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YEAR 17

# Moving to Work

ANNUAL PLAN

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YEAR 17

# FY2016 Moving to Work ANNUAL PLAN

April 1, 2015 – March 31, 2016

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# Introduction

Moving to Work (MTW) is a demonstration program that offers public housing authorities (PHAs) the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies for low income families by allowing exemptions from existing public housing and Housing Choice Voucher rules. The program also permits PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source, as approved by HUD. The purposes of the MTW program are to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that accomplish three primary goals:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

Home Forward has been designated an MTW agency since 1998. In 2009 we signed a new agreement with HUD that ensures our participation in the program until 2018. This additional time has allowed us to expand our innovation, piloting detailed activities that would not be feasible in a limited time frame.

We, along with the other MTW agencies across the country, are now in the midst of negotiations with HUD to execute a new agreement that would extend our MTW flexibility for an additional ten years. Our continued participation in the MTW program is vital to our agency, to the thousands of households we serve, and to our community as a whole. MTW flexibility has enabled Home Forward to be more creative and cost-effective in providing affordable housing in our community. The MTW program has given us the tools necessary to align with local government and community service providers, to leverage the supports our households need to find stability and move toward economic opportunity. Without an extended MTW agreement, Home Forward would lose the ability to continue successful activities, such as rent reform, our GOALS economic opportunity program, our local project-based voucher program and program-based assistance.

We are optimistic that through negotiations with HUD, we will reach agreement to execute an extension to this important program. We look forward to our future participation as an MTW agency, and to continuing to explore the ways in which we can best serve our local community.

## Overview of the Agency's Long-Term MTW Goals and Objectives

Home Forward develops long-term strategies and planning using the goals defined by our Strategic Operations Plan, which align with the objectives established by the Moving to Work program:

### Strategic Operations Plan Goals

Goal 1: We will deploy resources with greater intentionality and alignment with other systems while increasing the number of households served.

- Related MTW objectives: Increase housing choices for low-income families; give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and reduce cost and achieve greater cost effectiveness in Federal expenditures.

Goal 2: We will increase the number of housing units for our community through preservation, development and acquisition.

- Related MTW objective: Increase housing choices for low-income families.

Goal 3: We will strengthen our relationship with the people we serve by increasing mutual accountability and by improving our ability to connect them to vital services in the community.

- Related MTW objective: Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

Goal 4: We will increase efficiency and embrace our new identity by transforming the organizational structure and culture.

- Related MTW objective: Reduce cost and achieve greater cost effectiveness in Federal expenditures.

Home Forward works to achieve these goals through our MTW activities, initiatives funded through MTW single-fund flexibility, and additional priority initiatives that do not require MTW authority. Each of the activities described in this year's Plan supports at least one of these goals, and as a whole our MTW activities are foundational to serving our mission of providing shelter and support for our neighbors in need.

## Overview of the Agency's MTW Goals and Objectives for the Year

At this time Home Forward is not proposing any new activities in the FY2016 MTW Plan. We are continuing to refine and examine our approved activities, and are carefully considering the impacts of new activities we may propose in the future.

Rent Reform (Activity 01) is now in its fourth year, and work-focused households continue to transition to the second stage, which includes a \$100 minimum rent for work-focused households. Home Forward retains a hardship policy that considers what portion of income our residents are paying for rent, and offers the opportunity for adjustment as needed. As we continue to progress in the rent reform schedule, we have additional opportunities to analyze the program, to ensure that seniors and people with disabilities are finding stability, and to measure if the structure is encouraging work-focused families to increase income.

GOALS (Activity 02) is Home Forward's local economic opportunity program, which combines the traditional family self-sufficiency program with our previously established site-based program. Two years after consolidation, all programs now operate under the strike point managed savings account and other GOALS policies. The strike point method creates equality among households entering the program and is more efficient for staff to administer. GOALS also facilitates partnerships with our local service provider community, which provides a wide variety of supports to help our residents move towards economic independence.

Our local Project-based Voucher Program (Activity 10) includes 2,000 units and utilizes multiple flexibilities to make housing available to populations with the most barriers – homeless individuals and families, those with no income, seniors, people with disabilities, etc. Many of these households would be unlikely to succeed with a tenant-based voucher in the private market. In FY2014, Home Forward changed the operating subsidy at four buildings from public housing to project-based Section 8 funding. This will allow us to access private funding to preserve these buildings and hundreds of units of affordable housing in our community.

Program Based Assistance (Activity 14) has been previously included in Plans and Reports under the section on Uses of Single Fund Flexibility. Under advisement from HUD in FY2015, we moved it to the section on MTW Activities. This activity has given us flexibility to join our partners in restructuring services for homeless and low-income families in Multnomah County, creating a strong system of wrap-around supports for vulnerable families. The program offers time-limited rent assistance, paired with services, to help families access and/or retain stable housing. Through this assistance, Home Forward impacts the lives of more families, and often families with higher barriers to renting, than through the traditional voucher program alone.

While we've only highlighted a few of our activities here, all of our MTW initiatives are fundamental to the ways in which Home Forward provides housing and services to our community.

## Overview of Home Forward's Current MTW Activities

|  |    |
|--|----|
| 01 Rent Reform.....  | 22 |
| Home Forward has implemented large scale reform of our rent calculation.   |    |
| 02 GOALS – Home Forward's family economic opportunity program .....  | 28 |
| Home Forward has aligned its economic opportunity programs into one consolidated, locally tailored program.                        |    |
| 03 Local Blended Subsidy.....  | 34 |
| Home Forward has created a local blended subsidy program, blending Section 8 and public housing funds to subsidize units.          |    |
| 06 Alternate inspection requirements for partner-based programs .....  | 36 |
| Home Forward uses alternate inspection standards for programs where we contract our resources to be administered by partners.      |    |
| 07 Landlord self-certification of minor repairs .....  | 37 |
| In cases where we deem it appropriate, Home Forward may accept an owner's certification that repairs have been made.               |    |
| 08 Inspection and rent reasonableness at Home Forward-owned properties .....   | 39 |
| Home Forward sets rent reasonableness and inspects the unit when a voucher holder selects a unit we own.                           |    |
| 09 Measures to improve the rate of voucher holders who successfully lease up .....   | 40 |
| Home Forward has implemented measures to improve landlord acceptance of Section 8 vouchers in the community.                       |    |
| 10 Local Project-Based Voucher program .....   | 42 |
| Home Forward has created a local project-based voucher program that is tailored to meet the needs of our community.                |    |
| 11 Align utility allowance adjustment process.....   | 47 |
| Home Forward has aligned the utility allowance adjustment process for public housing and Section 8.                                |    |
| 12 Alternative initial Housing Assistance Payment policy .....   | 49 |
| Home Forward will allow the initial inspection to take place after the effective date of the rental contract.                      |    |
| 13 Broaden range of approved payment standards .....   | 51 |
| Home Forward will have the flexibility to establish payment standards between 80% and 120% of Fair Market Rents.                   |    |
| 14 Program Based Assistance .....  | 53 |
| Home Forward has designed a program that offers time limited rent assistance to help families access and/or retain stable housing. |    |

## Overview of Non-MTW Activities

Home Forward's goals and objectives for FY2016 also include a number of activities that do not require MTW flexibility, but are key to continuing to be innovative in the ways we serve our community.

### Regional Efforts

Home Forward has been working closely with our three neighboring housing authorities, as well as with the three local Workforce Investment Boards. The goal is to identify and pursue strategies that are regional in nature and increase residents' abilities to view the Portland Metro area as a single region with respect to housing, jobs, and education. We have several activities under this umbrella:

- Sharing jurisdiction with Clackamas County – Home Forward and the Housing Authority of Clackamas County (HACC) are testing the impact of sharing jurisdiction. This allows families with vouchers from either housing authority the flexibility to use their voucher within Multnomah or Clackamas County without going through the portability process. While this effort does not require MTW authority, Home Forward is pursuing this activity with the hope of increasing administrative efficiency by reducing workload related to portability, as well as increasing housing choice for families. Estimated combined administrative savings for Home Forward and HACC in the first year were \$24,000. Surveys completed in 2013 showed that landlords and families who are using this flexibility experienced overwhelmingly positive results. Two-thirds of participant respondents stated that the effort helped them move closer to jobs, schools or other resources, and the vast majority of landlords indicated the program is working well for them. The two housing authorities intend to continue to survey and track the outcomes of this initiative. This activity also serves to affirmatively further fair housing practices by proactively undertaking steps to aid in fostering access to community assets for all persons protected by the Fair Housing Act.
- Developing tools for mobility counseling – Home Forward was awarded a grant from Metro, a regional governmental entity, to work collaboratively with the three neighboring housing authorities to develop tools to provide mobility counseling to Section 8 participants in order to help reduce their combined housing and transportation costs. Lack of access to affordable transportation options often proves to be a barrier to housing choice. Assisting participants to identify housing locations with affordable transit options serves to further Fair Housing goals. This project will educate participants about the costs and benefits of choosing housing in various locations, and provide them with tools, including Walk Score and the HUD Transportation/Housing Cost Estimator, for comparing the relative costs of living in each area.

A Transportation Toolkit was finalized in March 2014, and is being piloted for six months with households who request to move to a new unit. Evaluators are surveying participants before and after they move, and the results will be compared with survey data collected from a comparison group of families who moved in early 2014 without access to the toolkit. After the evaluation is complete, adjustments to the toolkit will be made as needed, and it will be rolled out to participants at all housing authorities.

- Expanding employment and training for housing authority residents – Home Forward, in partnership with the three other local housing authorities and the three local Workforce Investment Boards in our region, received a \$5.5 million, three-year grant from the Department of Labor in 2012 to provide training and employment opportunities to housing authority residents. This grant builds upon a model that Home Forward and Worksystems, Inc. have been operating for several years. Home Forward is receiving \$1.1 million to fund case management staff to support 270 residents as they access training and employment opportunities through the local Worksource system in high demand occupations. Funds are also available to provide employment supports (such as assistance with transportation and childcare) for participating families. The grant is slated to end in October 2015, but all participating partners are exploring potential funding sources to support the continuation of the program.

### **Employment/Education Preferences**

Home Forward's public housing program added the employment/education and training preference at nine family properties: New Columbia, Slavin Court, Eliot Square, Celilo Court, Floresta, Maple Mallory, Chateau, Madrona Apartments and Stephens Creek Crossing. Applicants who are currently employed (defined as working an average of 30 hours per month) or are engaged in a training or education program qualify for the preference. Applicants who are senior or a person with a disability receive an equal preference at the property. An informational mailing went out to applicants on all of Home Forward's waiting lists in February 2014 that allowed them to switch to or from a site with the preference.

The Section 8 waiting list mirrors the above preference. The waiting list includes a preference for households that are employed or engaged in a training or education program. As we pull from the list, priority selection is offered to seniors, people with disabilities, and families who qualify for the preference. Households who do not have one of these priority preferences may wait longer to receive their voucher.

### **Saint Francis Park Apartments**

Home Forward has entered into a development agreement with a local non-profit, Catholic Charities, and a local parish in order to build affordable housing on land currently owned by the parish. Home Forward is serving as project developer and Catholic Charities will be the owner and operator upon completion. 102 units, affordable to households below 60% MFI, will be made available in this highly desirable neighborhood located in inner southeast Portland, close to jobs, transportation and neighborhood amenities. Programming by Catholic Charities will also ensure services for approximately 25 of the households, including supports for women and children who have experienced homelessness and/or domestic violence. The land has been purchased and the local development subsidy has been secured. Construction is slated to begin the end of FY2015.

### **Beech Street Apartments**

Completed in July 2014, Beech Street Apartments has 31 units of alcohol- and drug-free housing that serve as a complement to Project Network, an established residential drug- and alcohol-abuse treatment program for women with children, operated by LifeWorks NW. By developing Beech Street Apartments alongside the new Project Network facility, Home Forward has made permanent housing available that supports sustainable recovery efforts for graduates of Project Network and other drug- and alcohol-treatment programs. The 31 units are supported with project based vouchers. Leasing was completed in September 2014.

### High Rise Preservation Efforts: 85 Stories

As part of our second Strategic Operations Plan goal to increase the number of housing units for our community through preservation, development and acquisition, Home Forward is focusing on renovating the agency's ten high-rise public housing buildings. The ten high-rises provide 1,232 housing units, which account for almost half of Home Forward's total public housing supply. They serve some of our most vulnerable community members: seniors and persons with disabilities. The buildings are well located and worthy of preservation. They are, however, in critical need of \$80 million in capital improvements if they are to continue to provide safe, decent, and affordable homes. A special webpage highlighting some of our residents at these properties who eloquently describe their personal stories can be found at <http://homeforward.org/development/85-stories>.

Home Forward has formulated a financing strategy for the improvements, grouping the work into two phases with the most critical needs addressed first.

Phase 1: HUD approved our proposal to change the operating subsidy at four of the buildings from public housing to project-based Section 8 funding. This subsidy change occurred during September 2013 and transfer to the LIHTC partnership (and the accompanying affordable housing lease up) will occur during FY2015. The estimated Phase 1 budget is approximately \$115.9 million: \$38.7 million in acquisition costs, \$46.5 million in construction (capital) costs and \$30.7 million in development costs. Because of the great importance of this work, the agency is contributing a significant amount of its own resources to Phase 1: \$6.3 million (5% of the total funding).

Construction will be underway and completed during FY2016 at each of the first four properties (Northwest Tower & Annex, Gallagher Plaza, Hollywood East, and Sellwood Center). During construction, temporary relocation will be necessary for many residents. To accommodate this need, 56 units at two properties will be taken off-line in order to serve as temporary "hotels" for residents in their respective buildings who may need to stay up to 30 days while work is occurring in their permanent units. For residents in ADA units or larger families needing additional room, off-property private hotels with kitchen accommodations will be available.

Phase 2: The campaign to preserve the remaining six high-rise buildings will intensify once work on the first four buildings is underway. Home Forward submitted an application for the Rental Assistance Demonstration (RAD) program as part of its Phase 2 strategy and is looking forward to Congressional action to authorize additional RAD units. Home Forward may also consider a Section 8 Disposition strategy for the remaining properties that qualify.

### **Stephens Creek Crossing**

Formerly known as Hillsdale Terrace, the 60 units of public housing at that site were demolished and construction of this HOPE VI redevelopment was completed in FY2015. Stephens Creek Crossing includes 109 subsidized units, an additional 13 units for families with incomes below 60% of area median, and seven new homes for first-time homebuyers, to be constructed through Habitat for Humanity. Lease up was completed by May 31, 2014. New residents receive an extensive orientation to the community, including a “Community Compact” which represents an agreement between residents and staff to establish a relationship based on mutual respect and trust. All work-abled households also sign an agreement to participate in the GOALS program with specific objectives to reach greater family economic opportunity. Senior and/or disabled households have a choice to participate as well. The new Children’s Center opened in September 2014 and houses three Head Start classrooms and early childhood education programs for young children and parents. A close partnership between Home Forward and Neighborhood House (a non-profit located in the adjacent neighborhood) has made the completion of this facility possible.

### **VASH Households**

Veterans Affairs Supportive Housing (VASH) vouchers are an important and valuable resource for homeless veterans in our community. Since our original award of 70 vouchers in FY2009, Home Forward has received additional awards representing an increase of over 500%. Most recently, Home Forward was awarded 86 more VASH vouchers in October 2014, bringing us to a total of 446 vouchers. We are proud to administer these vouchers to the men and women in our community, and in FY2014 we worked diligently with partners, including the Department of Veterans Affairs, local jurisdictional representatives and non-profit service providers, to increase the lease up rates for VASH households. As a result, in May 2013 we achieved a full 100% utilization of VASH for the first time. At this time, 96% of our VASH vouchers are utilized, and the remaining 4% have been issued to veterans who are actively searching for housing. We continue to work with partners, creating solutions to overcome barriers that in the past have limited successful utilization of this resource, such as providing security deposit assistance to any VASH veteran who needs it.

Last spring, Multnomah County was selected to participate in the 25 Cities Initiative, aimed at ending chronic veteran’s homelessness. Home Forward set a goal, in partnership with jurisdictional representatives and non-profit providers, to house an additional 100 chronically homeless veterans by Veterans Day 2014, and to end veteran homelessness by the end of 2015.

Currently, Home Forward applies certain MTW flexibilities to VASH voucher holders. All VASH voucher holders are included in our rent reform calculation, and the policies and processes included therein (see Activity 01 Rent Reform for the full description). In fall of 2014 we requested authorization from the HUD Voucher Office to include VASH voucher holders in the application of all approved MTW activities. In November and December 2014, we received approval to apply all of our current MTW activities to VASH voucher holders.

## **Public Housing Strategy**

(This section added via Amendment I to FY2016 MTW Plan.)

