implementing additional MTW Activities such as a local Family Self-Sufficiency program and a local fraud unit.

Activity 6. Elimination of Assets

A. Activity Description

Through the regulatory waiver implemented through its FY 2009 Annual Plan HACSB has eliminated assets in the calculation of tenant rent effective October 1, 2009. Information related to assets will no longer be collected and income from assets will not be considered as part of the rent calculation formula. The elimination of assets from the rent calculation is applicable in both the Public Housing and Housing Choice Voucher programs.

B. Activity Impact

This activity was not fully implemented in FY 2009 so we cannot measure the full impact of this activity. However, the Agency made significant progress in the implementation of this activity including communicating changes to participants, training staff on modified policies, amending the HCV Administration Plan and Public Housing ACOP and developing a detailed Implementation Plan with updated policies and procedures.

In FY 2009 we also conducted an in-depth time study to finalize our baselines to measure the progress of this Activity. We have included the results of this time study in our finalized baseline data provided below.

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Average minutes of staff time to collect and calculate asset income	Minutes per household	Number of staff hours reduced	Total number of staff hours reduced (874 for HCV and 184 for PH)

We made a minor clarification to the proposed measurements by changing the metric from minutes to hours to ensure consistent measurement. In addition, we finalized the benchmark data to reflect actual data collected during the time study.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Total hours of staff time to collect and calculate asset income for PH	178 hours to hours to collect and calculate asset income in Public Housing	Hours	Zero hours in FY 2010 to collect and calculate asset income for PH	178 total staff hours reduced.
Total hours of staff time to collect and calculate asset income for HCV	1,300 hours to collect and calculate asset income in HCV	Hours	Zero hours in FY 2010 to collect and calculate asset income in HCV.	1,300 total staff hours reduced.

C. Benchmark Achievement

Although this activity was not fully implemented in FY 2009, HACSB anticipates meeting the benchmark and final outcome described above in FY 2010. As this activity results in a decrease in tenant rent responsibilities by reducing total income calculated we do not anticipate any hardship requests.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. As the above described measurements provided only the finalized data and a minor clarification to the metric that was proposed in the FY 2009 Plan there is no anticipated change in the impact of this Activity.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this activity through Attachment C (C)(11) which waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 CFR 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A and Attachment C (D)(2)(a) which waives certain provisions of Sections (8)(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518.

Activity 7. Controlled Program Moves

A. Activity Description

Using the flexibility authorized through its FY 2009 HACSB will limit voluntary program moves for Housing Choice Voucher participants to once every two years, only at the time of annual re-certification and upon verification from their current landlord that they are a tenant in good standing. This activity will be implemented on February 1, 2010.

B. Activity Impact

This activity has not yet been implemented and therefore its impact cannot be measured. In FY 2009 we worked to develop the draft Implementation Plan for this activity and communicated the new policy to participants, other PHAs, incoming ports and landlords. As this activity will have significant impact on participants and landlords we postponed this activity for implementation in early 2010. In addition, we also finalized the baseline measurements for this Activity which are shown in the charts below. We added an additional measurement which we describe in section D.

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Percent of total voluntary program moves each year	Percent of families that voluntarily move each year	No more than 4% of total participants moves voluntarily each year and only at annual recertification	Families voluntarily move only at annual recertification and only bi-annually
Number of staff hours spent annually processing program moves	# of hours to process a program move	50% reduction in total annual staff hours processing voluntary program moves	Reduced staff time to process program moves

We have provided the finalized data gathered from our data analysis and time study. In addition, we clarified the benchmark for our second baseline, number of staff hours spent annually to process program moves.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Percent of total voluntary program moves each year	12.7% of participants moved voluntarily in FY 2009	Percent of families that voluntarily move each year	No more than 4% of total participants move voluntarily each year. The benchmark will remain the same for all forth coming years.	Families voluntarily move only every other year
Number of staff hours spent annually processing program moves	4,599 hours to process program moves annually.	4.8 hours to process a program move	1448 hours spent to process moves annually.	3151 hours in staff time saved processing fewer moves.

C. Benchmark Achievement

Although this activity was not fully implemented in FY 2009, HACSB anticipates meeting the benchmarks and final outcomes described above in FY 2010.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. In addition, we will add one additional measurement to ensure the activity is being comprehensively measured. However, there is no anticipated change in the impact of this Activity.

In addition to reducing the number of families who move and the staff time spent processing, this activity will also have an impact on our Inspections Department. We expect the number of initial inspections to reduce by about 200 over the first two years of implementation.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Number of initial inspections conducted in FY 2009	2,083 initial inspections conducted in FY 2009	Number of initial inspections	1883 Initial inspections in FY 2012	Initial inspections reduced by 200 over the first two years of implementation.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C, D 1.a and b and D 2.b which waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(G) and 8(o)(13)(F) of the 1937 Act and 24 CFR 982.303, 982.308, 982.309, 982.451 and 983 Subpart E and F. This activity addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by limiting the frequency of elective program moves which will save staff time that can be devoted to other critical activities.

Activity 8. Local Policies for Portability

A. Activity Description

HACSB will apply all MTW requirements to inbound and outbound portability. Families wanting to port into HACSB's jurisdiction will be advised of MTW requirements at the time of initial contact with HACSB and will only be permitted to port in if they are in compliance with all MTW requirements. HACSB families will only be approved to port out to other jurisdictions if they are compliant with all MTW requirements.

B. Activity Impact

This activity was not fully implemented in FY 2009 so its impact cannot yet be measured. However, HACSB developed implementation plans for this activity with an estimated implementation date of early Fall 2009. HACSB also communicated with all affected participants to inform them of this particular policy change as well as other MTW initiatives. In addition, HACSB has begun communicating with surrounding PHAs to assist them in understanding the Agency's MTW status and how this may impact their clients. Staff has also been communicating with any interested ports the Agency's MTW status and long-term plan to consider changes to the rent structure as well as possible work-requirements.

Finally, HACSB conducted the final data analysis, including a time study, to determine the baselines as outlined in the FY 2009 Initial Plan. We have provided the proposed measurements and our finalized baselines in the charts below:

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Average staff time spent to process portability	Hours to process portability	20% reduction in port out and 50% reduction in port in; Number of in-bounds not accepted and number of out-bounds not approved	Reduction in staff time to process portability
Accounts receivable due to untimely payments from Receiving PHA's	Percent of monthly HAP receivable from portability	Reduction of 5% of accounts each year	Increase in cash available to make timely HAP payments.

After conducting our time study and final data analysis we were able to finalize our baselines and metrics for this activity which we have provided in the chart below:

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Average staff time spent to process in-bound portability	2,004 hours to process in-bound ports in FY 2009	Hours to process inbound portability	1002 hours to process in-bound ports. The benchmark will be the same for all forthcoming years.	Reduction in staff time to process portability
Average staff time spent to process out-bound portability	319 hours to process out-bound ports in FY 2009	Hours to process out-bound portability	160 hours to process out-bound ports. The benchmark will be the same for all forthcoming years.	Reduction in staff time to process portability
Percent of HAP and Admin Fee Accounts Receivable due to untimely payments from Receiving PHA's	\$257,488, which is .36% of the HAP and Admin Fee accounts were receivables due from PHAs for portability	Percent of annual HAP receivable from portability	Portability receivables – FY 2010 - \$244,613; FY 2011 – \$232,383 FY 2012 – \$220,764 FY 2013 – \$209,725 FY 2014 \$199,239	Increase in cash available to make timely HAP payments

We also modified the benchmark to reflect changes in the HCV program since our Initial Plan was submitted. HACSB has temporarily suspended all out-bound ports to higher cost areas due to the HCV budget shortfall. It is expected that this policy will change at some point in FY 2010. However, a result of this policy is that the number of out-bound ports has decreased significantly. In fact, there were only 2 outbound ports in September 2009. As such, we have increased the benchmark to reflect the decrease in the number of outbound ports the Agency is already experiencing.