Home Forward operates nearly 2,100 apartment homes as public housing, a specific subset of affordable housing that receives federal operating subsidy and capital funding. The buildings, and the deep rent subsidies they provide, are an important resource for Home Forward and the people we serve. Unfortunately, given waning federal support, mounting capital needs, and growing demand for affordable housing, the public housing program itself severely limits our ability to reinvest in these homes and meet the preservation challenges each apartment community faces. The reality is that the ongoing viability of this community resource is in jeopardy.

It is in the best interests of our residents, and the properties they call home, for Home Forward to pursue a transition from public housing subsidy to a type of Section 8 rent assistance for all of Home Forward's public housing communities. Section 8 provides more stable operating funding and allows Home Forward to use a conventional real estate model that leverages equity and debt to make vital and significant capital improvements.

The process to convert public housing properties to Section 8 began with our 85 Stories effort to preserve our high-rise public housing communities. We now are developing plans to make the change for the rest of our public housing portfolio. Home Forward can consider two options in converting the public housing properties to Section 8 rent assistance: HUD's Section 18 demolition and disposition process or the Rental Assistance Demonstration (RAD), which could transition properties to either project-based vouchers or project-based rental assistance. During the next few months, Home Forward will determine the specific details, including which properties will be included in applications to either program, and which subsidy type is the most appropriate.

Several important policies will guide us as we undertake this complex and challenging initiative. We have developed these policies as a result of our work over the last 15 years, starting with our first HOPE VI redevelopment, to preserve this vital community resource.

### Policy Guidelines for Subsidy Conversion

- 1) Continue to serve very low-income populations in these communities
- 2) Maintain ownership or control of the properties
- 3) Improve the physical and financial condition of the properties
- 4) Partner to optimize public and private resources on behalf of the properties and our residents

The following table lists all properties currently utilizing public housing subsidy, which may be chosen for conversion via either Section 18 Disposition or the Rental Assistance Demonstration:

| PIC Development No. | Development Name              | Units |
|---------------------|-------------------------------|-------|
| OR002000058         | Humboldt Gardens              | 100   |
| OR002000060         | Rockwood Station              | 25    |
| OR002000061         | The Jeffrey                   | 20    |
| OR002000062         | Martha Washington             | 25    |
| OR002000063         | Bud Clark Commons             | 130   |
| OR002000064         | Madrona Place                 | 45    |
| OR002000066         | Stephens Creek Crossing North | 75    |
| OR002000065         | Stephens Creek Crossing South | 47    |
| OR002000108         | Peaceful Villa                | 70    |
| OR002000111         | Dekum Court                   | 39    |
| OR002000113         | Tamarack                      | 118   |
| OR002000114         | Dahlke Manor                  | 114   |
| OR002000115         | Holgate House                 | 80    |
| OR002000117         | Schrunk Riverview Tower       | 118   |
| OR002000118         | Williams Plaza                | 101   |
| OR002000121         | Fir Acres                     | 31    |
| OR002000122         | Townhouse Terrace             | 31    |
| OR002000123         | Stark Manor                   | 29    |
| OR002000124         | Lexington Court               | 20    |
| OR002000125         | Eastwood Court                | 31    |
| OR002000126         | Carlton Court                 | 24    |
| OR002000131         | Slavin Court                  | 23    |
| OR002000132         | Demar Downs                   | 18    |
| OR002000138         | Eliot Square                  | 30    |

| PIC Development No. | Development Name                 | Units |
|---------------------|----------------------------------|-------|
| OR002000139         | Medallion Apartments             | 89    |
| OR002000140         | Ruth Haefner Apartments          | 73    |
| OR002000142         | Celilo Square                    | 28    |
| OR002000151         | Tillicum South                   | 12    |
| OR002000152         | Harold Lee Village               | 10    |
| OR002000153         | Floresta                         | 20    |
| OR002000203         | Maple Mallory                    | 48    |
| OR002000232         | Bel Park                         | 10    |
| OR002000236         | Winchell Court                   | 10    |
| OR002000237         | Powellhurst                      | 34    |
| OR002000251         | Tillicum North                   | 18    |
| OR002000252         | Hunters Run                      | 10    |
| OR002000305         | Haven Limited Partnership (NC)   | 29    |
| OR002000310         | Cecelia Limited Partnership (NC) | 72    |
| OR002000315         | Trouton Limited Partnership (NC) | 125   |
| OR002000320         | Fairview Oaks & Woods            | 40    |
| OR002000325         | Woolsey Limited Partnership (NC) | 70    |
| OR002000332         | Camelia Court                    | 14    |
| OR002000336         | Cora Park                        | 10    |
| OR002000337         | Alderwood                        | 20    |
| OR002000436         | Chateau Apartments               | 10    |
| OR002000705         | Scattered East A                 | 7     |
| OR002000707         | Scattered East C                 | 1     |
|                     |                                  |       |

# General Housing Authority Operating Information

## Housing Stock Information

### MTW Public Housing Units

|  |              |
|--|--------------|
| Public housing units at beginning FY2016               | 2,093        |
| Planned public housing units added                     | 0            |
| Planned public housing units removed                   | <u>(40)</u>  |
| <b>Public housing units projected at end of FY2016</b> | <b>2,053</b> |

| Planned New Public Housing Units to be Added During the Fiscal Year  |              |   |   |   |   |   |    |             |                   |                  |           |
|--|--------------|---|---|---|---|---|----|-------------|-------------------|------------------|-----------|
| AMP Name and Number  | Bedroom Size |   |   |   |   |   |    | Total Units | Population Type * | # of UFAS Units  |           |
|  | 0            | 1 | 2 | 3 | 4 | 5 | 6+ |             |                   | Fully Accessible | Adaptable |
| -  |              |   |   |   |   |   |    | -           |                   |                  |           |
| <b>Total Public Housing Units to be Added</b>  |              |   |   |   |   |   |    |             | <b>0</b>          |                  |           |
| <p>* Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other</p> <p>If Other, please describe: <input type="text"/></p> |              |   |   |   |   |   |    |             |                   |                  |           |

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and  
PIC Dev. Name

Number of Units to  
be Removed

Explanation for Removal

OR002000111

40

We are considering alternative financing options to undertake renovations at Dekum Court.

Total Number of Units  
to be Removed

40

**MTW Housing Choice Vouchers (HCV) Units**

|  |              |
|--|--------------|
| MTW HCV authorized at beginning FY2016                 | 8,418        |
| Planned vouchers added/removed                         | <u>0</u>     |
| <b>MTW HCV projected at end of FY2016</b>              | <b>8,418</b> |
| <br>   |              |
| MTW HCV project-based at beginning of FY2016           | 2,000        |
| Project-based units added (see following page)         | 17           |
| Project-based units removed                            | <u>0</u>     |
| MTW HCV Project-based units projected at end of FY2016 | 2,017        |

**Non-MTW Housing Choice Vouchers units authorized**

| Voucher Type                               | Projected Units Authorized |
|--|----------------------------|
| SRO/MODS                                   | 512                        |
| Veterans Affairs Supportive Housing (VASH) | 446                        |
| Family Unification Program                 | 100                        |
| Opt-Out vouchers                           | -                          |

New Housing Choice Vouchers to be Project-Based During the Fiscal Year

| Property Name   | Anticipated Number of New Vouchers to be Project-Based * | Description of Project   |
|---|--|--|
| Station 162   | 17   | Station 162 offers 44 one- and two-bedroom units in a transit-rich environment with a deep level of services. This community for seniors and people with disabilities promotes self-reliance and self-sufficiency, including personal attendant care for all activities of daily living. The 17 units with project-based vouchers will offer preferences for 1) people with disabilities receiving services from QUAD Inc. who need ADA units, and 2) seniors or people with disabilities receiving services from Elders Place. There will also be a second tier preference for people who are extremely low income. |
| <b>Anticipated Total New Vouchers to be Project-Based</b> | <b>17</b>  | Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year   |
|   |  | 2,017  |
|   |  | Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year   |
|   |  | 1,956  |

\*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

### Other Changes to the Housing Stock Anticipated During the Fiscal Year

Home Forward will hold 56 project-based voucher units off line in FY2016 as “temporary apartments” for residents at Hollywood East and Northwest Tower. At these two buildings, we will be replacing water supply and waste lines, which will disable bathrooms in certain units for extended periods of time. In order to ease the impact on the resident, we will relocate these households within the building. We will hold 32 studio units at Hollywood East, and 12 studio and 12 one-bedroom units at Northwest Tower for this purpose.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

### General Description of All Planned Capital Fund Expenditures During the Plan Year

| Community                                | Activity                               | Scattered Site Proceeds | Asset Repositioning Fee | Capital Fund        | % Cap Fund  | Total Expended      | % of Total Expended |
|--|--|-------------------------|-------------------------|---------------------|-------------|---------------------|---------------------|
| Various properties                       | Major systems upgrades – 85 Stories*   | \$ 3,000,000            | \$ 4,500,000            | \$ 5,000,000        | 41.07%      | \$12,500,000        | 63.54%              |
| Dekum Court                              | Comprehensive rehab                    | -                       | -                       | 3,600,000           | 29.57%      | 3,600,000           | 18.30%              |
| Holgate House                            | Water intrusion repairs                | -                       | -                       | 350,000             | 2.88%       | 350,000             | 1.78%               |
| Medallion                                | Water intrusion repairs                | -                       | -                       | 350,000             | 2.88%       | 350,000             | 1.78%               |
| Tamarack                                 | Staircase repairs & painting           | -                       | -                       | 489,714             | 4.02%       | 489,714             | 2.49%               |
| Eliot Square                             | Exterior brick repairs & flashing      | -                       | -                       | 250,000             | 2.05%       | 250,000             | 1.27%               |
| Maple Mallory                            | Exterior brick repairs & flashing      | -                       | -                       | 150,000             | 1.23%       | 150,000             | 0.76%               |
| Williams Plaza                           | Water Leak Repairs                     | -                       | -                       | 92,500              | 0.76%       | 92,500              | 0.47%               |
| Various properties                       | PH portfolio capital needs assessments | -                       | -                       | 300,000             | 2.46%       | 300,000             | 1.52%               |
| Various properties                       | Painting                               | -                       | -                       | 200,000             | 1.64%       | 200,000             | 1.02%               |
| Various properties                       | Unidentified emergency repairs         | -                       | -                       | 130,000             | 1.07%       | 130,000             | 0.66%               |
| Various properties                       | Asbestos abatement                     | -                       | -                       | 49,069              | 0.40%       | 49,069              | 0.25%               |
| PHA Wide                                 | 20% Administrative allowance           | -                       | -                       | 697,852             | 5.73%       | 697,852             | 3.55%               |
| Debt Service                             | Trouton bond payments                  | -                       | -                       | 514,322             | 4.23%       | 514,322             | 2.61%               |
| <b>Total Capital Expenditures Budget</b> |  | <b>\$3,000,000</b>      | <b>\$4,500,000</b>      | <b>\$12,173,457</b> | <b>100%</b> | <b>\$19,673,457</b> | <b>100%</b>         |

\*Major systems upgrades titled “85 Stories” are planned for Home Forward’s towers. See the non-MTW Activities section for more information.

Leasing Information

| Planned Number of Households Served at the End of the Fiscal Year   |  |  |
|---|--|--|
| MTW Households to be Served Through:  | Planned Number of Households to be Served* | Planned Number of Unit Months Occupied/Leased*** |
| Federal MTW Public Housing Units to be Leased   | 2,016                                      | 24,190   |
| Federal MTW Voucher (HCV) Units to be Utilized  | 8,081                                      | 96,975   |
| Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs ** | 5  | 55   |
| Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **   | 183  | 2,192  |
| <b>Total Households Projected to be Served</b>  | <b>10,285</b>                              | <b>123,412</b>                                   |

\* Calculated by dividing the planned number of unit months occupied/leased by 12.

\*\* In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served.

\*\*\*Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.

### Reporting Compliance with Statutory MTW Requirements

If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(D) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.

Not applicable. Home Forward is in compliance with statutory MTW requirements.

### Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions

| Housing Program              | Description of Anticipated Leasing Issues and Possible Solutions  |
|------------------------------|---|
| Public Housing               | There are no anticipated leasing issues for public housing in FY2016.   |
| MTW Housing Choice Voucher   | The rental market in Multnomah County is extremely tight, with rising rents and a vacancy rate around 3%. This may impact voucher leasing in FY2016. To counter this, Home Forward recently raised payment standards to provide better access to neighborhoods with rising costs. |
| Local, Non-Traditional Units | There are no anticipated leasing issues in FY2016, unless funding levels severely constrain our ability to fund our existing Program Based Assistance Projects (Activity 14).   |

Wait List Information

| Wait List Information Projected for the Beginning of the Fiscal Year |                  |                                   |   |  |
|--|------------------|-----------------------------------|---|--|
| Housing Program(s) *   | Wait List Type** | Number of Households on Wait List | Wait List Open, Partially Open or Closed*** | Are There Plans to Open the Wait List During the Fiscal Year |
| MTW Public Housing   | Site-Based       | 8,200                             | Partially Open                              | Yes  |
| MTW Housing Choice Voucher   | Community-Wide   | 1,594                             | Partially Open                              | No   |
| MTW Housing Choice Voucher   | Site-Based       | 8,000                             | Partially Open                              | Yes  |
| Tenant-Based Local, Non-Traditional MTW Program                      | Other            | 18                                | Open  | Yes  |
| Project-Based Local, Non-Traditional MTW Program                     | Site-Based       | 0                                 | Closed                                      | Yes  |

*Rows for additional waiting lists may be added, if needed.*

\* *Select Housing Program:* Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

\*\* *Select Wait List Types:* Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

\*\*\* For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

Our MTW Public Housing waiting list is currently closed except for households needing an ADA accessible unit or applicants who have a documented terminal illness with a life expectancy of less than 12 months. We anticipate opening the waiting list at a few of our buildings designated for seniors and people with disabilities in FY2016.

Our MTW Housing Choice Voucher tenant-based waiting list is community-wide, and is closed except to applicants who have a documented terminal illness with a life expectancy of less than 12 months, applicants for Family Unification Program (FUP) vouchers, and survivors of domestic violence who are served in another of Home Forward's permanent housing programs and need to move due to a threat of potentially lethal violence.

Our MTW Housing Choice Voucher project-based voucher waiting lists are site-based, and are partially open. We have over 70 lists throughout the community, maintained by each building with its own preferences. Some of these lists currently are open, some are closed, and some are closed except to applicants who have a documented terminal illness with a life expectancy of less than 12 months. We expect the majority of these lists will be open at some point in FY2016.

If Local, Non-Traditional Housing Program, please describe:

Home Forward's tenant-based local, non-traditional housing programs include our Short Term Rent Assistance program, Alder School, and Action for Prosperity. These programs are all part of our Program Based Assistance (Activity 14).

Home Forward's project-based local, non-traditional housing program is a Program Based Assistance program for former foster youth, further described in Activity 14. Because this program houses only five people at a time, it does not maintain a waiting list. Rather, the waiting list opens when a vacancy is projected and remains open just long enough to take the number of applicants needed to fill the slot.

If Other Wait List Type, please describe:

Our Tenant-Based Local, Non-Traditional program is our Program Based Assistance program (described in detail in Activity 14). This program contracts funds to partner agencies, which then manage the participant selection process, sometimes in partnership with Home Forward. The agencies use a total of three different methods for participant selection, but all programs target families who are homeless or at risk of homelessness.

- One agency utilizes a waitlist, for families with children at Alder School
- 8 agencies offer rent assistance on a first-come-first-served basis to applicants who are current or past clients of the agencies' other services. When funds become available, the next eligible household to inquire receives the resources.
- 8 agencies make funds available on a first-come-first-served basis to any eligible households that apply, regardless of whether they are currently receiving services within the agency.

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

We are planning to change the structure of our public housing wait list in FY2016. Currently, applicants are allowed to select up to three "traditional" public housing sites. ("Traditional" public housing sites do not include HOPE VI, third-party managed or Local Blended Subsidy sites.) We are instead planning to manage our lists similar to a private market model, which allows applicants to apply to any wait list when it is open. This change was originally anticipated in FY2015, but is now scheduled for FY2016.

# Proposed MTW Activities

Home Forward is not proposing any new MTW activities at this time.

# Approved MTW Activities

## Implemented Activities

### 01 RENT REFORM

Approved FY2012, Implemented FY2012

This activity was originally approved and implemented in FY2012. In FY2014, an amendment to the activity was approved and implemented. Our FY2015 MTW Plan included three modifications, which have also been implemented. All amendments and modifications are included in the following full description of our rent reform activity:

In FY2012, Home Forward implemented a large-scale reform of rent calculation methods, applicable to all MTW public housing and Section 8 households, as well as VASH and FUP voucher holders. The simplified method distinguishes between the populations of seniors / people with disabilities and “work-focused” households. The fundamental premise is that deductions are eliminated from the subsidy calculation and the total tenant payment is determined using a percentage of gross income.

In early 2013, the federal government imposed sequestration: across-the-board reductions in federal funding. In response to these funding cuts, Home Forward amended the activity in FY2014 to increase the percentage of income used to calculate rent. The amended percentages are reflected below.

For **seniors and people with disabilities**, rent is calculated based on 28.5% of gross income. All deductions are eliminated and this group has triennial income re-certifications. We define those aged 55 and older as “seniors”, and households fall into this population category if the head, co-head or spouse listed on the lease is 55 or older, or is disabled under the current HUD definition used by Home Forward. This group has a \$0 minimum rent and utility reimbursements are allowed.

All households that do not fall into the population category above are considered **work-focused households**. All deductions are eliminated and this group has biennial income re-certifications. The percentages of income used to calculate the tenant portion of rent are as follows:

- **Years 1 and 2:** rent is based on 29.5% of gross income, with no minimum rent. Utility reimbursements are allowed.

#### **MTW authorization:**

Attachment C, Section B(3) – Definition of Elderly Family

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section B(2) – Rent Structure and Rent Reform

#### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

- **Years 3 and 4:** rent is based on 29.5% of gross income or \$100 minimum rent, whichever is greater. Utility allowances are factored in the assistance, but utility reimbursements are not allowed.
- **Years 5 and 6, and biennially thereafter:** rent is based on 31% of gross income or \$200 minimum rent, whichever is greater. Utility allowances are factored in the assistance, but utility reimbursements are not allowed.

The following policies apply to all households:

- Zero-income households meet with their public housing site manager or Section 8 case manager every six months, so that staff can provide referrals to community service providers and check on progress towards obtaining an income source.
- The proration of subsidy for mixed-families is simplified so that a flat \$100 monthly reduction in assistance is applied to the household, regardless of the number of ineligible members.
- The ceiling rent for public housing is set to match Section 8 payment standards. There is no flat-rent option.
- Home Forward has created a separate “release of information” form to supplement the HUD Form 9886, in order to obtain a release of information that covers the appropriate biennial or triennial review cycle.
- For Section 8 households where the gross rent of the unit exceeds the applicable payment standard, Home Forward will approve the tenancy at initial occupancy so long as the household share does not exceed 70 percent of the household’s gross income.
- When a Section 8 household is approved to move and the identified unit has a gross rent that exceeds the payment standard, Home Forward will use the existing income verification on file to test for affordability. Home Forward will not require a re-examination to verify income for this purpose, unless the family requests it.
- When a Section 8 household reports a change in family size, if the household has resided in their unit for at least 12 months, Home Forward will require an interim review. Any changes to voucher size, payment standard and subsidy calculation will be effective 120 days after the interim review.
- The earned income disallowance is eliminated.
- All GOALS participants are included in the rent reform calculation.
- Home Forward uses actual past income to determine annual income for participant families.
- All income sources used to determine a household’s public housing rent or Section 8 assistance are the same as currently defined by HUD, with the following exceptions:
  - The value of any asset or the value of any income derived from that asset is not used in the rent calculation, except when the asset makes regular payments (quarterly or more often) to the resident or participant. However, the value of assets or the value of any income

derived from assets is used to determine initial eligibility. Home Forward allows households to self-certify assets with a net value of \$5,000 or less.

- All earned income of full-time students age 18 and over is excluded from the rent calculation, unless they are the head, co-head or spouse of the household.
- Student financial assistance is considered only for the purpose of determining eligibility. Student financial assistance is not used to determine annual income for rent and subsidy calculation.
- All adoption assistance payments are excluded from the rent calculation.
- Households have the option to not report income that is not used in the rent calculation, such as foster care payments. However, Home Forward will accept income reporting of such sources for use in determining affordability of a unit. Home Forward permits families to rent units where the family share is up to 70% of their gross income.
- Households may apply for a hardship review if their total monthly shelter costs exceed 50% of the total monthly income used to determine their rent subsidy. Section 8 participants who choose to rent housing where the total shelter costs exceed 50% of total monthly income at the time of initial lease-up in that unit will not generally qualify for hardship review; however, all households have the right to request a hardship and exceptions may be made. The committee has a menu of remedies to reduce a qualifying household's burden.

Rent reform has been fully implemented. At this time, all MTW public housing and Section 8 households, as well as VASH and FUP voucher holders, are on the rent reform calculation. The earliest group of work-focused households transitioned to the second level of rent payment beginning in FY2015, and is now subject to the \$100 minimum rent payment. Home Forward continues to monitor hardship requests, household and agency financial impacts and staff feedback to prepare for any changes that may need to be made to the activity.

**Changes or Modifications:**

We are not anticipating any changes to this activity.

**Activity Metrics:**

| Metric  | Baseline  | Benchmark                                       | Final Projected Outcome                           |
|---|---|---|---|
| Agency cost savings (Standard Metric: CE#1)   |   |   |   |
| Total cost of task  | FY2011: \$140,228                               | FY2016: \$104,200                               | Less than \$105,040 annually                      |
| Staff time savings (Standard Metric: CE#2)  |   |   |   |
| Total time to complete the task   | FY2011: 5,340 hours                             | FY2016: 3,968 hours                             | Less than 4,000 hours annually                    |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity. Through our quality control process, every error that is identified is corrected. |   |   |   |
| Average error rate in completing task   | FY2015: 7.5%                                    | FY2016: 7.5%                                    | Maintain 7.5% or less                             |
| Increase in tenant share of rent (Standard Metric: CE#5)  |   |   |   |
| Total annual tenant share of rent   | FY2012: \$25,342,942                            | FY2016: \$29,435,827                            | FY2017: \$29,872,993                              |
| Increase in household income (Standard Metric: SS#1)  |   |   |   |
| Average earned income of households   | FY2011: \$3,324                                 | FY2016: \$3,374                                 | FY2017: \$3,390                                   |
| Increase in positive outcomes in employment status (Standard Metric: SS#3)<br>Note: Because Home Forward has implemented biennial and triennial review schedules, the number of households who report an increase in earned income each year is reduced.  |   |   |   |
| Number of heads of households who:<br>6) Other (defined as having an increase in earned income)   | FY2011: 866 heads of households                 | FY2016: 500 heads of households                 | At least 500 heads of households annually         |
| Percent of work-focused households who:<br>6) Other (defined as having an increase in earned income)  | FY2011: 16% of work-focused households          | FY2016: 16% of work-focused households          | At least 16% of work-focused households           |
| Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)  |   |   |   |
| Number of households receiving TANF assistance  | FY2012: 1,859 households receiving TANF (17.7%) | FY2016: 1,770 households receiving TANF (17.2%) | Less than 1,850 (17.5%) households receiving TANF |

| Metric  | Baseline   | Benchmark                      | Final Projected Outcome   |
|---|--|--------------------------------|---|
| Reducing the per unit subsidy costs for participating households (Standard Metric: SS#6)  |  |                                |   |
| Average amount of subsidy per household   | FY2012: \$524 per household                                    | FY2016: \$524 per household    | Less than \$525 per household   |
| Households transitioned to self-sufficiency (Standard Metric: SS#8)   |  |                                |   |
| Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)  | FY2014: 521 households   | FY2016: 500 households         | At least 500 households annually  |
| Displacement prevention (Standard Metric: HC#4)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not believe this metric is an accurate measure of this activity, but we have included it at HUD's request. |  |                                |   |
| Number of households at or below 80% AMI that would lose assistance or need to move   | FY2011: 233 households   | FY2016: 0 households           | 0 households are required to move due to choosing a unit where their share of rent is above 40% |
| Increase in resident mobility (Standard Metric: HC#5)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not use rent reform to impact mobility, but we have included it at HUD's request.                    |  |                                |   |
| Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 16%)   | FY2013: 3,092 (28.4%) households lived in better neighborhoods | FY2016: 3,100 (30%) households | FY2017: at least 3,300 households (approximately 32%)   |

**Additional Metrics:**

| Metric  | Baseline  | Benchmark  | Final Projected Outcome  |
|---|---|--|--|
| Maintain stability for seniors and people with disabilities   |   |  |  |
| Shelter burden (rent <sup>1</sup> + utility allowance divided by gross income) for seniors and people with disabilities | Before implementation, shelter burden was 27%   | FY2016: Shelter burden will remain below 29%                           | Seniors and people with disabilities will maintain stability, with a shelter burden below 29%                                      |
| Increased contribution to rent  |   |  |  |
| Total tenant payment (rent <sup>1</sup> + utility allowance) for work-focused households                                | Before implementation:<br>Section 8 average - \$267<br>Public housing average - \$249 | FY2016:<br>Section 8 average - \$307<br>Public Housing average - \$286 | FY2016: Maintain an average total tenant payment of at least \$307 for Section 8 and \$286 for Public Housing (15% above baseline) |

<sup>1</sup> For purposes of these metrics, Section 8 rents are calculated with gross rent capped at payment standard.

Home Forward’s YARDI database continues to serve as the source for household income and total tenant rent payment information. The baseline data for hours required to conduct rent calculation and income reviews was collected through staff interviews and workflow analysis. This process will be repeated in subsequent years to determine progress towards benchmarks and goals.

**MTW Flexibility:**

Home Forward has used our rent reform authorizations to eliminate deductions, simplify the rent calculation, change review schedules, and implement other policy adjustments that as a whole, make up our rent reform activity, as described above.

## 02 GOALS – HOME FORWARD’S FAMILY SELF-SUFFICIENCY PROGRAM

Approved FY2014, Implemented FY2014

In our FY2014 Plan, Home Forward proposed an activity to align existing self-sufficiency programs into one consolidated program, which we refer to as the GOALS (Greater Opportunities to Advance, Learn and Succeed) program. This program is tailored to meet the needs of our community and be efficient for staff to administer. GOALS program requirements are the same regardless of funding source, program or property, with a few minor exceptions for site-based programs.

The key elements of the GOALS program are as follows:

- The rent reform calculation (Activity 01) is used for all GOALS participants.
- Participants who are engaged in a designated program intended to increase the family’s economic independence (such as an employment or training program) will receive a preference on the GOALS waiting list. 100% of the GOALS slots may be filled with participants utilizing this preference.
- Home Forward will allow the GOALS contract to be in the name of any adult member of the household.
- The traditional escrow account used in HUD Family Self-Sufficiency (FSS) programs has been replaced with a managed savings account. Any rent paid by a participant household above \$350 (known as the “strike point”) will be placed into the managed savings account. The monthly amount placed into a family’s managed savings account is limited to the difference between the strike point and the family’s ceiling rent (for public housing families) or voucher payment standard (for Section 8 families).
- The length of time on the program will be five years, with the opportunity to extend for an additional two years. Eligibility for the two year extension follows current policy and HUD guidelines.
- Participants graduate and have access to the funds in their managed savings account when they have completed their training plan and fulfilled the obligations identified in their contract.
- Families who leave the program prior to graduation will forfeit any money accrued in their managed savings account.
- Families at site-based programs where there is mandatory participation (Humboldt Gardens, Fairview and Stephens Creek Crossing) who withdraw from the program prior to graduation will be required to transfer to a non-GOALS property.

**MTW authorization:**

Attachment C, Section E – Family Self Sufficiency Programs

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

**Statutory objective:**

Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

- Families graduating from the site-based programs listed above will be required to move out of a subsidized unit in order to collect the managed savings account balance. Families at these sites may remain in their subsidized unit (after graduating, but prior to receiving the balance of their savings account) until a non-subsidized unit becomes available at the site. Families who decide not to give up their subsidy may still withdraw funds from their managed savings accounts for approved purposes, including, but not limited to, training or employment needs, helping children achieve in school, and housing stability.
- When funding is available, a safety net of \$1,500 (either in lump sum or \$250/month for six months) will be provided through MTW flexible funds for public housing families graduating from the site-based programs who move to non-subsidized units. The same safety net will be provided for Section 8 participants who give up their voucher prior to reaching zero assistance. Due to sequestration funding cuts, this safety net has not yet been announced or made available to families.
- Staff implementing the GOALS program will be funded by a combination of HUD-funded FSS Coordinator money, grant funding and agency budgeting. FSS Coordinator funds will be used only for FSS Coordinator salaries, as directed by the respective NOFAs.

**Changes or modifications:**

Home Forward is adding two slight modifications, as clarification to the GOALS program policies:

- At properties where participation in GOALS is mandatory, the property waitlist will serve as the GOALS waitlist. At properties where participation in GOALS is not mandatory, a site-based GOALS waitlist will be established at the property.
- When a public housing resident reaches ceiling rent, or a housing assistance payment for a voucher participant drops to zero, deposits into the family’s managed savings account will cease. Families can continue to participate in the program for an additional six months, but no savings will accrue during this time. If the family is still at ceiling rent or zero assistance after six months, they will graduate from the program. If the family’s income decreases to a level that housing assistance is reinstated during that six month period, they may begin to earn escrow again, and continue participation in the program as long as the contract determines they are still eligible.

**Activity Metrics:**

| Metric   | Baseline          | Benchmark         | Final Projected Outcome  |
|--|-------------------|-------------------|--|
| Agency cost savings (Standard Metric: CE#1)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD’s request. |                   |                   |  |
| Total cost of task   | FY2013: \$186,400 | FY2016: \$317,500 | At least \$300,000 in staff costs dedicated to site-based GOALS <sup>1</sup> |

| Metric   | Baseline        | Benchmark         | Final Projected Outcome   |
|--|-----------------|-------------------|---|
| Staff time savings (Standard Metric: CE#2)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save staff time through this activity, but we have included it at HUD's request. |                 |                   |   |
| Total time to complete task  | FY2013: 6,240   | FY2016: 10,400    | At least 10,000 staff hours dedicated to site-based GOALS <sup>1</sup>                  |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity.  |                 |                   |   |
| Average error rate in completing task  | FY2015: 2%      | FY2016: 2%        | Maintain 2% or less   |
| Increase in resources leveraged (Standard Metric: CE#4)  |                 |                   |   |
| Amount of funds leveraged  | FY2013: \$0     | FY2016: \$317,500 | At least \$300,000 in internal funding leveraged to staff site-based GOALS <sup>1</sup> |
| Increase in household income (Standard Metric: SS#1)   |                 |                   |   |
| Average earned income of households  | FY2013: \$9,277 | FY2016: \$9,370   | FY2017: \$9,740   |
| Increase in household savings (Standard Metric: SS#2)  |                 |                   |   |
| Average amount of escrow of households   | FY2013: \$1,292 | FY2016: \$1,305   | FY2017: \$1,357   |
| Increase in positive outcomes in employment status (Standard Metric: SS#3) <sup>2</sup>  |                 |                   |   |
| Number of heads of households:   | FY2013:         | FY2016:           | FY2017:   |
| 1) Employed full-time  | 1) 283          | 1) 180            | 1) 185  |
| 2) Employed part-time <sup>3</sup>   | 2) N/A          | 2) 145            | 2) 150  |
| 3) Enrolled in an educational program  | 3) 113          | 3) 125            | 3) 125  |
| 4) Enrolled in a job-training program  | 4) 69           | 4) 75             | 4) 75   |
| 5) Unemployed  | 5) 281          | 5) 275            | 5) 265  |
| 6) Other (defined as having completed an education or job training program)  | 6) 38           | 6) 40             | 6) 40   |

| Metric   | Baseline                        | Benchmark                       | Final Projected Outcome                        |
|--|---------------------------------|---------------------------------|--|
| Increase in positive outcomes in employment status (Standard Metric: SS#3) <sup>2</sup>  |                                 |                                 |  |
| Percentage of work-able households:  | FY2013:                         | FY2016:                         | FY2017:  |
| 1) Employed full-time  | 1) 53%                          | 1) 32%                          | 1) 33%   |
| 2) Employed part-time <sup>3</sup>   | 2) N/A                          | 2) 23%                          | 2) 24%   |
| 3) Enrolled in an educational program  | 3) 20%                          | 3) 20%                          | 3) 20%   |
| 4) Enrolled in a job-training program  | 4) 12%                          | 4) 15%                          | 4) 15%   |
| 5) Unemployed  | 5) 47%                          | 5) 45%                          | 5) 43%   |
| 6) Other (defined as having completed an education or job training program)  | 6) 6%                           | 6) 8%                           | 6) 8%  |
| Households removed from TANF (Standard Metric: SS#4)   |                                 |                                 |  |
| Note: This metric is measured as a point in time count, which does not account for individual households who give up TANF assistance, graduate from the GOALS program, and are then replaced by income GOALS participants who have not yet given up TANF assistance. |                                 |                                 |  |
| Number of households receiving TANF assistance   | FY2013: 126 households          | FY2016: 125 households          | FY2017: 120 households                         |
| Households assisted by services that increase self-sufficiency (Standard Metric: SS#5)   |                                 |                                 |  |
| Number of households enrolled in GOALS   | FY2013: 564 households enrolled | FY2016: 600 households enrolled | Maintain enrollment of at least 600 households |
| Reducing per unit subsidy costs for participating households (Standard Metric: SS#6)   |                                 |                                 |  |
| Average amount of subsidy per household  | FY2013: \$490.65 per household  | FY2016: \$490 per household     | Less than \$490 per household                  |
| Increase in tenant share of rent (Standard Metric: SS#7)   |                                 |                                 |  |
| Tenant share of rent   | FY2013: \$986,971               | FY2016: \$1,100,000             | At least \$1,100,000 annually                  |
| Households transitioned to self-sufficiency (Standard Metric: SS#8)  |                                 |                                 |  |
| Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)   | FY2014: 30 households           | FY2016: 30 households           | At least 30 households annually                |