C. Benchmark Achievement

As this activity was not fully implemented in FY 2009 we cannot yet measure the initial benchmarks for this activity. However, we have established our baselines and will be able to report on benchmark progress in our FY 2010 Annual Report.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. The measurements did not change from what was proposed in the FY 2009 Plan.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this activity through Attachment C (D)(1)(g) which waives certain provisions of Section (8)(r) of the 1937 Act and 24 CFR 982 Subpart H. This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient by requiring families who port in or outside of HACSB's jurisdiction to adhere to the same guidelines as all other HACSB program participants.

Activity 9. Elimination of Earned Income Disallowance

A. Activity Description

Using the flexibility adopted in our FY 2009 Initial Plan, HACSB will eliminate the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment and replace it with the rent reform activities authorized under the MTW Agreement and exercised in MTW Plans effective October 1, 2009.

B. Activity Impact

In FY 2009 HACSB conducted final data analysis, developed implementation plans and communicated the new EID policy to all participants. Effective October 1, 2009 no new participants will be approved to receive the Earned Income Disallowance. The hardship policy was inherent in the implementation of this activity. All families who were receiving the EID as of September 30, 2009 will continue to receive the applicable disregard until their eligibility expires or September 30, 2011, whichever comes first.

In FY 2009 we also conducted a time study to determine the amount of time staff spent managing EID for participants in both the Public Housing and Housing Choice Voucher programs. We also finalized our baselines and slightly modified our benchmarks to reflect the final data analysis.

Proposed Measurements			
Baseline	Metric	Benchmark	Expected Outcome
Families receiving EID with earned income	Families that retain earned income	50% of families will retain earned income upon expiration of EID	Families working towards self-sufficiency
Average staff time to manage EID	Reduction in staff time to manage EID	Reduction of 1200 hours of staff time over 4 years	Reduced staff time to manage EID and more time to manage other MTW activities

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Expected Outcome
Public Housing participants receiving EID with earned income	31 Public Housing participants receiving EID with earned income	Families that retain earned income	15 families will retain earned income upon expiration of EID	Families working towards self-sufficiency
HCV participants receiving EID with earned income	5 HCV participants receiving EID with earned income	Families that retain earned income	2 families will retain earned income upon expiration of EID	Families working towards self-sufficiency
Total staff hours to manage EID in Public Housing	52.7 total hours spent in FY 2009 to manage EID in Public Housing	staff time to manage EID	Zero hours in staff time spent to manage EID in PH.	Savings of 52.7 hours in staff time annually upon phase out of EID.
Total staff hours to manage EID in HCV	5.7 total hours spent in FY 2009 to manage EID in HCV	staff time to manage EID	Zero hours in staff time spent to manage EID in HCV.	Savings of 5.7 hours in staff time annually upon phase out of EID.

C. Benchmark Achievement

This activity was not fully implemented in FY 2009 so progress towards benchmarks cannot yet be measured. However, we do expect to meet benchmarks established above as planned and will report on progress in our FY 2010 Annual Report.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. As the above described measurements did not change from what was proposed in the FY 2009 Plan, there is no anticipated change in the impact of this activity.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiatives through Attachment C, D 1.a and b and D 2.b which waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(G) and 8(o)(13)(F) of the 1937 Act and 24 CFR 982.303, 982.308, 982.309, 982.451 and 983 Subpart E and F. This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient by removing a cumbersome income disregard and replacing it with other simplified self-sufficiency activities throughout the term of HACSB's MTW Agreement.

Activity 10. Minimum Rent

A. Activity Description

Through the authority provided through our FY 2009 MTW Annual Plan, HACSB will increase the minimum rent from \$50.00 to \$125.00 per month for all households in both the Public Housing and the Housing Choice Voucher Programs effective October 1, 2009.

B. Activity Impact

Prior to the implementation of this activity, HACSB developed implementation plans, met with the Resident Advisory Board, amended its Administrative Plan and ACOP, communicated changes to participants, finalized the hardship policy, conducted staff training and as well as a time study during FY 2009. HACSB also finalized its measurements for this activity which are described in the charts below:

Proposed Measurements			
Baseline	Metric	Benchmark	Outcome
8% of HCV families and 6.3% of PH households with TTP <\$125.00	Percent of households at minimum rent	< or = 1% of all households pay less than minimum rent.	Reduction in the number of households paying minimum rent
Current earned income from households with TTP <\$125	Aggregate amount of earned income from households with TTP <\$125	Increase earned income of these households by 1% per year	Increased earned income of households
Limited rental revenue and additional HAP expense from households with TTP<\$125.00	Increase in rental revenue and decrease in HAP expense	Increase PH rental revenue from minimum rent households by 50% and HCV households by 6%	Additional revenue available to meet other local goals and assist more families

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Outcome
Percent of Public Housing families TTP <\$125.00	9.4% of Public Housing families have TTP <\$125.	Percent of households at minimum rent	8.4% of PH families with TTP<\$125,000	1% reduction in the number of households paying minimum rent
Percent of HCV families with TTP <\$125.00	8.6% of HCV families have TTP <\$125	Percent of households at minimum rent	7.6% of HCV families with TTP<\$125.00	1% reduction in the number of households paying minimum rent
HCV Current earned income from households with TTP <\$125	HCV current earned income from households with TTP <\$125 is \$786,228	Aggregate amount of earned income from households with TTP <\$125	HCV current earned income from households with TTP<\$125.00 is \$864,851.	Increased earned income of households
PH current earned income from households with TTP <\$125	PH current earned income from households with TTP <\$125 is \$422,501	Aggregate amount of earned income from households with TTP <\$125	PH current earned income from households with TTP<\$125.00 is \$464,751.	Increased earned income of households
Reduced HAP expense in HCV for households with TTP<\$125.00	Monthly HCV HAP expense for families with TTP <\$125 is \$462,320*	Monthly percentage decrease in HAP expense	Monthly HAP expenses in HCV f or families with TTP <\$125 is \$434,581	Additional revenue available to meet other local goals and assist more families
Increase rental revenue in Public Housing from households with TTP<\$125.00	Current PH rental revenue from families with TTP<\$125 is \$11,383	Monthly percentage increase in rental revenue	PH rental revenue from minimum rent households is \$17,074	Additional revenue available to meet other local goals and assist more families

The increase in minimum rent will be effective October 1, 2009 for any interim or regularly scheduled recertifications and effective January 1, 2010 for all participants.

HACSB has developed a mechanism to track all hardship exemption requests and their outcomes. As required, this data will be reported in the FY 2010 Annual Report.

C. Benchmark Achievement

This activity was not fully implemented in FY 2009. As such we cannot yet measure achievement towards established benchmarks but do anticipate meeting our goals in FY 2010.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. As the above described measurements provided only the finalized data that was proposed in the FY 2009 Plan there is no anticipated change in the impact of this activity.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C, C.11 which waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 CFR 5.603, 5.611, 5.628, 5.630, 5.632, 5.634, and 960.255 and 966 Subpart A and Attachment C, D2(a) which waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518. This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

Activity 11. Local Project-Based Voucher Program

A. Activity Description

Using flexibility provided through our FY 2009 MTW Annual Plan, HACSB will implement a local Project-Based Voucher (PBV) program to increase the availability of quality housing units.