**Additional Metrics:**

| Metric   | Baseline   | Benchmark  | Final Projected Outcome  |
|--|--|--|--|
| Increase in average income for exiting participants  |  |  |  |
| Increase in average participant earned income between enrollment and exit  | Average earned income at time of GOALS enrollment for all current GOALS participants = \$8,745 | Average earned income for all participants exiting (for any reason) in FY2016 - \$10,000<br><br>Average earned income for all participants successfully <u>graduating</u> in FY2016 - \$21,000 | 20% increase in average earned income between enrollment and exit<br><br>60% increase in average earned income between enrollment and exit for participants who graduate |
| Increase in average savings for exiting participants   |  |  |  |
| Increase in average participant managed savings account balance at exit from GOALS   | Average managed savings account balance at entry to GOALS = \$0                                | Average managed savings balance disbursed to graduating participants in FY2016 - \$7,500   | Average managed savings disbursed to program graduates each year will be at or above \$7,500   |
| Increase in positive outcomes for exiting participants   |  |  |  |
| Percentage of households:<br>1) Employed full-time<br>2) Employed part-time<br>3) Enrolled in educational program<br>4) Enrolled in job training program<br>5) Unemployed<br>6) Other (defined as having completed an educational or job training program) | For 81 households exited in FY2013:<br>1) 40%<br>2) N/A<br>3) 9%<br>4) 2%<br>5) 50%<br>6) 14%  | For FY2016 exiting households:<br>1) 40%<br>2) 20%<br>3) 10%<br>4) 2%<br>5) 40%<br>6) 14%  | By FY2017:<br>1) 45% employed full-time<br>2) 20%<br>3) 10%<br>4) 2%<br>5) 35%<br>6) 14%   |
| Exiting participants removed from TANF   |  |  |  |
| Percent of households giving up TANF at exit   | FY2013: 24% of households who had TANF during participation had given up TANF at exit          | FY2016: 30% of exiting households  | At least 30% of families who had TANF during participation will have given up TANF at exit <sup>4</sup>  |

<sup>1</sup>Home Forward uses our MTW flexibility to include coordinators at our site-based programs in our overall GOALS FSS program. This is shown here as an increase in staffing costs and hours, since we're now able to include these costs under the combined program.

<sup>2</sup>Households may be counted in more than one category in the employment statuses shown above. For example, a household may be considered unemployed while enrolled in an educational program.

<sup>3</sup>Home Forward did not track full-time vs part-time employment prior to implementation. For the purposes of this baseline metrics, all employed households were counted as employed full-time. We have updated these metrics with the part-time employment statistics.

<sup>4</sup>Households are required to give up TANF benefits in order to graduate. The percentage of households is pulled down due to families exiting the program without graduating.

**MTW Flexibility:**

Home Forward has used our authority to develop a family self-sufficiency program that meets the needs of our local community. This program is specifically designed to meet the statutory objective of giving incentive to our families to obtain employment and work towards becoming economically self-sufficient.

### 03 LOCAL BLENDED SUBSIDY

Approved FY2012, Implemented FY2012

Home Forward has created a local blended subsidy (LBS) program to improve the financial viability of adding “banked” public housing units back into the portfolio. Public housing operating subsidy alone is often insufficient to support bringing these units back to properties. The LBS program uses a blend of MTW Section 8 and public housing operating funds to subsidize units reserved for families earning 80 percent or below of area median income. These units may be new construction, rehabilitated, or existing housing.

The LBS program combines tenant paid rent, Section 8 funds, and public housing funds, resulting in a total per unit rent amount. Rents are set by an internal process to determine the amount of subsidy that will meet property needs, and are subject to completion of rent reasonableness tests. Home Forward uses the payment standard as the maximum rent for LBS units, or up to 125% of Fair Market Rents in the case of service-enriched units. This leveraging of resources allows for a more adequate revenue stream and increases the number of households that can be served.

Home Forward has utilized the LBS program for 284 units at three properties. This includes 130 units at Bud Clark Commons, 45 units at Madrona Place, and 109 units at Stephens Creek Crossing. No additional LBS units are planned at this time unless we dispose of additional public housing units in the future.

**Changes or modifications:** We are not anticipating any changes to this activity.

#### Activity Metrics:

| Metric  | Baseline                                      | Benchmark  | Final Projected Outcome  |
|---|---|--|--------------------------|
| Additional units of housing made available (Standard Metric: HC#1)            |   |  |                          |
| Number of new housing units made available for households at or below 80% AMI | Before implementation, 0 units made available | FY2016: 239 units made available                     | 239 units made available |
| Units of housing preserved (Standard Metric: HC#2)                            |   |  |                          |
| Number of housing units preserved for households at or below 80% AMI          | Before implementation, 0 units preserved      | FY2016: 45 units preserved after full implementation | 45 units preserved       |

#### MTW authorization:

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment C, Section C(2) – Local Preferences and Admission and Continued Occupancy Policies and Procedures

Attachment D, Section B(3) – Local Unit Based Subsidy Program

#### Statutory objective:

Increase housing choice for low-income families

| Metric  | Baseline                            | Benchmark              | Final Projected Outcome                                       |
|---|-------------------------------------|------------------------|---|
| Increase in resident mobility (Standard Metric: HC#5)   |                                     |                        |   |
| Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 16%) | Before implementation, 0 households | FY2016: 109 households | 109 LBS households located in better neighborhoods            |
| Increase in resources leveraged (Standard Metric: CE#4)   |                                     |                        |   |
| Amount of funds leveraged   | Before implementation, \$0          | FY2016: \$11,145,307   | \$11,145,307 in leveraged debt, equity and increased services |

**MTW Flexibility:**

This activity uses single fund budget flexibility and authorization to develop a local unit-based subsidy program in order to create the administrative and funding structure for LBS. This increases housing choice for low-income families by allowing Home Forward to add financially viable, subsidized units back into its portfolio. LBS has allowed Home Forward to leverage debt, equity and increased services at these three properties. Additionally, the ability to create local preferences, and admission and occupancy policies and procedures allows Home Forward to manage the units to provide similar protections as public housing and also adapt the rules for efficiency and local needs.

Home Forward understands and is committed to our obligation to continue to serve substantially the same number of families as if we had not participated in the MTW demonstration. We are aware of the pressure our LBS activity may place on the agency to continue to meet our baseline households served, and we carefully consider this information before moving forward with implementation strategies. We are continuing to explore and develop additional alternative options for local rent assistance programs that will serve a significant need in our community, and will also support our ability to meet our baseline households served once LBS is fully implemented.

## 06 ALTERNATE INSPECTION REQUIREMENTS FOR PARTNER-BASED PROGRAMS

Approved FY2012, Implemented FY2012

Home Forward aligns our housing resources with the services of jurisdictional and community partners in order to maximize impact and effectiveness. In an effort to reduce costs and increase efficiencies, Home Forward uses alternate inspection standards for programs where we contract out resources to be administered by partners. Rather than requiring full Housing Quality Standards (HQS) inspections, Home Forward requires that these units meet the habitability standards, unit inspection requirement, and lead-based paint visual assessment requirements of the US Department of Housing and Urban Development's Homelessness Prevention and Rapid Re-Housing Program. Staff from jurisdictional and community providers are able to arrange for and conduct required inspections themselves, in conjunction with other required visits to the assisted units, which is often more efficient and allows clients to move in faster than if they had to wait for a scheduled Home Forward inspection.

### MTW authorization:

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

**Changes or modifications:** We are not anticipating any changes to this activity.

### Activity Metrics:

| Metric   | Baseline                         | Benchmark            | Final Projected Outcome |
|--|----------------------------------|----------------------|-------------------------|
| Agency cost savings (Standard Metric: CE#1)  |                                  |                      |                         |
| Total cost of task   | Before implementation, \$35,500  | FY2016: \$0          | \$0                     |
| Staff time savings (Standard Metric: CE#2)   |                                  |                      |                         |
| Total time to complete the task  | Before implementation, 500 hours | FY2016: 0 hours      | 0 hours                 |
| Decrease in error rate of task execution (Standard Metric: CE#3)   |                                  |                      |                         |
| Note: Because this metric was established after implementation, Home Forward does not anticipate a change in the error rate. |                                  |                      |                         |
| Average error rate in completing a task  | FY2014: 4%                       | FY2016: Less than 5% | Less than 5%            |

### MTW Flexibility:

Home Forward uses MTW authority to allow alternative inspection requirements for units assisted with rent assistance that we have contracted to community partners. These alternate inspection requirements ensure housing standards while increasing efficiency and cost effectiveness.

## 07 LANDLORD SELF-CERTIFICATION OF MINOR REPAIRS

Approved FY2013, Implemented FY2013

In many cases, units may fail an initial or biennial inspection due to minor items, such as cracked socket plates or closet doors that are off track. Requiring a Home Forward inspector to make a trip back to a unit to verify such minor repairs is inefficient and costly. Home Forward has implemented a policy that in cases where there are no more than four minor deficiencies, we may accept an owner's certification that required repairs were made. This allowance is made at Home Forward's discretion, and in cases where all deficiencies are minor items as determined by an approved list maintained by Home Forward.

Allowing a landlord to self-certify a minor repair is left to each individual inspector's discretion, and inspectors remain cautious and thoughtful about when the option is best utilized. Because of this, the activity has not yet produced the level of savings hoped for. However, the inspections supervisor continues to work with inspectors on identifying situations where the strategy can be employed to save additional staff time. Home Forward believes this activity is still an effective strategy for saving time and money.

### MTW authorization:

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

**Changes or modifications:** We are not anticipating any changes to this activity.

### Activity Metrics:

| Metric  | Baseline                           | Benchmark            | Final Projected Outcome                        |
|---|------------------------------------|----------------------|--|
| Agency cost savings (Standard Metric: CE#1)   |                                    |                      |  |
| Total cost of task  | Before implementation, \$140,092   | FY2016: \$119,078    | Less than \$120,000 to complete re-inspections |
| Staff time savings (Standard Metric: CE#2)  |                                    |                      |  |
| Total time to complete the task   | Before implementation, 1,326 hours | FY2016: 950 hours    | Less than 1,000 annually                       |
| Decrease in error rate of task execution (Standard Metric: CE#3)  |                                    |                      |  |
| Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity. |                                    |                      |  |
| Average error rate in completing a task   | FY2015: 0%                         | FY2016: Less than 5% | Less than 3%                                   |

**MTW Flexibility:**

This activity uses alternate criteria, in the form of an owner's written certification, to verify minor repairs in a unit that failed its initial or biennial HQS inspection as a result of four or fewer minor deficiencies. This policy increases efficiency, and saves the agency the cost of these re-inspections.

## 08 INSPECTIONS AND RENT REASONABLENESS AT HOME FORWARD-OWNED PROPERTIES

Approved FY2013, Implemented FY2013

Home Forward owns over 3,000 units of affordable housing in Multnomah County. Many of these units have project-based Section 8 vouchers attached, and additional units are rented to families that are utilizing tenant-based Section 8 vouchers. In cases where a voucher holder is renting a unit we own, Home Forward utilizes our own staff to perform inspections and determine rent reasonableness.

In cases where Home Forward both owns and manages the unit, we hire a third party to conduct quality control inspections and rent reasonableness testing at a sample of these units. This ensures standards are being met while mitigating any conflict of interest. Since the implementation of this activity, 100% of quality control inspections reported the same result as the Home Forward inspection, and no problems have been identified with rent reasonableness.

**Changes or modifications:** We are not anticipating any changes to this activity.

### MTW authorization:

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(2)(c) – Rent Policies and Term Limits

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

### Activity Metrics:

| Metric  | Baseline                           | Benchmark            | Final Projected Outcome |
|---|------------------------------------|----------------------|-------------------------|
| Agency cost savings (Standard Metric: CE#1)   |                                    |                      |                         |
| Total cost of task  | Prior to implementation, \$17,750  | FY2016: \$0          | \$0                     |
| Staff time savings (Standard Metric: CE#2)  |                                    |                      |                         |
| Total time to complete the task   | Prior to implementation, 370 hours | FY2016: 0 hours      | 0 hours                 |
| Decrease in error rate of task execution (Standard Metric: CE#3)  |                                    |                      |                         |
| Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity. |                                    |                      |                         |
| Average error rate in completing a task   | FY2015: 0%                         | FY2016: Less than 5% | Less than 3%            |

### MTW Flexibility:

Home Forward uses MTW authority to set rent reasonableness and inspect units we own, in place of contracting with a third party to do so. This results in cost savings for the agency.

## 09 MEASURES TO IMPROVE THE RATE OF VOUCHER HOLDERS WHO SUCCESSFULLY LEASE-UP

Approved FY2010, Implemented FY2010

Since 2010, Home Forward has implemented a variety of measures to improve landlord acceptance of Section 8 vouchers in our community (and thus improve the ability of voucher holders to successfully lease up). In 2013, the Oregon State Legislature passed HB2639, which prohibits discrimination against renters who hold Section 8 vouchers, and establishes a statewide Landlord Guarantee Program fund. The new guarantee fund was modeled after Home Forward's Landlord Guarantee Fund, and became available to any landlord in the State of Oregon who is renting to a Housing Choice Voucher holder on or after July 1, 2014. As a result, Home Forward no longer needs to offer our own Landlord Guarantee Fund, and this element of the activity has been discontinued.

In an effort to keep all agency initiatives targeted at improving lease-up rates together in the Plan, Home Forward is including our Landlord Incentive Fee, previously approved as a single-fund flexibility item, in this activity going forward. With that, we currently have two MTW initiatives focused on improving the leasing success of voucher holders.

- We provide vacancy loss payment to owners through the end of the month after the move-out month when vacancies are unforeseen or unexpected (such as a death or skip) and the owners have not received proper notice of the intent to vacate.
- The Landlord Incentive Fee targets new landlords. Home Forward makes a one-time payment of \$200 to new landlords, defined as those who have not worked in partnership with us for the past two years. This attempt to recruit new landlords to the Section 8 program aligns with Oregon State HB 2639, which prohibits discrimination against renters.

While leasing success rates fell in FY2013 as result of an extremely tight rental market, with a vacancy rate of just 3% and rapidly rising rents, measures under this activity helped prevent success rates from falling to our FY2009 baseline levels. Leasing success increased during FY2014 and in the first half of FY2015.

**Changes or modifications:** As mentioned above, Home Forward has discontinued its Landlord Guarantee Fund because the State of Oregon has implemented a statewide guarantee fund for landlords who rent to Housing Choice Voucher holders. As a result, the benchmark for the number of households assisted by services that increase housing choice is being adjusted from the number of households anticipated to access Home Forward's Landlord Guarantee Fund, to the number of households anticipated to benefit from the Landlord Incentive Fee.

### **MTW authorization:**

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment C, Section D(1)(d) – Operational Policies and Procedures

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section D(1) – Establishment of a Local Section 8 / Housing Choice Voucher Program

### **Statutory objective:**

Increase housing choice for low-income families

**Activity Metrics:**

| Metric   | Baseline                            | Benchmark              | Final Projected Outcome   |
|--|-------------------------------------|------------------------|---|
| Households assisted by services that increase housing choice (Standard Metric: HC#7) |                                     |                        |   |
| Number of households receiving services aimed at increasing housing choice           | Before implementation, 0 households | FY2016: 180 households | At least 180 households per year will benefit from the Landlord Incentive Fee |

**Additional Metrics:**

|   |                                |                 |                           |
|---|--------------------------------|-----------------|---------------------------|
| Improve voucher success rate                            |                                |                 |                           |
| Issued voucher success rate                             | FY2009: 74%                    | FY2016: 82.5%   | FY2017: 85%               |
| Decrease in lease-up time                               |                                |                 |                           |
| Average number of days for a voucher holder to lease up | Before implementation, 51 days | FY2016: 50 days | FY2017: less than 50 days |

**MTW Flexibility:**

Home Forward has made changes to operational policies and procedures and funds these activities through our single-fund budget flexibility. This activity works to increase landlord participation in the program, and therefore, increase housing choice for low-income households.