B. Activity Impact

Because this activity was not fully implemented in FY 2009 the impact cannot yet be determined. Throughout FY 2009 HACSB did develop a preliminary Implementation

Plan to guide the Agency's PBV initiatives through the next year. HACSB anticipates fully implementing the Local PBV program in FY 2010. HACSB did establish the baselines for this activity in FY 2009 and they are provided in the chart below.

Proposed Measurements			
Baseline	Metric	Benchmark	Outcome
Number of non-HUD affordable housing units	Non-HUD affordable housing units and percent of new units occupied by tenant-based voucher holders	Increase in the number of non-HUD affordable housing units (target at 100 per year) and 5% of new units occupied by tenant based voucher holders	An increase in the number of non-HUD affordable housing units and more housing choice for tenant based households.

Our final measurements have not changed from our originally proposed measurements, however we did separate the measurements to clarify that we are evaluating two aspects of our Local Project-Based Voucher program.

Final Measurements				
Baseline Description	Baseline Data	Metric	Benchmark	Outcome
Number of non-HUD affordable housing units	989 non-HUD affordable housing units	Number of non-HUD affordable housing units	Number of non HUD affordable housing units FY 2010 – 1089 FY 2011 – 1189 FY 2012 – 1289 FY 2013 – 1389 FY 2014 - 2014 	An increase in the number of non-HUD affordable housing units and more housing choice for tenant based households
Percentage of new non-HUD affordable housing units occupied by tenant-based voucher holders	Baseline is set to zero	Percentage of new non-HUD affordable housing units occupied by tenant-based voucher holders	5 new units occupied by tenant based voucher every year for all forthcoming years.	An increase in the number of non-HUD affordable housing units and more housing choice for tenant based households

C. Benchmark Achievement

This activity was not fully implemented in FY 2009 and therefore progress towards benchmarks cannot yet be measured. HACSB does anticipate meeting the established benchmarks in FY 2010.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. There was no change to the proposed measurements from the FY 2009 MTW Annual Plan.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved MTW Plan for this activity.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C 7 which waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 CFR 982.1, 982.102 and 24 CFR Part 983, 983.51, 983.57 as well as Section 8(o)(8) of the 1937 and 24 CFR 982 Subpart I. This activity addresses the MTW statutory objective to increase housing choices for low-income families. By waiving the cited regulations HACSB will be able to increase housing options with Project-based vouchers throughout the County of San Bernardino.

VI. ONGOING MTW ACTIVITIES

Activity 12. Local Payment Standards

A. Activity Description

HACSB will implement Local Payment Standards that accurately reflect the varying rental submarkets that exist across San Bernardino County. A third party market study will be conducted to define the submarkets and the corresponding market rent.

B. Activity Impact

In FY 2009 HACSB began planning for the implementation of this comprehensive activity. During this process we developed a phased approach to the implementation of Local Payment Standards. For FY 2009 we determined that the application of the payment standard should occur at the next annual recertification regardless if the payment standard increased or decreased. This policy was effective June 1, 2009. Although this was the original intent proposed in our MTW Annual Plan, it was not until the development of the implementation plans that we determined a rental impact analysis of this policy adjustment was prudent. The impact analysis and hardship policy for this activity are included in Appendix B.

Also in FY 2009 HACSB began researching currently available data on the County of San Bernardino rental submarkets and corresponding fair market rents. After evaluating what data is currently available, HACSB intends to procure an outside party to assist the Agency in determining appropriate payment standards for the Housing Choice Voucher program. The Housing Authority will implement the comprehensive activity in FY 2010.

As such, we cannot yet measure the overall impact of this activity. Baseline data will be measured immediately prior to implementation and as a result the baseline numbers are not included in the charts below. In addition, through our development of local payment standards we will also define what “impacted areas” are for the County of San Bernardino. Our initially proposed measurements included only one baseline for three different measurements. In the charts below we have clarified the baselines and outcomes for the three different measurements to ensure accurate measurement of the activity’s impact.

Proposed Measurements			
Baseline	Metric	Benchmark	Outcome
Current percent of families residing in impacted areas	Percent of families that move to less impacted areas; number of first time landlords in the program; and, number of Class B or greater multi-family apartment complexes accepting vouchers for the first time.	1% of program families move to less impacted areas per year; 25 first time landlords each year; and, 1 Class B or greater apartment complex each year.	Actual % of families that move to less impacted areas per year, actual number of first time landlords each year and number of new class B or greater apartment complexes added.

Final Measurements			
Baseline	Metric	Benchmark	Outcome
Current percentage of families residing in impacted areas	Percent of families that move to less impacted areas	1% of program families move to less impacted areas per year	Families have increased housing options in lower poverty areas.
Number of HCV landlords	Number of first time landlords in the program	25 first time landlords will execute HAP contracts each year	Families have increased housing options with new landlords.
Number of Class B or greater multi-family complexes currently accepting HCV	Number of Class B or greater multi-family apartment complexes accepting vouchers for the first time.	1 additional Class B or greater apartment complex will execute a HAP contract each year.	Families have increased housing options through additional apartment complexes.

C. Benchmark Achievement

This activity was not fully implemented in FY 2009 and therefore progress towards benchmarks cannot yet be measured. HASCB intends to fully implement this activity in FY 2010 and expects to achieve the proposed benchmarks described above.

D. Measurement Revisions

HACSB finalized its baselines, benchmarks and metrics and described these in section B above. As the above described measurements provided only the finalized data that was proposed in the FY 2009 Annual Plan there is no anticipated change in the impact of this activity.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

After developing the Implementation Plan for this Activity we found it necessary to modify the authorizations originally cited in the FY 2009 MTW Annual Plan to include 24 CFR 982.508 in addition to the previously approved citations.

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through its Moving to Work Agreement, Attachment C D(2)(a) which waives certain provisions of Sections 8(o)(i), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13(H-I)) of the 1937 Act. This Payment Standard Implementation plan replaces the federal regulations at 24 CFR 982.508, 982.503, 982.505 and 982.518. This activity addresses the MTW statutory objective to increase housing choices for low-income families. Without the waiver of the payment standard regulations HACSB could not implement local payment standards which will improve housing opportunities for low-income families throughout the County of San Bernardino.



Through all of our MTW Activities HACSB will increase housing choice opportunities for families, realize operational efficiencies, reduce costs and encourage families to reach self-sufficiency goals.

VII. SOURCES AND USES OF FUNDS

A. Planned vs Actual Sources and Uses of MTW Funds

1. Planned vs Actual Sources and Uses of MTW Funds - The chart below summarizes the HACSB Consolidated MTW Budget and Actuals for Fiscal Year 2009 (October 1, 2008 through September 30, 2009). This chart lists all budgeted and actual revenues and expenditures for all funding sources that comprise the MTW Block Grant Funds including Section 9 Operating Funds; Section 9 Capital Funds; Section 8 Housing Choice Voucher (HCV) Housing Assistance Payments; and Section 8 HCV Administrative Fees.

CONSOLIDATED SOURCES AND USES OF MTW FUNDS (FISCAL YEAR 2009)				
REVENUE (SOURCES)	BUDGET	ACTUAL	VARIANCE	VARIANCE %
HCV Program HAP	\$ 60,667,192	\$ 63,076,345	\$ 2,409,153	3.97%
HCV Program Admin Fees	5,642,909	6,352,281	709,372	12.57%
Public Housing Operating Fund	5,185,224	5,236,039	50,815	0.98%
Public Housing Capital Fund (a)	5,833,172	3,750,584	(2,082,588)	-35.70%
Rental Income (b)	5,870,748	5,124,785	(745,963)	-12.71%
Miscellaneous Income	398,863	433,580	34,717	8.70%
Investment Income (c)	87,500	334,202	246,702	281.95%
TOTAL REVENUE	\$ 83,685,608	\$ 84,307,816	\$ 622,208	0.74%
EXPENSE (USES)				
Administration and General Expense (d)	\$ 10,789,845	\$ 16,735,866	\$ (5,946,021)	-55.11%
Utilities	1,546,964	1,433,348	113,616	7.34%
Operations and Maintenance	7,269,093	7,860,241	(591,148)	-8.13%
Housing Assistance Payments	60,547,948	65,806,122	(5,258,174)	-8.68%
Development and Capital Projects (e)	3,968,362	-	3,968,362	100.00%
TOTAL EXPENSE	\$ 84,122,212	\$ 91,835,577	\$ (7,713,365)	-9.17%
OPERATING INCOME/LOSS	\$ (436,604)	\$ (7,527,761)	\$ (7,091,157)	
Reserve Drawdown (Unrestricted)	\$ -	\$ 4,484,742	\$ 4,484,742	
Reserve Drawdown (pre CY 2008 restricted HAP reserves)	\$ 436,604	\$ 3,043,019	\$ 2,606,415	
NET INCOME/LOSS	\$ -	\$ -	\$ -	

Explanation of Variances Over/(Under) 20%:

- a) HACSB requisitions Public Housing Capital Funds after the expenses have been incurred.
- b) Rental income is from the public housing developments
- c) Investment Income includes \$277,598 interest gains from Energy Performance Contract funds which were not originally budgeted.
- d) Administration and General Expense includes \$4 million of Retiree Medical liability in order to comply with GASB 45. In addition, actuals include \$980,000 for debt service for the Energy Performance Contract and debt

service for the HCV Program office building which were not originally budgeted.

- e) Costs associated with Development and Capital Projects are included in the Statement of Net Assets as Work in Progress; therefore, these on-going costs are not reflected in the Statement of Operations.

2. Planned vs Actual Sources and Uses of Non-MTW Funds – The chart below summarizes the HACSB Consolidated Budget and Actuals for Non-MTW Funds for Fiscal Year 2009 (October 1, 2008 through September 30, 2009). This chart lists all planned and actual revenues and expenditures for all funding sources for other funds that are not eligible MTW Block Grant funds (including state, local and central office cost center funds).

CONSOLIDATED SOURCES AND USES OF NON- MTW FUNDS (FISCAL YEAR 2009)				
REVENUE (SOURCES)	BUDGET	ACTUAL	VARIANCE	
Grants	\$ 1,938,098	\$ 2,724,558	\$ 786,460	
Rental Income (a)	8,597,269	8,572,804	(24,465)	
Investment Income	384,993	557,907	172,914	
Miscellaneous Income	4,702,250	1,367,930	(3,334,320)	
TOTAL REVENUE	\$ 15,622,610	\$ 13,223,199	\$ (2,399,411)	
EXPENSE (USES)				
Administration and General Expense	\$ 10,382,998	\$ 3,528,972	\$ 6,854,026	
Utilities	716,460	605,944	110,516	
Operations and Maintenance	2,907,237	4,013,974	(1,106,737)	
Extraordinary Maintenance	122,818	161,901	(39,083)	
Housing Assistance Payments	1,170,808	2,268,255	(1,097,447)	
TOTAL EXPENSE	\$ 15,300,321	\$ 10,579,046	\$ 4,721,275	
OPERATING INCOME/LOSS	\$ 322,289	\$ 2,644,153	\$ 2,321,864	
Reserve Buildup	\$ 322,289	\$ 2,644,153	\$ 2,321,864	
NET INCOME/LOSS	\$ -	\$ -	\$ -	

(a) Rental income is from the Authority Owned Portfolio

B. Planned vs Actual Sources and Uses of State/Local Funds - The chart below summarizes the HACSB State and Local Budget and Actuals for Fiscal Year 2009 (October 1, 2008 through September 30, 2009). This chart lists all planned and actual revenues and expenditures for all funding sources that comprise State and Local operating activities.

SOURCES AND USES OF STATE AND LOCAL FUNDS				
(FISCAL YEAR 2009)				
REVENUE (SOURCES)	BUDGET	ACTUAL	VARIANCE	
Rental Income	\$ 530,683	\$ 552,779	\$ 22,096	
Investment Income	643	3,624	2,981	
Miscellaneous Income	17,037	29,148	12,111	
TOTAL REVENUE	\$ 548,363	\$ 585,551	\$ 37,188	
EXPENSE (USES)				
Administration and General Expense	\$ 292,555	\$ 191,301	\$ 101,254	
Utilities	55,344	69,011	(13,667)	
Operations and Maintenance	168,797	303,003	(134,206)	
TOTAL EXPENSE	\$ 516,696	\$ 563,315	\$ (46,619)	
OPERATING INCOME/LOSS	\$ 31,667	\$ 22,236	\$ (9,431)	
Reserve Buildup	31,667	22,236	(9,431)	
NET INCOME/LOSS	\$ -	\$ -	\$ -	

- C. Planned vs Actual Sources and Uses of Central Office Cost Center Funds -**
The chart below summarizes the HACSB Central Office Cost Center Budget and Actuals for Fiscal Year 2009 (October 1, 2008 through September 30, 2009). This chart lists all planned and actual revenues and expenditures for all central office cost center operations.

SOURCES AND USES OF CENTRAL OFFICE COST CENTER				
(FISCAL YEAR 2009)				
REVENUE (SOURCES)	BUDGET	ACTUAL	VARIANCE	
Miscellaneous Income	\$ 4,006,854	\$ 3,687,057	\$ (319,797)	
TOTAL REVENUE	\$ 4,006,854	\$ 3,687,057	\$ (319,797)	
EXPENSE (USES)				
Administration and General Expense	\$ 4,857,430	\$ 5,311,678	\$ (454,248)	
Utilities	48,561	55,932	(7,371)	
Operations and Maintenance	697,215	751,166	(53,951)	
TOTAL EXPENSE	\$ 5,603,206	\$ 6,118,776	\$ (515,570)	
OPERATING INCOME/LOSS	\$ (1,596,352)	\$ (2,431,719)	\$ (835,367)	
Operating Transfers In/(Out)	1,596,352	2,431,719	835,367	
NET INCOME/(LOSS)	\$ -	\$ -	\$ -	

D. Cost Allocation or Fee for Service Methodology

HACSB utilized the HUD prescribed Fee for Service approach with no deviations for FY 2009.

E. Single Fund Flexibility

HACSB did not use any single fund flexibility for FY 2009. We anticipate its use in FY 2010.