## 10 LOCAL PROJECT-BASED VOUCHER PROGRAM

Approved FY2012, Implemented FY2012

Home Forward has created a project-based voucher (PBV) program tailored to meet the needs of the local community. We currently administer over 2,000 PBVs in the community via more than 60 separate contracts. The program continues to represent our focus on coordinating with jurisdictional partners and enhancing the supply of permanent supportive housing for households with barriers to housing.

In FY2015, Home Forward changed the operating subsidy at four of our high-rise buildings from public housing to project-based Section 8 funding, as part of our preservation strategy to renovate ten buildings. These four buildings accounted for 654 units, and serve seniors and persons with disabilities. The flexibility to place project-based vouchers at these buildings, as well as in other buildings through service provider and jurisdictional partnerships, ensures that affordable housing remains available to some of the most vulnerable households in our community.

### Changes or Modifications:

In FY2016, Home Forward is making modifications to two aspects of this activity. These activities are described below, and the changes are reflected in the paragraphs describing “MTW Flexibility.”

First, through this activity, Home Forward has adapted the timing of applying payment standard adjustments for PBV participants. Any increase in payment standards to the PBV unit is applied on the next anniversary date of the PBV Housing Assistance Payments Contract, following the effective date of the increase. Any decrease in payment standards to the unit is applied beginning on the second anniversary date of the PBV Housing Assistance Payments Contract following the effective date of the decrease. Beginning in FY2016, Home Forward will also apply any changes to the utility allowances at the same time as the payment standard adjustments. This ensures that extremely low-income and zero-income households in these buildings, which are often service-enriched, do not have to wait two to three years for updated payment standards or utility allowances as per our rent reform schedule.

Secondly, Home Forward has used MTW authority to establish an alternate rent setting policy that allows the Rent Assistance Director, with Board approval, to set exception payment standards that are greater than 110% of Fair Market Rents for service-enriched buildings entering into new project-based voucher contracts, without requesting HUD approval. The payment standard granted applies to any unit under the project-based voucher

### MTW authorization:

Attachment C, Section D(7) –  
Establishment of an Agency MTW  
Section 8 Project-Based Program

Attachment C, Section D(4) – Waiting List  
Policies

Attachment C, Section D(2) – Rent  
Policies and Term Limits

Attachment C, Section D(1)(e) –  
Operational Policies and Procedures

### Statutory objective:

Increase housing choice for low-income  
families

Reduce cost and achieve greater cost  
effectiveness in Federal expenditures

contract serving a highly vulnerable population with intensive services. Data is required of the owner to verify the value of the services being provided, and this cost is not included when conducting rent reasonableness tests. Beginning in FY2016, Home Forward will adjust this policy to apply to either new or existing project-based voucher contracts.

**Activity Metrics:**

| Metric  | Baseline                         | Benchmark                          | Final Projected Outcome   |
|---|----------------------------------|------------------------------------|---|
| Additional units of housing made available (Standard Metric: HC#1)  |                                  |                                    |   |
| Number of new housing units made available for households at or below 80% AMI   | FY2011: 1,100 units              | FY2016: 1,363 units made available | Maintain at least 1,100 units that have been made available through this activity                           |
| Units of housing preserved (Standard Metric: HC#2)  |                                  |                                    |   |
| Number of units preserved for households at or below 80% AMI that would otherwise not be available  | Prior to implementation: 0 units | FY2016: 654 units preserved        | 654 units will be preserved through conversion from public housing to project-based vouchers                |
| Decrease in wait list time (Standard Metric: HC#3)  |                                  |                                    |   |
| Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity  |                                  |                                    |   |
| Average applicant time on wait list in months   | FY2014: 15 months                | FY2016: 15 months                  | 15 months   |
| Displacement prevention (Standard Metric: HC#4)   |                                  |                                    |   |
| Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity  |                                  |                                    |   |
| Number of households at or below 80% AMI that would lose assistance or need to move   | FY2015: 904                      | FY2016: 904                        | 904 additional project-based voucher units are available through our ability to exceed the 25% building cap |
| Increase in Resident Mobility (Standard Metric: HC#5)   |                                  |                                    |   |
| Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 16%) | FY2011: 93 households            | FY2016: 400 households             | 400 households  |

| Metric  | Baseline                           | Benchmark            | Final Projected Outcome                 |
|---|------------------------------------|----------------------|---|
| Agency Cost Savings (Standard Metric: CE#1)   |                                    |                      |   |
| Total cost of task in dollars   | Prior to implementation: \$30,720  | FY2016: \$5,025      | \$5,025                                 |
| Staff time savings (Standard Metric: CE#2)  |                                    |                      |   |
| Total time to complete the task   | Prior to implementation, 917 hours | FY2016: 150 hours    | 150 hours                               |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity. |                                    |                      |   |
| Average error rate in completing task   | FY2015: 2%                         | FY2016: Less than 5% | Less than 5%                            |
| Increase in tenant share of rent (Standard Metric: CE#5)<br>Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity.         |                                    |                      |   |
| Total annual tenant share of rent   | FY2014: \$3,570,859                | FY2016: \$3,500,000  | Annual tenant rent share of \$3,500,000 |

**MTW Flexibility:**

The PBV program increases housing choice and affirmatively furthers fair housing by preserving existing affordable housing and focusing on the needs of populations that tend to be less successful in the tenant-based program, including participants with disabilities, extremely low incomes, or backgrounds that may create high barriers to housing. Most of the PBV buildings offer services for specific populations, which help households not only to obtain suitable housing, but also to access additional services that give the household stability in the community. Below is a list of the ways Home Forward utilizes MTW authority for the local PBV program:

- Home Forward exceeds the traditional 25% limit of PBVs in a single building, and allows project-based vouchers to be awarded to more than 25% of units in a given complex.
- Home Forward has modified waitlist policies to allow each PBV building to maintain its own site-based waiting list with its own preferences. It would not be practical or cost effective for Home Forward to manage so many separate PBV waiting lists with separate preferences. Multiple waitlists also ensure that there are almost always open waitlists at any point in time.
- Home Forward does not provide a preference on the tenant-based waiting list for PBV residents, and requires PBV residents to apply for and remain on the tenant-based waitlist in order to transfer to a tenant-based voucher unit.

- Home Forward modifies screening and eligibility requirements to differ from the traditional criteria at certain PBV properties which offer supportive services, therefore increasing housing choice for participants who might otherwise be ineligible for Section 8 housing. Home Forward determines an applicant's eligibility for a specific PBV property based on the capacity of the service provider who owns or contracts to manage the property.
- Home Forward has modified owner proposal selection procedures for PBV units in order to increase Permanent Supportive Housing in our community by awarding PBV units via a local competitive process in collaboration with the City of Portland and Multnomah County. This local process includes issuing a Notice of Funding Availability and accepting proposals from housing developers and owners across the County. This effort ensures that PBVs are aligned with capital and services funding made available from our jurisdictional partners.

The local competitive process may be waived and PBVs may be awarded based on a formal approval and resolution process by Home Forward's Board of Commissioners within the following parameters:

- 1) Jurisdictional partners (defined as the cities of Portland and/or Gresham or Multnomah County) formally request for Home Forward to rehabilitate, acquire, or develop housing as a part of a community-wide initiative to meet local priorities and
  - 2) The intended PBV units will be owned directly or indirectly and/or managed by Home Forward.
- Home Forward has adopted the local city and county site selection standards for PBV units in order to ensure alignment with jurisdictional partners in regards to site selection for low-income housing aimed at ending homelessness. Site selection standards are designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations of 20% or less.
  - Home Forward has modified subsidy standards regarding under- and over-housing in order to ensure full utilization of PBV units. Subsidy standards are the same for PBVs as those used for tenant-based vouchers, but exceptions are granted when there are no appropriately sized households on the waiting list to fill a vacant unit.
  - Home Forward has modified lease terms, renewal options, and termination policies to limit owners' ability to terminate tenancy without cause, maximizing housing choice for the families in those units. After the initial term, PBV leases convert to a month-to-month agreement unless owners and tenants agree to a longer term, and owners may not refuse to renew leases without cause. Owners of PBV units may not terminate tenancy without cause, except as follows:
    - The owner of a PBV unit may terminate tenancy for a family if Home Forward terminates the family's assistance for any reason in order to ensure that another low-income applicant can be served. However, instead of terminating tenancy, the owner may request Home Forward's approval to amend the PBV contract to remove a unit occupied by a zero subsidy family or amend the PBV contract to substitute a different unit with the same number of bedrooms in the same building.

- Home Forward modified the way contract rents are determined for PBV units by limiting PBV contract rents to a maximum of the payment standard less any applicable tenant paid utility allowance, ensuring that PBV units are affordable even to zero-income households.
- Home Forward adapted the timing of applying payment standard adjustments for PBV participants. Any increase in payment standards to the PBV units is applied on the next anniversary date of the PBV Housing Assistance Payments Contract, following the effective date of the increase. Any decrease in payment standards to the unit is applied beginning on the second anniversary date of the PBV Housing Assistance Payments Contract following the effective date of the decrease. Home Forward also applies any changes to the utility allowances at the same time as the payment standard adjustments.
- Home Forward uses an alternate rent setting policy that allows the Rent Assistance Director, with Board approval, to set exception payment standards that are greater than 110% (up to a maximum of 150%) of Fair Market Rents for service-enriched buildings without requesting HUD approval. The payment standard granted applies to any unit under the project-based voucher contract serving a highly vulnerable population with intensive services. Data is required of the owner to verify the value of the services being provided, and this cost will not be included when conducting rent reasonableness tests.
- Home Forward allows Home Forward staff to conduct inspections, set rents and determine rent reasonableness for Home Forward-owned units that utilize PBVs. When Home Forward both owns and manages the unit, it hires a third party to conduct quality control testing of inspections and rent reasonableness determinations for a sample of these units. This activity is also described under Activity 08: Inspection and Rent Reasonableness at Home Forward-Owned Units.
- Home Forward has eliminated the cap limiting project-basing to up to 20% of the amount of budget authority allocated to the agency by HUD in the voucher program.

## 11 ALIGN UTILITY ALLOWANCE ADJUSTMENT PROCEDURES

Approved FY2011, Implemented FY2011

In our FY2011 MTW Plan, Home Forward received approval to align the public housing process for calculating and implementing utility allowance adjustments with that of Section 8. Previously, the public housing utility allowance process required Home Forward to conduct engineering surveys to determine energy consumption, which was cumbersome and costly. Additionally, public housing protocol required that a re-certification be completed for each resident when there were adjustments to the utility allowance.

Aligning the utility allowance adjustment process with that of Section 8 allows public housing to adopt the methodology of using HUD's standard calculation, which is based on the type of utility and type of building. As in the Section 8 program, public housing staff will review the utility allowance adjustments annually, with the adjustment going into effect at the resident's next regular review.

Home Forward is currently in the process of exploring an alternative utility allowance calculation for all households. In order to accurately measure the full impact of such a change, as well as to take time to vet any proposed calculation with our community, we are anticipating submitting utility allowance reform as an amendment to the FY2016 Plan, or as a proposed activity in the future.

**Changes or modifications:** We are not anticipating any changes to this activity.

**MTW authorization:**

Attachment C, Section C(11) – Rent Policies and Term Limits

**Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures.

**Activity Metrics:**

| Metric                                      | Baseline                                       | Benchmark       | Final Projected Outcome |
|---|--|-----------------|-------------------------|
| Agency cost savings (Standard Metric: CE#1) |  |                 |                         |
| Total cost of task                          | Before implementation, \$8,000 per year        | FY2016: \$0     | \$0 to complete survey  |
| Staff time savings (Standard Metric: CE#2)  |  |                 |                         |
| Total time to complete task                 | Before implementation, approximately 393 hours | FY2016: 0 hours | 0 hours                 |

**MTW Flexibility:**

The standard public housing utility allowance process requires engineering surveys to determine energy consumption, and that a re-certification be completed for each resident when there is a utility allowance adjustment. Our MTW flexibility allows us to align the public housing process with that of Section 8, resulting in agency cost and staff time savings.

## 12 ALTERNATIVE INITIAL HOUSING ASSISTANCE PAYMENT POLICY

Approved FY2015, Implemented FY2015

Multnomah County is experiencing a fiercely competitive rental market, with only a 3% vacancy rate and rapidly rising rents. It is often unlikely that our Housing Choice Voucher (HCV) holders – with extra paperwork and inspection requirements that delay initial move-in and payment effective dates – can compete successfully with unsubsidized renters who can move into a unit and begin payment immediately.

In an effort to improve housing choice for voucher holders and to increase the number of landlords who participate in the program, particularly in low-poverty neighborhoods, this activity allows Home Forward to enter into a HAP contract with a landlord with an effective date prior to the initial inspection date. This enables landlords to lease to voucher holders without losing valuable rental income while waiting for an inspection. This activity will be implemented as a pilot beginning in the spring of FY2015 and Home Forward will complete mid-year and end-of-year assessments prior to making it a permanent effort.

Home Forward will create a local HAP contract, including an addendum informing the landlord of Housing Quality Standard unit requirements and requiring their certification that the unit will meet those standards. The tenant will move in when they are approved by the landlord and when Home Forward has approved rent reasonableness and the affordability test. The initial inspection will take place within 15 business days of the effective date of the HAP contract, and if the unit does not pass, landlords will be provided an additional 15 business days to make repairs. In the event of a life-threatening deficiency, landlords will be given 24 hours to make repairs. Once the unit has passed inspection, initial payments will be remitted and will be retroactive to the HAP contract date. No payments will be made until the unit passes inspection, and the contract will include a provision for Home Forward to back out at any point if the unit does not pass inspection. If a unit does not pass inspection, no payments will be made and tenants will be released of their obligation to the unit.

Using our single-fund flexibility, we will create a moving assistance fund of \$5,000 to assist households in making deposit payments in the event that a landlord fails to make the necessary repairs and the family has to find a new unit. Because of the high quality of rental housing in Multnomah County, we anticipate a low rate of landlords failing re-inspection in this pilot program. During 2013, 80% of initial inspections passed on the first visit, and nearly all passed re-inspection within less than 30 days – only 0.5% did not.

**MTW authorization:**

Attachment C, Section D(1)(a) –  
Operational Policies and Procedures

Attachment C, Section B(1) – Single Fund  
Budget with Full Flexibility

**Statutory objective:**

Increase housing choice for low-income  
families

During the initial year as a pilot program, Home Forward will use this alternative policy at its discretion. The alternative policy will not be used:

- If a unit was built prior to 1978 and the family moving in includes a pregnant woman or children under the age of six; or
- If a landlord has a history of subpar units, a poor or non-compliant repair record, or an otherwise questionable history.

**Changes or Modifications:**

We are not anticipating any changes to this activity.

**Activity Metrics:**

| Metric  | Baseline   | Benchmark                      | Final Projected Outcome                 |
|---|--|--------------------------------|---|
| Increase in resident mobility (Standard Metric: HC#5)   |  |                                |   |
| Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 16%) | FY2013: 1,896 (30%) households lived in better neighborhoods | FY2016: 1,926 (30%) households | FY2017: at least 2,000 households (32%) |

**Additional Metrics:**

|  |                   |                 |                           |
|--|-------------------|-----------------|---------------------------|
| Improve voucher success rate                                 |                   |                 |                           |
| Issued voucher success rate                                  | FY2013: 81.5%     | FY2016: 82.5%   | FY2017: 85%               |
| Decrease in lease-up time                                    |                   |                 |                           |
| Average number of days for an MTW voucher holder to lease up | FY2013: 51.6 days | FY2016: 50 days | FY2017: less than 50 days |

Home Forward will track this information through our YARDI database system.

**MTW Flexibility:**

This activity allows Home Forward to conduct initial inspections up to 15 days after the effective date of a HAP contract, and make payments effective as of that contract date.

### 13 BROADEN RANGE OF APPROVED PAYMENT STANDARDS

Approved FY2015, Implemented FY2015

Regulations require that payment standards are set between 90% and 110% of Fair Market Rents, as defined by HUD for the geographic area in which the housing authority is operating. Multnomah County is a large geographic area with rents that differ throughout several submarkets. When rental market conditions tighten, it is not uncommon for 110% of Fair Market Rent to fall short of what is needed to rent a quality unit in large, and often higher opportunity, areas of Multnomah County. In addition, payment standards that are too high in particular neighborhoods can create concentrations of poverty.

In order to ensure that payment standards are sufficient to allow Housing Choice Voucher participants reasonable choice in neighborhoods, Home Forward has used MTW authority to broaden its “base range” for payment standards to between 80% and 120% of the Fair Market Rents without prior HUD approval. Home Forward has also been authorized to approve Exception Payment Standards up to 120% of Fair Market Rents in low poverty areas or as a reasonable accommodation for a family that includes a person with disabilities.

Home Forward updated its payment standards using this authorization in July of 2014, using the following parameters:

- Payment standards are broken down by nine separate neighborhoods as defined by ZIP codes. Each of these neighborhood payment standards is broken down by bedroom size.
- In four high-opportunity neighborhoods payment standards are set at the market rate plus the average tenant paid utility allowance, within the range of 90% to 118% of Fair Market Rents. These areas offer increased access to transportation options, family wage jobs, education and healthy living. A maximum threshold of 118%, instead of 120%, ensures we will not be forced to be immediately reactive if HUD reduces the Fair Market Rents by a small percentage.
- In the other five neighborhoods, payment standards are set at the market rate alone within the range of 90% to 118% of Fair Market Rents.
- Because data shows that market rents for three-bedroom apartments fall well below 90% of Fair Market Rents, payment standards for three-bedroom apartments are set a market rate within a range of 85% to 118% of Fair Market Rents. Home Forward has established a separate payment standard for single family three-bedroom duplexes and homes within the range of 90% to 118% of Fair Market Rents.

For households on the Section 8 program at the time of the July changes, payment standard increases were applied at the time of their full recertification or when they moved. Households in areas where payment standards decreased retained their current payment standard, unless they moved. This implementation schedule, as well as setting payment standards within the specified range even when market rents may be lower than

**MTW authorization:**

Attachment C, Section D(2)(a) – Rent Policies and Term Limits

**Statutory objective:**

Increase housing choice for low-income families

that range, helped to ensure that current households were not harmed and that zero-income participants were able to find affordable housing and pay utilities. Requests for exception payments standards up 120% of Fair Market Rents under this new policy were considered beginning in FY2015, although only one has been granted to date.

**Changes or Modifications:** We are not anticipating any changes to this activity.

**Activity Metrics:**

| Metric   | Baseline   | Benchmark                      | Final Projected Outcome                 |
|--|--|--------------------------------|---|
| Increase in resident mobility (Standard Metric: HC#5)  |  |                                |   |
| Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 16%)  | FY2013: 1,896 (30%) households lived in better neighborhoods | FY2016: 1,926 (30%) households | FY2017: at least 2,000 households (32%) |
| Agency cost savings (Standard Metric: CE#1)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD's request. |  |                                |   |
| Total cost of task   | FY2014: \$48,597,556   | FY2016: \$50,560,897           | FY2017: \$51,572,115                    |

**Additional Metrics**

| Average Housing Assistance Payment expense |                 |                 |                 |
|--|-----------------|-----------------|-----------------|
| Average annual HAP expense by household    | FY2014: \$6,690 | FY2016: \$7,150 | FY2017: \$7,340 |

Data will be collected from YARDI, Home Forward's database, which tracks the census tract and Payment Standard used for each household.

**MTW Flexibility:**

Home Forward uses our MTW authority to expand the range for which Home Forward may set payment standards across the various submarkets of Multnomah County to between 80% and 120% of HUD-established Fair Market Rents, and to allow for exception payment standards up to 120% of Fair Market Rents, without HUD approval. This ensures that payment standards are sufficient to allow all families, including those that need a reasonable accommodation, to choose to rent units in all nine of the defined areas in Multnomah County (so long as Housing Choice Voucher funding is sufficient to permit this). Home Forward may also choose to reduce payment standards in areas with lower market rents.

## 14 PROGRAM BASED ASSISTANCE

Approved FY2015, Implemented FY2015

The need for rental assistance in Multnomah County far outstrips the supply. When Home Forward opened the Section 8 waiting list in 2012 for the first time in 6 years, over 21,000 households applied for 3,000 waiting list slots.

In an attempt to increase the number of households served over a given period of time, Home Forward has designed Program Based Assistance. This local, non-traditional rent assistance program offers time-limited rent assistance, paired with services, to help families access and/or retain stable housing. While the Housing Choice Voucher and public housing programs provide permanent subsidies in order to ensure long-term affordability for low-income families, the focus of Program Based Assistance is helping families achieve stability. These households will likely remain rent-burdened, but with services available to help families address other challenges in their lives, many will be able to avoid homelessness and remain permanently housed.

To administer Program Based Assistance, Home Forward sets aside a pool of flexible rent assistance funds to serve targeted populations, in partnership with one or more local service providers who ensure that the families have access to the supportive services or resources they need to be stable and successful. Target populations for Program Based Assistance are families for whom: 1) success on the Section 8 Housing Choice Voucher program would be unlikely; 2) the delay in accessing rent assistance due to the Section 8 waitlist would most likely have devastating results (recidivism, relapse, death, homelessness, etc.); or 3) the need for rental subsidy is short term while the client is receiving the support needed to stabilize in permanent housing. Examples of target populations include families who are homeless or at risk of homelessness, families with children attending Alder Elementary School (which has one of the highest mobility rates in the County and was adopted by the I Have a Dream Foundation in order to improve outcomes), former foster youth, survivors of domestic violence, and families with an adult who has recently been released from prison.

Program Based Assistance partners work with Home Forward to set program policies that are specific to the target population they are serving. Home Forward ensures that policies are clear, equitably managed, and in compliance with Fair Housing laws. All programs have common elements which include:

*Uses of Funds:* Rental Assistance funds may be used for rent assistance, rent arrears with a current landlord, move-in fees and deposits, utility assistance and arrears, motel vouchers if housing is identified but not immediately available, and documented debt to a past landlord (other than a public housing authority).

**MTW authorization:**

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment D – Use of MTW Funds

**Statutory objective:**

Increase housing choice for low-income families

*Eligibility:* Eligibility for Program Based Assistance is as low barrier as possible in order to provide housing access for hard-to-serve households. The only limitations on eligibility are: 1) the household must include at least one person who is a U.S. citizen, U.S. national, or noncitizen with eligible immigration status; 2) the household may not include any member who is subject to lifetime registration as a sex offender or has been convicted of production/manufacture of methamphetamine on premises of federally assisted housing; 3) no one in the household may owe Home Forward money; and 4) annual gross income cannot exceed 50% of area median income.

*Subsidy Determination Method:* Each partner is required to write clear policies and procedures for how subsidy amount and duration will be determined. These policies must be applied to all participants in that partner’s program.

*Service Requirements:* Home Forward makes these funds available to target populations in partnership with one or more partners who are experts in providing the supports families may need to remain stably housed and move towards a stable, permanent housing situation. Therefore, partner agencies are required to make services available to all families accessing Program Based Assistance. Partner agencies will also have the discretion to discontinue rental assistance to households who violate their program policies or fail to engage in services after repeated attempts at engagement.

**Changes or Modifications:**

We are not anticipating any changes to this activity.

**Activity Metrics:**

| Metric   | Baseline                            | Benchmark                           | Final Projected Outcome   |
|--|-------------------------------------|-------------------------------------|---|
| <i>Additional Units of Housing Made Available (Standard Metric: HC#1)</i>                    |                                     |                                     |   |
| Number of new housing units made available for households at or below 80% AMI                | Before implementation, 0 units      | FY2016: 5 units                     | 5 additional units made available through the New Doors project for former foster youth |
| <i>Increase in Resident Mobility (Standard Metric: HC #5)</i>                                |                                     |                                     |   |
| Number of households able to move to a better unit and/or neighborhood of opportunity        | Before implementation, 0 households | FY2016: 110 unduplicated households | 110 formerly homeless households receive placement services annually                    |
| <i>Households Assisted by Services that Increase Housing Choice (Standard Metric: HC #7)</i> |                                     |                                     |   |
| Number of households receiving services aimed to increase housing choice                     | Before implementation, 0 households | FY2016: 270 unduplicated households | 270 households receive services annually through Program Based Assistance               |

Home Forward tracks this information through a combination of our YARDI database system, reporting by partner agencies, and the community's Homeless Management Information System (HMIS) software.

**MTW Flexibility:**

Home Forward uses MTW flexibility to blend program funds into a single budget used to fund Program Based Assistance. This allows Home Forward to administer a form of non-traditional rent assistance that can target households in crisis and help them reach or maintain housing stability.

## Closed Out Activities

| Name of Activity  | Year Approved | Year Implemented  | Year Closed Out | Reason for Close Out   |
|---|---------------|-------------------|-----------------|--|
| Alternate Rent Calculation for Public Housing Units at Rockwood Station, Martha Washington, and Jeffrey | FY2011        | FY2011            | FY2012          | This activity was discontinued on April 1, 2012 when our current Rent Reform activity was implemented and the units at those buildings shifted to the Rent Reform calculation. |
| Limits for Zero-Subsidy Participants  | FY2010        | FY2010            | FY2012          | This activity was discontinued on April 1, 2012 with the implementation of Rent Reform.  |
| Limiting Portability in Higher Cost Areas   | FY2013        | Never implemented | --              | Home Forward determined that the administrative costs to manage this activity would offset the proposed savings.   |
| 04 Bud Clark Commons  | FY2010        | FY2010            | FY2014          | Home Forward has determined that operations at Bud Clark Commons do not utilize MTW flexibility.   |
| 05 Biennial Inspections   | FY2008        | FY2008            | FY2015          | The FY2014 Appropriations Act allows all housing authorities to conduct inspections on a biennial basis. This activity no longer requires MTW flexibility.                     |

# Sources and Uses of Funding

## Sources and Uses of MTW Funds

Due to the timing of Home Forward’s annual budget cycle, the forecasts below are only preliminary. Home Forward’s annual budget is presented to the Board for adoption at the March Board meeting each year. In order to meet HUD guidelines, the annual MTW Plan is presented for initial review in October and then adoption in November. Thus, these preliminary forecasts are projected months prior to adoption of the budget and often require changes during the budget process. Planned Sources and Uses of MTW funds are based on the prior fiscal year’s actual activity with a 2% adjustment for inflation. Proration levels are assumed to be unchanged from the prior fiscal year.

| Estimated Sources of MTW Funding for the Fiscal Year                                  |  |                      |
|---|--|----------------------|
| PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item. |  |                      |
| Sources   |  |                      |
| FDS Line Item   | FDS Line Item Name                     | Dollar Amount        |
| 70500 (70300+70400)   | Total Tenant Revenue                   | \$ 3,943,000         |
| 70600   | HUD PHA Operating Grants               | 71,575,000           |
| 70610   | Capital Grants                         | 2,156,000            |
| 70700 (70710+70720+70730+70740+70750)   | Total Fee Revenue                      | 0                    |
| 71100+72000   | Interest Income                        | 1,000                |
| 71600   | Gain or Loss on Sale of Capital Assets | 0                    |
| 71200+71300+71310+71400+71500   | Other Income                           | 2,435,000            |
| <b>70000</b>  | <b>Total Revenue</b>                   | <b>\$ 80,110,000</b> |

Estimated Uses of MTW Funding for the Fiscal Year

PHAs shall provide the estimated uses and amounts of MTW spending by FDS line item.

| Uses   |  |                      |
|--|--|----------------------|
| FDS Line Item  | FDS Line Item Name                               | Dollar Amount        |
| 91000<br>(91100+91200+91400+91500+91600+91700+91800+91900) | Total Operating - Administrative                 | \$ 7,321,000         |
| 91300+91310+92000  | Management Fee Expense                           | 0                    |
| 91810  | Allocated Overhead                               | 2,659,000            |
| 92500 (92100+92200+92300+92400)                            | Total Tenant Services                            | 390,000              |
| 93000 (93100+93600+93200+93300+93400+93800)                | Total Utilities                                  | 2,230,000            |
| 93500+93700  | Labor  | 0                    |
| 94000 (94100+94200+94300+94500)                            | Total Ordinary Maintenance                       | 5,528,000            |
| 95000 (95100+95200+95300+95500)                            | Total Protective Services                        | 102,000              |
| 96100 (96110+96120+96130+96140)                            | Total insurance Premiums                         | 326,000              |
| 96000 (96200+96210+96300+96400+96500+96600+96800)          | Total Other General Expenses                     | 2,834,000            |
| 96700 (96710+96720+96730)                                  | Total Interest Expense and Amortization Cost     | 83,000               |
| 97100+97200  | Total Extraordinary Maintenance                  | 8,000                |
| 97300+97350  | Housing Assistance Payments + HAP Portability-In | 58,629,000           |
| 97400  | Depreciation Expense                             | 3,728,000            |
| 97500+97600+97700+97800                                    | All Other Expenses                               | 0                    |
| <b>90000</b>   | <b>Total Expenses*</b>                           | <b>\$ 83,838,000</b> |

\* Excluding Depreciation Expense (a non-cash category), MTW Sources equal MTW Uses.

## Describe the Activities that Will Use Only MTW Single Fund Flexibility

### Replacement Housing Factor Funds

Home Forward's efforts to reposition its public housing portfolio can result in a formal disposition approval from HUD and then the sale of the asset. In these instances, Replacement Housing Factor (RHF) funds are received by Home Forward as part of the Capital Fund Formula and used to create a new public housing unit. Home Forward utilizes MTW authority to use these RHF funds within its single fund flexibility to create new public housing units in a mixed-finance project. In doing so, these RHF funds provide a portion of the total development capital needed for a particular project. Given the development cash flow needs of any particular mixed-finance project, Home Forward may also use the RHF funds to repay construction financing. This would be done without formally pledging the future RHF funds to the lender as collateral.

### MTW Initiative Funds

Home Forward has created MTW Initiative Funds, comprised of MTW reserve funds in their entirety. This is a funding source to support initiatives that will advance the goals and objectives of MTW and Home Forward's Strategic Operations Plan. Some of these initiatives are aspects of our MTW Activities, described earlier in this Plan.

Listed below are initiatives that only use single-fund flexibility:

- Action for Prosperity/Housing Works: Action for Prosperity is a partnership between Home Forward, Worksystems, Inc., the Multnomah County Anti-Poverty system, and the State Department of Human Services. Each system leverages its resources by delivering core services and utilizing the other systems to provide wrap-around supports. With access to stable housing, the appropriate level of case management, and priority access to workforce services, we believe that a significant number of households will be able to develop the skills they need to gain employment within two years. Home Forward contributes rent assistance, in the form of Program Based Assistance, which is contracted to agencies in the Anti-Poverty system who use it to help stabilize families who are engaged in training or employment programming.

Additionally, in 2012, our local Workforce Investment Board (WIB) received a 3-year, \$5.5 million Workforce Innovation Fund grant in partnership with Home Forward and the other local housing authorities and WIBs in the Portland Metro area to pilot a program called Housing Works. This demonstration grant expanded on an existing partnership between Home Forward and the local WIB. Over the next three years, Home Forward received \$1.1 million to work

with our Workforce Investment Board to serve 270 Home Forward residents with intensive training and employment services. As part of this grant, Home Forward contributes to the cost of a staff position that is shared between the WIB and Home Forward. This “liaison” provides technical assistance to Home Forward staff as they support clients in navigating the WorkSource system and helps build the partnership between the two organizations.

- Families Forward: Families Forward is the umbrella name for our strategic initiatives designed to help youth attain education success in order to alleviate or exit poverty, and to help adults make economic progress, with the ultimate goal of exiting poverty for those who are able.
  - For adults, the current priority is to create a single framework for all of the agency’s Economic Opportunity efforts, integrating the following four strategies: collecting information about families through an Employment and Training Interest Inventory; aligning existing self-sufficiency programs into a single program called GOALS, with site-based and non-site based components; facilitating the hiring of low-income (Section 3) residents and participants by Home Forward and contractors; and integrating Housing Works/Action for Prosperity (mentioned above) into Economic Opportunity work. Ultimately, the goals for this initiative include increases in resident/participant earned income, increases in residents’/participants’ contribution to rent, and residents/participants reaching a living wage if they exit housing subsidy.
  - Youth Initiatives: Home Forward’s focus on youth efforts has been twofold: 1) ensuring children enter kindergarten ready to learn and 2) ensuring older youth graduate from high school and enter college or training. Our early childhood efforts are being rolled out in alignment with a countywide initiative focused on kindergarten readiness and the Governor’s early childhood agenda. We conduct significant outreach to connect our families to programs that support the transition into kindergarten and to register for kindergarten in the spring. We have also opened an early childhood center at our newest HOPE VI development.

We are also nearing the end of a three-year demonstration project, funded by the Urban Institute, where we provide dual-generation programming at two of our HOPE VI sites, focused on achieving academic success for children. The model provides intensive supports to adults to increase economic opportunity and case management for youth via contractors who specialize in youth development work. Youth caseworkers work closely with school staff as well as with the staff who are supporting the parents, to ensure wraparound supports for families. Our goal is to extend and expand on our highly successful three-year demonstration work providing dual generation case management.