VIII. ADMINISTRATIVE

- A. **Description of Deficiencies** – No deficiencies found.
- B. **Results of Agency-directed Evaluations** – Not applicable. HACSB has not conducted any Agency-directed evaluations.
- C. **Performance and Evaluation Report for non-MTW Block Grant Capital Fund** – Included as Attachment C.
- D. **Statutory Requirements Certification** – HACSB certifies that it has met the three statutory requirements. The Authority certifies that at least 75 percent of the families assisted by the Agency are very low income, that substantially the same total number of eligible low income families are being served and that a comparable mix of families has been maintained.

APPENDIX A: SUMMARY CHART OF MTW ACTIVITIES

The chart below provides a summary listing of the MTW Activities that were adopted in the FY 2009 MTW Annual Plan.

STATUS OF MTW ACTIVITIES				
Activity	Plan Year Approved	Activity Status	Goal	
1	Single Fund Budget with Full Flexibility	FY 2009	Effective Oct 1, 2009	Expanding Housing Opportunities
2	Strategic Investment Policies	FY 2009	Development phase	Expanding Housing Opportunities
	Alternate Assessment Programs	FY 2009	Postponed	Operational Efficiency
4	Biennial Recertifications	FY 2009	Effective Oct 1, 2009	Operational Efficiency
5	Local Verification Policies	FY 2009	Effective Oct 1, 2009	Operational Efficiency
6	Elimination of Assets	FY 2009	Effective Oct 1, 2009	Operational Efficiency
7	Controlled Program Moves	FY 2009	Effective Feb. 1, 2010	Operational Efficiency
8	Local Policies for Portability	FY 2009	Effective Oct 1, 2009	Self-Sufficiency
9	Elimination of Earned Income Disallowance	FY 2009	Effective Oct 1, 2009	Self-Sufficiency
10	Minimum Rent	FY 2009	Effective Oct 1, 2009 for Annual Recertification; Jan. 1, 2010 for all families	Self-Sufficiency
11	Local Project-Based Voucher Program	FY 2009	Development phase	Expanding Housing Opportunities
12	Local Payment Standards	FY 2009	Effective June 1, 2009	Expanding Housing Opportunities

APPENDIX B: IMPACT ANALYSIS

After HACSB received approval on our MTW Initial Plan and began to implement Phase I of MTW Activity 12: Local Payment Standards we conducted an impact analysis to understand the potential outcomes of our implementation plan. In Phase I of Local Payment Standards we applied the change in Payment Standards at the first annual recertification for participants rather than waiting to modify the rent at the second annual recertification. Although this was the intent of HACSB through our Initial MTW Plan it was not until the development of implementation plans that we determined a rental impact analysis of this policy adjustment was prudent.

Our analysis determined that approximately 14.6% of families rent units that are above the reduced payment standard implemented by HACSB in FY 2009 and effective at the first annual recertification. Prior to implementation of this interim local payment standard policy approximately 8.7% of families were renting units with contract rents higher than the payment standard. Families that rent units above the payment standard are responsible for paying the dollar difference between the contract rent and the payment standard as part of their tenant rent responsibility. On average these impacted families will pay an additional \$27 per month in rent. However, the overall average throughout the program is a \$3.6 increase per month in rent.

However, concurrent with these changes is a program wide evaluation of contract rents. Each unit on the program will undergo a new rent reasonableness evaluation. Should the rent reasonableness show that due to the downturn in the market rent currently charged by the landlords is now too high, the landlord will be required to reduce the rent to reflect the reasonable rent for the unit. As this rent reasonable initiative is a year-long initiative, families who were impacted by an increase in rent due to the payment standard reduction will likely will see a corresponding reduction in rent due to this rent reasonableness initiative.

If however, families experience undue hardship as a result of HACSB's interim policy changes, they may apply for a hardship waiver to the Payment Standard. A waiver of the Payment Standard may be granted under the following conditions:

- **Rent Burdened** - The rental burden for the family exceeds 50% under the application of the new Payment Standard; and/or
- **Minimum Rent** – The family currently pays the minimum rent and the contract rent on the unit now exceeds the Payment Standard. Families who request a Hardship Waiver under this Implementation Plan must apply for a Permissible Program Move and seek a unit where the contract rent does not exceed the payment standard.

APPENDIX C: PERFORMANCE AND EVALUATION REPORTS

Attached are the Performance and Evaluation Reports for the following non-MTW Block Grant Capital Funds:

- CA16-P019-501-05
- CA16-P019-501-06
- CA16-P019-501-07
- CA16-S019-501-09 (ARRA)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: CA16-P019-501-05 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2005 FFY of Grant Approval:	
PHA Name: County of San Bernardino		Reserve for Disasters/Emergencies Performance and Evaluation Report for Period Ending: September 30, 2009		Revised Annual Statement (revision no: 5) Final Performance and Evaluation Report	
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Development Account		Total Estimated Cost		Total Actual Cost ¹	
Line	Summary by Development Account	Original	Revised ²	Obligated	Expended
1	Total non-CFF Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	911,541.00	911,541.00	911,541.00	911,541.00
3	1408 Management Improvements	911,541.00	911,541.00	911,541.00	911,541.00
4	1410 Administration (may not exceed 10% of line 21)	455,770.00	455,770.00	455,770.00	455,770.00
5	1411 Audit	10,000.00	10,000.00	10,000.00	10,000.00
6	1415 Liquidated Damages				
7	1430 Fees and Costs	488,287.00	488,287.00	488,287.00	488,287.00
8	1440 Site Acquisition				
9	1450 Site Improvement	1,213,152.00	1,213,152.00	1,213,152.00	1,213,152.00
10	1460 Dwelling Structures	567,416.00	567,416.00	567,416.00	567,416.00
11	1465.1 Dwelling Equipment--Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFF Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		FFY of Grant: 2005	
PHA Name: Housing Authority of the County of San Bernardino	Grant Type and Number Capital Fund Program Grant No: CA16-P019-501-05 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval:	
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 5) <input checked="" type="checkbox"/> Final Performance and Evaluation Report	
Type of Grant		Reserve for Disasters/Emergencies <input type="checkbox"/>	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost ¹
		Original	Revised ²
		Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant: (sum of lines 2 - 19)	4,557,707.00	4,557,707.00
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs	2,777,139.00	2,777,139.00
24	Amount of line 20 Related to Security - Hard Costs	1,780,568.00	1,780,568.00
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director		Signature of Public Housing Director	
Date		Date	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant: 2005		
PHA Name: Housing Authority of the County of San Bernardino		Capital Fund Program Grant No: CA16-P019-501-05 CFFP (Yes/ No): No		Replacement Housing Factor Grant No:		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Status of Work
				Original	Revised ¹	
				Funds Obligated ²	Funds Expended ²	
PHA Wide						
	Operations	1406.00		911,541.00	911,541.00	Completed
	Management Improvements	1408.00				
	Family Self Sufficiency			108,000.00	435,683.78	Completed
	Fair Housing			22,500.00	289.41	Completed
	Homeownership			76,000.00	-19,589.01	Completed
	Staff Development			67,500.00		
	Resident Programs			67,500.00	119,917.56	Completed
	Security			78,146.00		
	Resident Computer Training			45,000.00		
	Computer Software			446,895.00	375,239.26	Completed
	Administration	1410.00		455,770.00	455,770.00	Completed
	Audit	1411.00		10,000.00	10,000.00	Completed