- Aging at Home Strategies: Home Forward is developing and implementing initiatives to increase independence and a sense of community at our properties that serve seniors and people with disabilities. A priority strategy is to explore

systems alignment with multiple partners such as Aging & Disability Services at the state and county level, Multnomah County Developmental Disabilities, Cedar Sinai Park, Care Oregon, Health Share and Family Care. Strategies also include developing standards for renovating common areas and units to make them more accessible, developing new branding and marketing for the Congregate Housing Services Program (CHSP) in order to increase participation, and expanding and deepening available services based on consumer need.

- Staff Training: To support the Families Forward and Aging at Home initiatives, which are part of Home Forward's Strategic Operations Plan goal to strengthen our relationship with the people we serve, Home Forward is developing a new training program for staff. Training includes understanding the crisis of poverty and provides staff with a basic overview of the components of motivational interviewing, strengths based case management, and trauma-informed care. The goal is to provide staff with knowledge and tools to better support residents in achieving their goals.
- Neighbor-to-Neighbor Grant Program: Home Forward has created a grant program for resident groups from our public or affordable housing communities. Resident groups submit applications for grant funds to improve their community livability and reinforce community values. Past resident-led projects have included exercise classes, afterschool tutoring, an accessible community garden and the creation of a soccer field and youth sports team.
- Security Deposit Assistance: Home Forward uses single-fund flexibility to offer security deposit assistance to two populations: participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, and former foster youth leasing up with Family Unification Program (FUP) vouchers. For homeless veterans, a lack of funds for security deposits is a serious barrier to successful use of VASH vouchers. Similarly, youth aging out of the foster care system often do not have the resources to pay for security deposits when trying to utilize FUP vouchers. Security deposit assistance is a key support to finding housing for veterans and youth. Home Forward's funds are to be used only when the service agencies working with these populations are not able to otherwise arrange for deposit assistance.
- Inter-jurisdictional Transfer Program for Survivors of Domestic Violence: In collaboration with other MTW-authorized housing authorities and the local domestic violence service system, Home Forward has implemented an inter-jurisdictional transfer program to assist participants who are survivors of domestic violence. The program ensures continued access to stable and safe housing when it is deemed necessary that the household move to another jurisdiction to avoid violence that is likely to become lethal or near-lethal. A local domestic violence service provider has assigned two full-time advocates to work on-site with Home Forward residents. The advocates can recommend residents to this transfer program and provide advocacy and assistance with relocation to the new jurisdiction. Clients are connected with a local domestic violence agency in the new jurisdiction for support after their transfer. Home

Forward allocates up to \$2,000 per household for relocation costs, for up to five households each year. In addition, Home Forward intends to absorb the vouchers of up to five families referred by partnering MTW agencies.

- MTW Operating Reserve: Home Forward will set aside funds each year, as determined by the Board of Commissioners, towards building an Operating Reserve sufficient to fund four months of Operating Expenses plus one month of Housing Assistance Payments.

## Local Asset Management Plan

Is the PHA allocating costs within statute?

|                          |    |                          |
|--------------------------|----|--------------------------|
| <input type="checkbox"/> | or | No                       |
| Yes                      | or | <input type="checkbox"/> |

Is the PHA implementing a local asset management plan (LAMP)?

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

|     |    |                          |
|-----|----|--------------------------|
| Yes | or | <input type="checkbox"/> |
|-----|----|--------------------------|

**Local Asset Management Plan has been updated to reflect Agency name change, reclassification of certain positions, and minor updates to direct/indirect cost allocations to reflect current practices.**

# Administrative

## Board Resolution



### MEMORANDUM

To: Board of Commissioners

Date: November 18, 2014

From: Melissa Sonsalla, MTW Program Analyst

Subject: FY16 Moving to Work (MTW) Plan  
Resolution 14-11-02

The Board of Commissioners is requested to authorize staff to submit the 17th Year Moving to Work (MTW) Annual Plan to the Department of Housing and Urban Development. This plan corresponds to Home Forward's fiscal year 2016.

### ISSUE

Home Forward's designation as an MTW agency affords us regulatory relief in the administration of Section 8 and Public Housing operating subsidies and capital allocations, as well as the ability to waive certain HUD regulations in favor of locally developed policies and initiatives for the benefit of our residents, participants and the community. All activities that use MTW authority must support at least one of three MTW objectives: (1) reduce costs and increase efficiencies, (2) increase housing choice for low-income families and, (3) provide incentives to families to become economically self-sufficient. Home Forward's current ten year agreement with HUD preserves our MTW designation until 2018.

This year's MTW Plan has been presented to community stakeholders, the Resident Advisory Committee and the Board of Commissioners at a public hearing. All feedback and Home Forward responses are included for your reference and will be provided to HUD as part of our MTW Plan submission. Home Forward staff will continue to work closely with residents, participants and stakeholders as we refine and examine our existing activities, and as we consider any new activities to propose in future years.



RESOLUTION 14-11-02

RESOLUTION 14-11-02 AUTHORIZES HOME FORWARD STAFF TO SUBMIT THE YEAR 17 ANNUAL MOVING TO WORK PLAN (MTW) TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

WHEREAS, the MTW plan provides Home Forward with the authority to adopt new policies and to flexibly use HUD funding to maximize the effectiveness of this important resource; and

WHEREAS, on October 20, 2014 Home Forward staff met with community partners to review the draft MTW plan; and

WHEREAS, on October 21, 2014 the Home Forward Board of Commissioners conducted a public hearing on the draft MTW plan; and

WHEREAS, on October 23, 2014 Home Forward staff met with members of the Resident Advisory Committee to review the draft plan; and

WHEREAS, HUD has requested that the Home Forward Board of Commissioners authorize the execution of its Seventeenth-Year MTW Annual Plan,

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that the Chair of the Board of Commissioners is authorized to enter into and execute the Seventeenth-Year Annual MTW Plan with the Department of Housing and Urban Development.

ADOPTED: NOVEMBER 18, 2014

Attest:

Michael Buonocore, Secretary

Home Forward

David M. Widmark, Chair

Certifications of Compliance

Annual Moving to Work Plan  
Certifications of Compliance

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

**Certifications of Compliance with Regulations:  
Board Resolution to Accompany the Annual Moving to Work Plan\***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning 4/1/2015, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

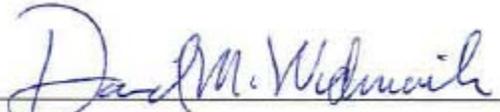
Home Forward (Housing Authority of Portland)  
 PHA Name

OR002  
 PHA Number/HA Code

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

David M. Widmark  
 Name of Authorized Official

Board Chair  
 PHA Number/HA Code

  
 Signature

19 November 2014  
 Date

\*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

## Public Review Process

Home Forward has taken the steps below to ensure a thorough public process in the development and adoption of the MTW plan.

|                               |   |
|-------------------------------|---|
| October 2 – November 3, 2014: | Draft MTW Plan posted on Home Forward’s website for public comment and input; no comment or input submitted as a result of this posting                       |
| October 5 & 12, 2014:         | Public notice published in the Oregonian announcing the public hearing on October 21, 2014; text and Affidavit of Publication included in the following pages |
| October 20, 2014:             | Community stakeholder meeting held at Home Forward (135 SW Ash Street, Portland, OR 97204); twelve people in attendance; comments included below              |
| October 21, 2014:             | Public hearing / Board meeting held at Multnomah County Building (501 SE Hawthorne Blvd, Portland, OR); no members of the public made comments                |
| October 23, 2014:             | Presentation to Home Forward’s Resident Advisory Committee; comments included below   |
| November 18, 2014:            | Approval by Board of Commissioners  |

## Public Comments

### Activity 01: Rent Reform

One commenter pointed out that for households on triennial review schedules, it can be up to three years before they see the benefit of updated payment standards.

*Response: We appreciate the comment and are in process of researching ways to alleviate this impact on these households.*

### Activity 02: GOALS

One commenter said that GOALS should offer a different focus for older participants who still benefit from a program that encourages achievement, but who have different priorities than those who are more squarely in the work-focused age range.

*Response: We appreciate the comment and will look into ways we can better tailor our GOALS program.*

One commenter said the GOALS program is appreciated and offers participants hope for the future.

*Response: We appreciate the comment.*

#### Activity 06: Alternate inspection requirements for partner-based programs

One commenter asked if a participant requested a special inspection, would they be afforded the same rights as a Housing Choice Voucher holder.

*Response: Yes, if it were requested by a participant, Home Forward would conduct the inspection instead of the partner.*

#### Activity 10: Local Project-Based Voucher Program

One commenter shared his praise for staff for implementing a rent setting policy for project-based vouchers that makes those units affordable for zero income households. It is a critical resource in the community's effort to end homelessness and is important for older households, many of whom have no income.

*Response: We appreciate the comment. We share the belief that it is important to make sure that vulnerable, zero-income residents can still have access to affordable housing.*

#### Activity12: Alternative initial Housing Assistance Payment policy

One commenter asked if this activity is aimed to help encourage landlords to participate in the Housing Choice Voucher program.

*Response: Yes. The landlord community has cited the wait for an inspection as one of the biggest problems with the Housing Choice Voucher program. Because Home Forward works with landlords who have such high quality housing stock, we believe this will be a successful activity.*

#### Activity 13: Broaden range of approved payment standards

One commenter said that in the last round of payment standard increases, one area in North Portland did not see a change, and hasn't had an increase in over four years. The commenter asked if we expect an increase in that area.

*Response: We now use the Multifamily NW (formerly the Metro Multifamily Housing Association) survey to set payment standards based on local market rents. The report came out last week, so we will be looking into that.*

Oregonian Public Notice

PUBLIC HEARING

Home Forward (formerly the Housing Authority of Portland) will hold a public hearing on Tuesday, October 21, 2014 @ 6:15 pm at the Multnomah County Building, 501 SE Hawthorne Blvd, Portland, OR. The purpose of this meeting is to inform and seek input from the public, including current and potential residents / participants, concerning initiatives that Home Forward is proposing under the Federal Department of Housing and Urban Development's national demonstration program called "Moving to Work" (MTW). Home Forward's proposed initiatives are outlined in the "Draft FY2016 MTW Annual Plan." The draft plan is available for viewing on Home Forward's website:

<http://www.homeforward.org/home-forward/moving-to-work>

Federal regulations under MTW authority emphasize cost-efficiency, resident self-sufficiency and increased housing choices.

# OREGONIAN MEDIA GROUP

1515 SW 5th Ave, Suite 1000 Portland, OR 97201-5615

Affidavit of Publication

I, James Stobie, being first duly sworn depose and say that I am the Principal Clerk Of The Publisher of The Oregonian, a newspaper of general circulation, published at Portland, in Multnomah County, Oregon; that I know from my personal knowledge that the advertisement, a printed copy of which is hereto annexed, was published in the entire issue of said newspaper in the following issues:

10/5/2014, 10/12/2014

James Stobie

Principal Clerk of the Publisher

Subscribed and sworn to before me this date: 13<sup>th</sup> day of October, 2014.

Christine D. Casper

Notary Public for Oregon

My commission expires 27<sup>th</sup> day of May, 2016.

Ad Order Number: 0003643154

## Agency-Directed Evaluations

As mentioned in the section on Single-Fund Flexibility Activities, Home Forward is participating in Housing Works: A Regional Workforce-Housing Alliance, which was awarded a Workforce Innovation Fund grant in 2012 by the US Department of Labor. A full evaluation is a required element of the grant. Home Forward is contributing Moving to Work Initiative Funds to the program in the form of staff time, as well as co-funding the cost of the liaison position.

The partnership behind the program consists of a consortium of workforce investment boards (WIBs) and public housing authorities across Multnomah, Washington, and Clackamas counties in Oregon, and Clark County in Washington. The lessons learned from various prior regional workforce development efforts have been applied in building the model for this program. The current program brings to scale a pilot that Home Forward and Worksystems, Inc. tested several years ago with funds from the Paul G. Allen Family Foundation and expands the geographic span of activities, increasing the number of housing authority residents and industries served, and aligning the formula funding from the lead agencies.

The Housing Works program is designed to provide residents the opportunity to enhance their skills to gain and retain employment in high-demand industries and to increase their employment income. Participants access case management and supports across each stage of the program: career and resource planning; skill development and occupational skills training; job preparation and soft skills development; job attachment services; and employment retention services. This multi-faceted program is also crafted to create system changes in the WIBs and housing authorities by aligning policies and encouraging the co-investment of resources. The approach to workforce development in this model is substantially altered to incorporate a role for housing authorities as case managers and coaches to assist participants in navigating the array of workforce services and supports. The essential components of this model that speak to systems change consist of growing organizational capacity to more fully align resources and policy; co-investment of resources; and unified service delivery that is seamless to participants.

The design and implementation of the Housing Works program evaluation is being led by Public Policy Associates, Inc. The evaluation design was crafted in partnership with the Housing Works leadership, and the implementation of the evaluation activities is being conducted in close collaboration with the Housing Works staff and partners. The evaluation design is two-pronged, including both an implementation study and an impact study. The evaluation team will monitor the progress being made toward the overarching goals of the program, offer feedback on the fidelity of program implementation, and assess indications of systems change, the results of service delivery on participants, and the cost-efficiency of the program approach. The evaluation is a rigorous quasi-experimental evaluation designed to assess the impacts to program participants. The purpose of the evaluation is to determine the extent to which the implementation study and the impact study achieved their goals, but also why and how those results were achieved and how they are valued by stakeholders.

Annual Statement/Performance and Evaluation Report

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

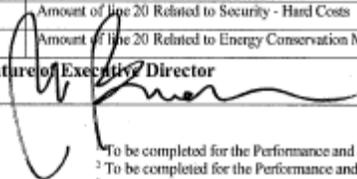
U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 3/31/2014

| <b>Part I: Summary</b>  |  |   |                      |                                |  |
|---|--|---|----------------------|--------------------------------|--|
| PHA Name: Home Forward formerly known as Housing Authority of Portland  |  | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250111<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                      |                                | FFY of Grant: 2011<br>FFY of Grant Approval: |
| Type of Grant<br><input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |   |                      |                                |  |
| Line  | Summary by Development Account                               | Total Estimated Cost  |                      | Total Actual Cost <sup>1</sup> |  |
|   |  | Original  | Revised <sup>2</sup> | Obligated                      | Expended                                     |
| 1   | Total non-CFP Funds  |   |                      |                                |  |
| 2   | 1406 Operations (may not exceed 20% of line 21) <sup>3</sup> |   |                      |                                |  |
| 3   | 1408 Management Improvements                                 |   |                      |                                |  |
| 4   | 1410 Administration (may not exceed 10% of line 21)          |   |                      |                                |  |
| 5   | 1411 Audit   |   |                      |                                |  |
| 6   | 1415 Liquidated Damages                                      |   |                      |                                |  |
| 7   | 1430 Fees and Costs  |   |                      |                                |  |
| 8   | 1440 Site Acquisition  |   |                      |                                |  |
| 9   | 1450 Site Improvement  |   |                      |                                |  |
| 10  | 1460 Dwelling Structures                                     |   |                      |                                |  |
| 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                            | 3,765,396   |                      |                                |  |
| 16  | 1495.1 Relocation Costs                                      |   |                      |                                |  |
| 17  | 1499 Development Activities <sup>4</sup>                     |   |                      |                                |  |

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
<sup>4</sup> 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

| <b>Part I: Summary</b>   |  |   |                      |   |          |
|--|--|---|----------------------|---|----------|
| PHA Name:<br>Home Forward<br>formerly known as<br>Housing Authority<br>of Portland   |  | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250111<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                      | FFY of Grant: 2011<br>FFY of Grant Approval:  |          |
| Type of Grant<br><input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |   |                      |   |          |
| Line   | Summary by Development Account   | Total Estimated Cost  |                      | Total Actual Cost <sup>1</sup>  |          |
|  |  | Original  | Revised <sup>2</sup> | 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)                            | 3,765,396   |                      |   |          |
| 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  |  | Date  |                      | Signature of Public Housing Director  |          |
|   |  | 11/18/11  |                      |  |          |
|  |  |   |                      | 11/18/11  |          |