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages		Federal FFY of Grant: 2005						
PHA Name: Housing Authority of the County of San Bernardino		Grant Type and Number Capital Fund Program Grant No: CA16-P019-501-05 CFFP (Yes/ No): No Replacement Housing Factor Grant No:						
Development Number Name/PHA- Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	Fees and Costs	1430.00						
	A&E- Planning			20,000.00	0.00	0.00	0.00	
	A&E- Redlands Redevelopment			75,000.00	165,473.83	165,473.83	165,473.83	Completed
	A&E- 19-010 Redevelopment			393,287.00	322,813.17	322,813.17	322,813.17	Completed
	Site Improvement	1450.00			34,554.00	34,554.00	34,554.00	Completed
	A/C Paving- agencywide			117,975.00	117,975.00	117,975.00	117,975.00	Completed
	Concrete			99,500.00	262,760.00	262,760.00	262,760.00	Completed
	Fencing- agencywide			228,608.00	228,608.00	228,608.00	228,608.00	Completed
	Landscaping/playground- agencywide ¹			341,069.00	252,550.00	252,550.00	252,550.00	Completed
	Roofing- agencywide			426,000.00	316,705.00	316,705.00	316,705.00	Completed
	Dwelling Structures	1460.00						
	LBP in-place management- agencywide			25,000.00	0.00	0.00	0.00	
	Siding/Trim/Stucco wall repairs-agencywide			177,800.00	202,800.00	202,800.00	202,800.00	Completed

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		Grant Type and Number		FFY of Grant: 2006	
PHA Name: Housing Authority of the County of San Bernardino		Capital Fund Program Grant No: CA16-P019-501-06 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant Approval:	
Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no:3)	
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Performance and Evaluation Report for Period Ending: September 30, 2009		<input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost Revised ²	Obligated	Total Actual Cost ¹ Expended	
1	Total non-CFFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	802,870.00	802,870.00	802,870.00	802,870.00
3	1408 Management Improvements	802,870.00	802,870.00	802,870.00	802,870.00
4	1410 Administration (may not exceed 10% of line 21)	401,435.00	401,435.00	401,435.00	401,435.00
5	1411 Audit	10,000.00	10,000.00	0.00	0.00
6	1415 Liquidated Damages				
7	1430 Fees and Costs	300,000.00	300,000.00	300,000.00	296,071.25
8	1440 Site Acquisition				
9	1450 Site Improvement	250,000.00	250,000.00	250,000.00	250,000.00
10	1460 Dwelling Structures	1,131,719.00	1,131,719.00	1,131,719.00	1,028,591.66
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs	315,460.00	315,460.00	315,460.00	315,460.00
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFFP Grants for operations.

⁴ RHF funds shall be included here.

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 Capital Fund Financing Program

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

OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		FFY of Grant: 2006 FFY of Grant Approval:			
PHA Name: Housing Authority of the County of San Bernardino		Grant Type and Number Capital Fund Program Grant No: CA16-P019-501-06 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending:					
<input type="checkbox"/> Reserve for Disasters/Emergencies		<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 3)			
Summary by Development Account		Total Estimated Cost		Total Actual Cost ¹	
Line	Description	Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,014,354.00	4,014,354.00	4,004,354.00	3,897,297.91
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs	2,317,175.00	2,317,175.00	2,307,175.00	2,303,246.25
24	Amount of line 20 Related to Security - Hard Costs	1,697,179.00	1,697,179.00	1,697,179.00	1,594,051.66
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Signature of Public Housing Director		Date	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFF Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant: 2006		
PHA Name: Housing Authority of the County of San Bernardino		Capital Fund Program Grant No: CA16-F019-501-06 CFPP (Yes/ No): No Replacement Housing Factor Grant No:				
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Status of Work
				Original	Revised ¹	
				Funds Obligated ²	Funds Expended ²	
PHA Wide	Operations	1406.00		802,870.00	802,870.00	Completed
	Management Improvements	1408.00				
	Homeownership			136,067.00	147,393.30	Completed
	Staff Development			5,672.77	5,672.77	Completed
	Crime Prevention/Reduction			95,960.00	100,626.17	Completed
	Resident Services			570,843.00	549,177.76	Completed
	Administration	1410.00		401,435.00	401,435.00	Completed
	Audit	1411.00		10,000.00	0.00	Ongoing
	Fees & Costs	1430.00				
	A&E - Inspections			75,000.00		
	A&E - 19-003 LBP Management			50,000.00		
	Misc. Fees & Costs			75,000.00	134,479.25	Completed
	A&E Redlands Redevelopment			100,000.00	94,006.77	Completed

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
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 Expires 4/30/2011

Part I: Summary		Grant Type and Number		FFY of Grant: 2007 FFY of Grant Approval:	
PHA Name: County of San Bernardino		Capital Fund Program Grant No: CA16P019501-07 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant		<input checked="" type="checkbox"/> Revised Annual Statement (revision no:3) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Original	Total Estimated Cost Revised ²	Obligated	Total Actual Cost ¹ Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	844,358.00	844,358.00	844,358.00	844,358.00
3	1408 Management Improvements	844,358.00	844,358.00	844,358.00	817,648.64
4	1410 Administration (may not exceed 10% of line 21)	422,179.00	422,179.00	133,890.00	133,890.00
5	1411 Audit	10,000.00	10,000.00	1,000.00	1,000.00
6	1415 Liquidated Damages				
7	1430 Fees and Costs	475,000.00	475,000.00	461,582.64	376,514.66
8	1440 Site Acquisition				
9	1450 Site Improvement	425,896.00	425,896.00	425,896.00	7,500.00
10	1460 Dwelling Structures	1,200,000.00	1,200,000.00	1,200,000.00	0.00
11	1465.1 Dwelling Equipment---Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

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Part I: Summary		FFY of Grant: 2007	
PHA Name:	Grant Type and Number	FFY of Grant Approval:	
Housing Authority of the County of San Bernardino	Capital Fund Program Grant No: CA16P019501-07 Replacement Housing Factor Grant No: Date of CFFP:		
Type of Grant		<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 3) <input type="checkbox"/> Original Annual Statement	
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 09/30/2009		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost ¹
		Original	Obligated
		Revised ²	Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant: (sum of lines 2 - 19)	4,221,791.00	3,911,084.64
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities	2,595,895.00	2,285,188.64
23	Amount of line 20 Related to Security - Soft Costs	1,625,896.00	1,625,896.00
24	Amount of line 20 Related to Security - Hard Costs		7,500.00
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director		Signature of Public Housing Director	
Date		Date	

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² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
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⁴ RHF funds shall be included here.

Part II: Supporting Pages		Federal FFY of Grant: 2007						
PHA Name: Housing Authority of the County of San Bernardino		Grant Type and Number Capital Fund Program Grant No: CA16P019501-07 CFFP (Yes/ No): No Replacement Housing Factor Grant No:						
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	Operations	1406.00		844,358.00	844,358.00	844,358.00	844,358.00	Completed
	Management Improvements							
	Homeownership			130,000.00	66,960.83	66,960.83	62,733.49	Ongoing
	Staff Development			85,358.00	10,413.84	10,413.84	10,413.84	Completed
	Crime Prevention/Reduction			250,000.00	106,466.45	106,466.45	91,536.93	Ongoing
	Resident Programs			300,000.00	535,450.24	535,450.24	531,205.24	Ongoing
	IT Software Improvements			79,000.00	125,066.64	125,066.64	121,759.14	Ongoing
	Administration			422,179.00	422,179.00	133,890.00	133,890.00	Ongoing
	Audit			10,000.00	10,000.00	1,000.00	1,000.00	Ongoing
	Fees & Costs							
	A&E - Inspections			75,000.00	0.00	0.00	0.00	
	A&E - LBP Management			25,000.00	0.00	0.00	0.00	
	Misc. Fees & Costs			25,000.00	5,000.00	1610.68	1,610.68	Ongoing
	A&E Redlands Redevelopment			200,000.00	85,750.91	85,750.91	8,730.00	Ongoing
	A&E Medical Center Rehab			150,000.00	384,249.09	374,221.05	366,173.98	Ongoing

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U.S. Department of Housing and Urban Development
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Part II: Supporting Pages									
PHA Name: Housing Authority of the County of San Bernardino			Grant Type and Number Capital Fund Program Grant No: CA16P019501-07 CFPP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant:			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work	
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²		
	Site Improvements	1450.00							
	Irrigation/EPC			125,896.00	125,896.00	125,896.00		Ongoing	
	CPTED/Security Lighting			50,000.00	50,000.00	50,000.00	7,500.00	Ongoing	
	Concrete/Flatwork/Paving Repairs			250,000.00	250,000.00	250,000.00		Ongoing	
	Dwelling Structures	1460.00							
	LBP In-Place Management			300,000.00	300,000.00	300,000.00		Ongoing	
	Painting/Wall Repairs			300,000.00	300,000.00	300,000.00		Ongoing	
	Roofing			300,000.00	300,000.00	300,000.00		Ongoing	
	Window Replacement			300,000.00	300,000.00	300,000.00		Ongoing	

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Annual Statement/Performance and Evaluation Report
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 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
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Part I: Summary		Grant Type and Number		FFY of Grant: 2009	
PHA Name: Housing Authority of the County of San Bernardino		Capital Fund Program Grant No: CA16S01950109 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant Approval:	
Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no:)	
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: September 30, 2009		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Final Performance and Evaluation Report		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Obligated	Total Actual Cost ¹	Expended
		Original	Revised ²		
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements	40,000			
4	1410 Administration (may not exceed 10% of line 21)	400,000			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	357,689			
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	4,176,000			
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures	105,000			
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
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Part I: Summary		FFY of Grant: 2009 FFY of Grant Approval: 2009	
PHA Name: Housing Authority of the County of San Bernardino	Grant Type and Number Capital Fund Program Grant No: CA16S01950109 Replacement Housing Factor Grant No: Date of CFFP:		
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost ¹
		Original	Revised ² Obligated Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant:: (sum of lines 2 - 19)	5,078,689	
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director		Signature of Public Housing Director	
Date		Date	

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² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
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⁴ RHF funds shall be included here.

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Part II: Supporting Pages		Federal FFY of Grant: 2009						
PHA Name: Housing Authority of the County of San Bernardino		Grant Type and Number Capital Fund Program Grant No: CA16S01950109 CFPP (Yes/ No): No Replacement Housing Factor Grant No:						
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide	Management Improvements IT Software Improvements	1408.00		40,000				Ongoing
	Administration	1410.00		400,000				Ongoing
	Fees & Costs							
19-10, 19-03	A&E Inspections	1430.00		50,000				Ongoing
PHA-Wide	Misc. Fees & Costs	1430.00		50,000				Ongoing
19-01, 19-08, 19-09	A&E Redlands Redevelopment	1430.00		217,689				Ongoing
19-02	A&E Waterman Redevelopment	1430.00		40,000				Ongoing
	Nondwelling Structures							
19-04	Community Ctr/Office Upgrades	1470.00		35,000				Ongoing
19-05	Community Ctr/Office Upgrades	1470.00		35,000				Ongoing
19-06	Community Ctr/Office Upgrades	1470.00		35,000				Ongoing

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

APPENDIX D: SAMPLE COMMUNICATIONS TO RESIDENTS/PARTICIPANTS, LANDLORDS AND COMMUNITY (MTW FACT SHEETS)

Comprehensive and accurate communication is critical to the success of our MTW participation. HACSB developed the following MTW Fact Sheets to inform residents, participants, landlords and the community of our new policies in a clear and concise manner.

HACSB FACTSHEET

Moving to Work | OVERVIEW

In March 2008, the Housing Authority of the County of San Bernardino (HACSB) became one of only one percent of housing authorities nationwide to be designated a Moving to Work (MTW) demonstration site by the U.S. Department of Housing and Urban Development (HUD).

As an MTW demonstration site, HACSB is able to transform its programs and services to empower families and individuals to achieve an enriched quality of life.

WHAT IS MOVING TO WORK?

MTW is a demonstration program that allows housing authorities to design and test ways to: 1) promote self-sufficiency among assisted families; 2) achieve programmatic efficiency and reduce costs; and 3) increase housing choices for low-income households. As an MTW agency, HACSB will have the opportunity to implement new policies outside the usual scope of HUD policies and regulations.

WHAT DOES THIS MEAN FOR THE HOUSING AUTHORITY?

As an MTW agency, the Housing Authority is given the flexibility and authority to develop policies outside the limitations of certain HUD regulations and provisions. This will allow HACSB to achieve its mission and program goals by leveraging the unique needs and concerns of the various communities and residents of San Bernardino County.

WHAT ARE THE HOUSING AUTHORITY'S PRIMARY GOALS UNDER MTW?

- Operational efficiency
- Family self-sufficiency
- Expand housing opportunities

WHAT DOES THIS MEAN FOR ME AS A...

- **Community partner:** The Housing Authority will work more closely with its community partners to provide services and programs that best reflect the needs and concerns of the San Bernardino County communities and residents.
- **Housing participant and resident:** Through MTW, new and existing housing participants and residents will be able to take advantage of an increase in housing choices and activities that will help them and their families achieve self-sufficiency.
- **Landlord partner:** The Housing Authority will work with new and existing landlord partners to provide high-quality living standards for all housing participants.



WHAT'S NEXT?

The Housing Authority is transitioning to implement the various activities to achieve the goals listed above. Some activities are well underway, and others are still pending HUD approval. A complete list and details of the various activities can be found at www.hacsb.com.



OUR MISSION

The Housing Authority of the County of San Bernardino empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

OUR CORE VALUES

Respect | We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.

Safety | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.

Integrity | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity-building within our organization is key toward fulfilling our mission statement.

Service | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.

HACSB FACTSHEET

Moving to Work | OVERVIEW

HCV LANDLORDS

In March 2008, the Housing Authority of the County of San Bernardino (HACSB) became one of only one percent of housing authorities nationwide to be designated a Moving to Work (MTW) demonstration site by the U.S. Department of Housing and Urban Development (HUD).

MTW is a demonstration program that allows housing authorities to design and test ways to: 1) promote self-sufficiency among assisted families; 2) achieve programmatic efficiency and reduce costs; and 3) increase housing choices for low-income households. As an MTW agency, HACSB will have the opportunity to implement new policies outside the usual scope of HUD policies and regulations.

As an MTW demonstration site, HACSB is able to transform its programs and services to empower families and individuals to achieve an enriched quality of life.

What does this mean for Housing Choice Voucher (HCV) Landlords? The following changes will directly apply to HCV Landlords:

CONTROLLED PROGRAM MOVES:

- **New policy:** HACSB will limit *voluntary* program moves for HCV participants to once every two years, only at the time of annual recertification and upon verification from their land-



lord that they are a tenant in good standing. This policy limits the number of times a program participant can move and when the participant can move. There are certain exceptions: a unit is in foreclosure, a participant gets a job or attends school more than 20 miles from their current residence.

- **Previous policy:** Pursuant to HUD regulations, HCV participants can move at any time after the initial term of the lease and under certain circumstances during the initial term of the lease.

LOCAL INSPECTION STANDARDS: *

- **New policy:** HACSB will develop an A to F property rating system. This rating system will determine the frequency of inspections assigned to a property;



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HACSB FACTSHEET

Moving to Work | OVERVIEW

HCV PARTICIPANTS

In March 2008, the Housing Authority of the County of San Bernardino (HACSB) became one of only one percent of housing authorities nationwide to be designated a Moving to Work (MTW) demonstration site by the U.S. Department of Housing and Urban Development (HUD).

MTW is a demonstration program that allows housing authorities to design and test ways to: 1) promote self-sufficiency among assisted families; 2) achieve programmatic efficiency and reduce costs; and 3) increase housing choices for low-income households. As an MTW agency, HACSB will have the opportunity to implement new policies outside the usual scope of HUD policies and regulations.

As an MTW demonstration site, HACSB is able to transform its programs and services to empower families and individuals to achieve an enriched quality of life.

What does this mean for Housing Choice Voucher (HCV) program participants? The following are approved changes that will directly apply to participants:

CONTROLLED PROGRAM MOVES:

- **New policy:** HACSB will limit *voluntary* program moves for HCV participants to once every two years, only at the time of annual recertification and upon



verification from their current landlord that they are a tenant in good standing. This policy limits the number of times a program participant can move and when the participant can move. There are certain exceptions: a unit is in foreclosure, a participant has a job or attends school more than 20 miles from their current unit.

- **Previous policy:** Pursuant to HUD regulations, HCV participants can move at any time after the initial term of the lease and under certain circumstances during the initial term of the lease.

LOCAL POLICIES FOR PORTABILITY:

- **New policy:** All individuals moving into and out of HACSB's jurisdiction (the County of San Bernar-



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Safety | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.

Integrity | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity-building within our organization is key toward fulfilling our mission statement.

Service | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.

dino) will have to comply with the MTW policies and requirements. Applicants must lease up in HACSB's jurisdiction for at least two years before a request to move will be considered.

- **Previous policy:** HACSB voucher participants could move to any geographical jurisdiction where there is a housing agency that administers a Housing Choice Voucher Program.

MINIMUM RENT:

- **New policy:** HACSB has adopted a new minimum rent amount of \$125.00. Pursuant to HUD regulations, if 30% of the monthly adjusted household in-



come is less than the established minimum rent, the total tenant payment toward rent and utilities will be increased to \$125.00. A temporary waiver policy has been established for families who demonstrate a hardship in paying the increased required minimum amount. In order to qualify for a temporary waiver, the family's income must have decreased due to a no fault loss of employment or the death of a household member.

- **Previous policy:** The previous minimum rent amount was \$50.00.

ELIMINATION OF MANDATORY EARNED INCOME DISALLOWANCE:

- **New policy:** HACSB will eliminate the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment and replace it with the rent reform activities authorized under the MTW agreement. No additional families will be processed under the HUD EID requirements. Families currently receiving an earned income disregard will continue to receive such benefit as follows: 1) Until the naturally occurring expiration date under the EID provisions if such date is prior to September 1, 2011; or 2) For a maximum period of 24 months from August 31, 2009 if the current scheduled expiration date is later than September 1, 2011.

- **Previous policy:** In the previous policy, earned income may be disregarded in calculation of tenant rent for two 12-month exclusion periods with a lifetime limit of 48 months.

The Housing Authority is transitioning to implement the various activities to achieve the goals listed above. Some activities are well underway, and others are still pending HUD approval. A complete list and details of the various activities can be found at www.hacsb.com.



As an MTW demonstration site, HACSB is able to transform its programs and services to empower families and individuals to achieve an enriched quality of life.

only properties that receive an “A” will be entitled to inspections every two years, others may even be inspected up to twice a year. The Housing Authority will not renew the contracts with those property owners whose properties score a “D” or “F”. This activity will increase the quality housing choice options for low-income families, as well as reduce the administrative burden to both HACSB and landlords.

- **Previous policy:** In order to qualify, HCV rental properties must meet current HUD regulations for Housing Quality Standards (HQS).

LOCAL POLICIES FOR PORTABILITY:

- **New policy:** All individuals moving into and out of HACSB’s jurisdiction (the County of San Bernardino) will have to comply with the MTW policies and requirements. Applicants must lease up in HACSB’s jurisdiction for at least two years before a request to move will be considered.

- **Previous policy:** HACSB voucher participants could move to any geographical jurisdiction where there is a housing agency that administers a Housing Choice Voucher Program.



MINIMUM RENT:

- **New policy:** HACSB has adopted a new minimum rent amount of \$125.00. Pursuant to HUD regulations, if 30 percent of the monthly adjusted household income is less than the established minimum rent, the total tenant payment toward rent and utilities will be increased to \$125.00. A temporary waiver policy has been established for families who demonstrate a hardship in paying the increased required minimum amount. In order to qualify for a temporary waiver, the family’s income must have decreased due to a no fault loss of employment or the death of a household member.

- **Previous policy:** The previous minimum rent amount was \$50.00

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*Pending HUD approval by September 30, 2009

As an MTW demonstration site, HACSB is able to implement new policies outside the usual scope of HUD policies and regulations.

HACSB FACTSHEET

Moving to Work | OVERVIEW

PUBLIC HOUSING RESIDENTS

In March 2008, the Housing Authority of the County of San Bernardino (HACSB) became one of only one percent of housing authorities nationwide to be designated a Moving to Work (MTW) demonstration site by the U.S. Department of Housing and Urban Development (HUD).

MTW is a demonstration program that allows housing authorities to design and test ways to: 1) promote self-sufficiency among assisted families; 2) achieve programmatic efficiency and reduce costs; and 3) increase housing choices for low-income households. As an MTW agency, HACSB will have the opportunity to implement new policies outside the usual scope of HUD policies and regulations.

As an MTW demonstration site, HACSB is able to transform its programs and services to empower families and individuals to achieve an enriched quality of life.

What does this mean for public housing residents? The following are approved changes that will directly apply to residents:

MINIMUM RENT:

- **New policy:** HACSB has adopted a new minimum rent amount of \$125. Pursuant to HUD regulations, if 30 percent of the monthly adjusted household income is less than the established minimum rent, the total tenant payment toward rent and utilities will be increased to \$125. A temporary waiver policy has been established for families who demonstrate a hardship in paying the increased required minimum amount.

In order to qualify for a temporary waiver, the family's income must have decreased due to a no-fault loss of employment or the death of a household member.

- **Previous policy:** The previous minimum rent amount was \$50.

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- **New policy:** HACSB will eliminate the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment and replace it with the rent reform activities authorized under the MTW agreement. No additional families will be processed under HUD EID requirements. Families currently receiving an earned income disregard will continue to receive such benefit as follows: 1) Until the naturally occurring expiration date under the EID provisions if such date is before September 1, 2011; or 2) For a maximum of 24 months from August 31, 2009 if the current scheduled expiration date is later than September 1, 2011.

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The Housing Authority is transitioning to implement the various activities to achieve the goals listed above. Some activities are well underway, and others are still pending HUD approval. A complete list and details of the various activities can be found at www.hacsb.com.



OUR MISSION

The Housing Authority of the County of San Bernardino empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

OUR CORE VALUES

Respect | We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.

Safety | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.

Integrity | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity-building within our organization is key toward fulfilling our mission statement.

Service | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.