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

| <b>Part II: Supporting Pages</b>                                       |   |                            |  |                      |                      |                                   |                                |                |
|--|---|----------------------------|--|----------------------|----------------------|-----------------------------------|--------------------------------|----------------|
| PHA Name: Home Forward formerly known as Housing Authority of Portland |   |                            | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250111<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |                      |                      | <b>Federal FFY of Grant: 2011</b> |                                |                |
| Development Number<br>Name/PHA-Wide<br>Activities                      | General Description of Major Work<br>Categories | Development<br>Account No. | Quantity   | Total Estimated Cost |                      | Total Actual Cost                 |                                | Status of Work |
|  |   |                            |  | Original             | Revised <sup>1</sup> | Funds<br>Obligated <sup>2</sup>   | Funds<br>Expended <sup>2</sup> |                |
| OR 2 – PHA Wide  | 20% Allowance to support operations             | 1492                       |  | 753,079.20           |                      |                                   | 753,079.20                     | FY2015 Actuals |
| OR 2 – 106   | Hollywood East                                  |                            | 286  |                      |                      |                                   |                                |                |
|  | Roofing Replacement                             | 1492                       |  | 429,266.31           | 299,594.69           |                                   | 299,594.69                     | FY2015 Actuals |
| OR 2 – 111   | Dekum Court                                     |                            | 40   |                      |                      |                                   |                                |                |
|  | Comprehensive Rehab                             | 1492                       |  | 0                    | 11,052.01            |                                   | 11,052.01                      | FY2015 Actuals |
| OR 2 – 113   | Tamarack  |                            | 120  |                      |                      |                                   |                                |                |
|  | Carport Repairs                                 | 1492                       |  | 0                    | 83,232.21            |                                   | 83,232.21                      | FY2015 Actual  |
| OR 2 – 113   | Tamarack  |                            | 118  |                      |                      |                                   |                                |                |
|  | Sewer Emergency Repairs                         | 1492                       |  | 55,592.00            | 0                    |                                   | 0                              | FY2015 Actuals |
| OR 2 – 114   | Dahlke Manor                                    |                            | 115  |                      |                      |                                   |                                |                |
|  | Exterior Repairs / Painting                     | 1492                       |  | 125,622.57           | 90,995.20            |                                   | 90,995.20                      | FY2015 Actuals |
| OR 2 – 114   | Dahlke Manor                                    |                            | 115  |                      |                      |                                   |                                |                |
|  | Building Entry System                           | 1492                       |  | 0                    | 34,745.00            |                                   | 34,745.00                      | FY2015 Actuals |
| OR 2 – 115   | Holgate House                                   |                            | 80   |                      |                      |                                   |                                |                |
|  | Door Entry System                               | 1492                       |  | 50,000.00            | 139.34               |                                   | 139.34                         | FY2015 Actuals |
| OR 2 - 115   | Holgate House                                   |                            | 80   |                      |                      |                                   |                                |                |
|  | Exterior Sealing Project                        | 1492                       |  | 0                    | 22,732.38            |                                   | 22,732.38                      | FY2015 Actuals |
| OR 2 - 118   | Williams Plaza                                  |                            | 101  |                      |                      |                                   |                                |                |
|  | Exterior Sealing Repairs                        | 1492                       |  | 250,000.00           | 711,012.67           |                                   | 711,012.67                     | FY2015 Actuals |
| OR 2 - 125   | Eastwood Court                                  |                            | 32   |                      |                      |                                   |                                |                |
|  | Siding Repairs                                  | 1492                       |  | 145,698.08           |                      |                                   | 145,698.08                     | FY2015 Actuals |

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.

| Part II: Supporting Pages  |   |                            |   |                      |                      |                                 |                                |                |
|--|---|----------------------------|---|----------------------|----------------------|---------------------------------|--------------------------------|----------------|
| PHA Name: PHA Name: Home Forward<br>formerly known as Housing Authority of<br>Portland |   |                            | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250111<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |                      |                      | Federal FFY of Grant: 2011      |                                |                |
| Development Number<br>Name/PHA-Wide<br>Activities                                      | General Description of Major Work<br>Categories                         | Development<br>Account No. | Quantity  | Total Estimated Cost |                      | Total Actual Cost               |                                | Status of Work |
|  |   |                            |   | Original             | Revised <sup>1</sup> | Funds<br>Obligated <sup>2</sup> | Funds<br>Expended <sup>2</sup> |                |
| OR 2 - 126   | Carlton Court   |                            | 24  |                      |                      |                                 |                                |                |
|  | Siding Repairs  | 1492                       |   | 421,427.99           | 361,764.83           |                                 | 361,764.83                     | FY2015 Actuals |
| OR 2 - 203   | Maple Mallory   |                            | 48  |                      |                      |                                 |                                |                |
|  | Sewer Repairs   | 1492                       |   | 283,774.96           | 283,669.46           |                                 | 283,669.46                     | FY2015 Actuals |
| OR 2 - 138   | Medallion   |                            | 30  |                      |                      |                                 |                                |                |
|  | Elevator Hard Drive   | 1492                       |   | 16,052.00            | 0                    |                                 | 0                              | FY2014 Actuals |
| OR 2 - PHA Wide  | Unidentified Emergency Repairs  | 1492                       |   | 188,432.89           | 0                    |                                 | 0                              | FY2014 Actuals |
| OR 2 - PHA Wide  | Asbestos Abatement  | 1492                       |   | 76,573.00            | 27,503.73            |                                 | 27,503.73                      | FY2015 Actuals |
| OR 2 - PHA Wide  | Elevator Hard Drives  | 1492                       |   | 40,000.00            | 0                    |                                 | 0                              | FY2015 Actuals |
| OR 2 - PHA Wide  | Capital Needs Assessments   | 1492                       |   | 300,000.00           | 0                    |                                 | 0                              | FY2015 Actuals |
| OR 2 - PHA Wide  | Building Entry Systems / Fire Panels                                    | 1492                       |   | 116,000.00           | 0                    |                                 | 0                              | FY2015 Actuals |
| Blended Component<br>Unit  | Gallagher Plaza - 85 Stories Group 1<br>Preservation Initiative / Rehab | 1492                       | 85  | 128,476.75           | 396,272.01           |                                 | 396,272.01                     | FY2015 Actuals |
| Blended Component<br>Unit  | Hollywood East - 85 Stories Group 2<br>Preservation Initiative / Rehab  | 1492                       | 286   | 128,476.75           | 134,447.61           |                                 | 134,447.61                     | FY2015 Actuals |
| Blended Component<br>Unit  | Northwest Tower - 85 Stories Group 1<br>Preservation Initiative / Rehab | 1492                       | 174   | 128,476.75           | 272,121.24           |                                 | 272,121.24                     | FY2015 Actuals |
| Blended Component<br>Unit  | Sellwood Center - 85 Stories Group 2<br>Preservation Initiative / Rehab | 1492                       | 110   | 128,476.75           | 137,336.34           |                                 | 137,336.34                     | FY2015 Actuals |
|  |   |                            |   |                      |                      |                                 |                                |                |
|  |   |                            |   |                      |                      |                                 |                                |                |

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

<sup>2</sup> 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 3/31/2014

| <b>Part I: Summary</b>  |  |  |                      |                                |  |
|---|--|--|----------------------|--------------------------------|--|
| <b>PHA Name: Home Forward formerly known as Housing Authority of Portland</b>   |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250112<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                      |                                | <b>FFY of Grant: 2012</b><br><b>FFY of Grant Approval:</b> |
| <b>Type of Grant</b><br><input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |  |                      |                                |  |
| Line  | Summary by Development Account                               | Total Estimated Cost   |                      | Total Actual Cost <sup>1</sup> |  |
|   |  | Original   | Revised <sup>2</sup> | Obligated                      | Expended   |
| 1   | Total non-CFP Funds  |  |                      |                                |  |
| 2   | 1406 Operations (may not exceed 20% of line 21) <sup>3</sup> |  |                      |                                |  |
| 3   | 1408 Management Improvements                                 |  |                      |                                |  |
| 4   | 1410 Administration (may not exceed 10% of line 21)          |  |                      |                                |  |
| 5   | 1411 Audit   |  |                      |                                |  |
| 6   | 1415 Liquidated Damages                                      |  |                      |                                |  |
| 7   | 1430 Fees and Costs  |  |                      |                                |  |
| 8   | 1440 Site Acquisition  |  |                      |                                |  |
| 9   | 1450 Site Improvement  |  |                      |                                |  |
| 10  | 1460 Dwelling Structures                                     |  |                      |                                |  |
| 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                            | 3,437,796.00   |                      |                                |  |
| 16  | 1495.1 Relocation Costs                                      |  |                      |                                |  |
| 17  | 1499 Development Activities <sup>4</sup>                     |  |                      |                                |  |

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
<sup>4</sup> 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

| <b>Part I: Summary</b>   |  |   |                                      |  |          |
|--|--|---|--------------------------------------|--|----------|
| PHA Name:<br>Home Forward<br>formerly known as<br>Housing Authority<br>of Portland   |  | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250112<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                                      | FFY of Grant: 2012<br>FFY of Grant Approval: |          |
| Type of Grant<br><input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |   |                                      |  |          |
| Line   | Summary by Development Account   | Total Estimated Cost  |                                      | Total Actual Cost <sup>1</sup>               |          |
|  |  | Original  | Revised <sup>2</sup>                 | 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)                            | 3,437,796.00  |                                      |  |          |
| 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                       |   |                                      |  |          |
| 24   | Amount of line 20 Related to Security - Hard Costs                       |   |                                      |  |          |
| 25   | Amount of line 20 Related to Energy Conservation Measures                |   |                                      |  |          |
| Signature of Executive Director  |  | Date  | Signature of Public Housing Director |  | Date     |
|  |  | 11/18/14  |                                      |  | 11/18/14 |

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

| Part II: Supporting Pages  |  |                         |   |                      |                      |                              |                             |                |
|--|--|-------------------------|---|----------------------|----------------------|------------------------------|-----------------------------|----------------|
| PHA Name: Home Forward formerly known as Housing Authority of Portland |  |                         | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250112<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |                      |                      | Federal FFY of Grant: 2012   |                             |                |
| 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 <sup>1</sup> | Funds Obligated <sup>2</sup> | Funds Expended <sup>2</sup> |                |
| OR 2 – PHA Wide  | 20% Allowance to support operations          |                         |   | 687,559.20           |                      |                              | 687,559.20                  | FY15 Actuals   |
| OR 2 – 111   | Dekum Court                                  |                         | 40  |                      |                      |                              |                             |                |
|  | Comprehensive Rehab                          | 1492                    |   | 0                    | 1,851.74             |                              | 1,851.74                    | FY15 Actuals   |
| OR 2 – 114   | Dahlke Manor                                 |                         | 115   |                      |                      |                              |                             |                |
|  | Building Entry System                        | 1492                    |   | 0                    | 12,365.00            |                              | 12,365.00                   | FY15 Actuals   |
| OR 2 - 115   | Holgate House                                |                         | 80  |                      |                      |                              |                             |                |
|  | Exterior Sealing Project                     | 1492                    |   | 0                    | 322,336.80           |                              | 14,265.51                   | FY15 Actuals   |
| OR 2 - 115   | Holgate House                                |                         | 80  |                      |                      |                              |                             |                |
|  | Door Entry System                            | 1492                    |   | 0                    | 49,860.66            |                              | 0                           | 2016 MTW Plan  |
| OR 2 - 118   | Williams Plaza                               |                         | 101   |                      |                      |                              |                             |                |
|  | Exterior Sealing Repairs                     | 1492                    |   | 0                    | 138,070.15           |                              | 138,070.15                  | FY15 Actuals   |
| OR 2 - 118   | Williams Plaza                               |                         | 101   |                      |                      |                              |                             |                |
|  | Water Leak Repairs                           | 1492                    |   | 0                    | 92,500.00            |                              | 0                           | 2016 MTW Plan  |
| OR 2 – 138   | Eliot Square                                 | 1492                    | 30  | 0                    | 250,000.00           |                              | 0                           |                |
|  | Exterior Tuck Point Project                  |                         |   |                      |                      |                              |                             | 2016 MTW Plan  |
| OR 2 - 139   | Medallion                                    |                         | 90  |                      |                      |                              |                             |                |
|  | Water Intrusion Repairs                      | 1492                    |   | 0                    | 350,000.00           |                              | 9,437.84                    | FY15 Actuals   |
| OR 2 - 203   | Maple Mallory                                |                         | 48  |                      |                      |                              |                             |                |
|  | Sewer Repairs                                | 1492                    |   | 0                    | 44.54                |                              | 44.54                       | FY15 Actuals   |

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.

| Part II: Supporting Pages  |   |                            |   |                      |                      |                                 |                                |                  |
|--|---|----------------------------|---|----------------------|----------------------|---------------------------------|--------------------------------|------------------|
| PHA Name: PHA Name: Home Forward formerly known as Housing Authority of Portland |   |                            | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250112<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |                      |                      | Federal FFY of Grant: 2012      |                                |                  |
| Development Number<br>Name/PHA-Wide<br>Activities                                | General Description of Major Work<br>Categories                         | Development<br>Account No. | Quantity  | Total Estimated Cost |                      | Total Actual Cost               |                                | Status of Work   |
|  |   |                            |   | Original             | Revised <sup>1</sup> | Funds<br>Obligated <sup>2</sup> | Funds<br>Expended <sup>2</sup> |                  |
| OR 2 - 203   | Maple Mallory<br>Exterior Tuck Point Project                            | 1492                       | 48  | 0                    | 150,000.00           |                                 | 0                              | 2016 MTW<br>Plan |
| OR 2 - 113   | Tamarack<br>Staircase Repairs   | 1492                       | 118   | 0                    | 47,422.33            |                                 | 1,541.42                       | 2016 MTW<br>Plan |
| Blended Component<br>Unit  | Gallagher Plaza - 85 Stories Group 1<br>Preservation Initiative / Rehab |                            |   | 687,559.25           | 339,816.40           |                                 | 339,816.40                     |                  |
| Blended Component<br>Unit  | Hollywood East - 85 Stories Group 2<br>Preservation Initiative / Rehab  |                            |   | 687,559.25           | 313,110.58           |                                 | 313,110.58                     |                  |
| Blended Component<br>Unit  | Northwest Tower - 85 Stories Group 1<br>Preservation Initiative / Rehab |                            |   | 687,559.25           | 275,738.70           |                                 | 275,738.70                     |                  |
| Blended Component<br>Unit  | Sellwood Center - 85 Stories Group 2<br>Preservation Initiative / Rehab |                            |   | 687,559.25           | 407,119.90           |                                 | 407,119.90                     |                  |
|  |   |                            |   |                      |                      |                                 |                                |                  |
|  |   |                            |   |                      |                      |                                 |                                |                  |
|  |   |                            |   |                      |                      |                                 |                                |                  |

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.





| <b>Part I: Summary</b>  |  |  |                      |                                |  |
|---|--|--|----------------------|--------------------------------|--|
| <b>PHA Name: Home Forward formerly known as Housing Authority of Portland</b>   |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250113<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                      |                                | <b>FFY of Grant: 2013</b><br><b>FFY of Grant Approval: .</b> |
| <b>Type of Grant</b><br><input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |  |                      |                                |  |
| Line  | Summary by Development Account                               | Total Estimated Cost   |                      | Total Actual Cost <sup>1</sup> |  |
|   |  | Original   | Revised <sup>2</sup> | Obligated                      | Expended   |
| 1   | Total non-CFF Funds  |  |                      |                                |  |
| 2   | 1406 Operations (may not exceed 20% of line 21) <sup>3</sup> |  |                      |                                |  |
| 3   | 1408 Management Improvements                                 |  |                      |                                |  |
| 4   | 1410 Administration (may not exceed 10% of line 21)          |  |                      |                                |  |
| 5   | 1411 Audit   |  |                      |                                |  |
| 6   | 1415 Liquidated Damages                                      |  |                      |                                |  |
| 7   | 1430 Fees and Costs  |  |                      |                                |  |
| 8   | 1440 Site Acquisition  |  |                      |                                |  |
| 9   | 1450 Site Improvement  |  |                      |                                |  |
| 10  | 1460 Dwelling Structures                                     |  |                      |                                |  |
| 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                            | 2,977,380.25   |                      |                                |  |
| 16  | 1495.1 Relocation Costs                                      |  |                      |                                |  |
| 17  | 1499 Development Activities <sup>4</sup>                     |  |                      |                                |  |

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

| <b>Part I: Summary</b>  |  |  |  |  |                         |
|---|--|--|--|--|-------------------------|
| <b>PHA Name:</b><br>Home Forward<br>formerly known as<br>Housing Authority<br>of Portland   |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250113<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |  | <b>FFY of Grant: 2013</b><br><b>FFY of Grant Approval:</b> |                         |
| <b>Type of Grant</b><br><input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report |  |  |  |  |                         |
| Line  | Summary by Development Account   | Total Estimated Cost   |  | Total Actual Cost <sup>1</sup>                             |                         |
|   |  | Original   | Revised <sup>2</sup>   | Obligated  | Expended                |
| 18a   | 1501 Collateralization or Debt Service paid by the PHA                   |  |  |  |                         |
| 18ba  | 9000 Collateralization or Debt Service paid Via System of Direct Payment | 514,540.75   |  |  |                         |
| 19  | 1502 Contingency (may not exceed 8% of line 20)                          |  |  |  |                         |
| 20  | Amount of Annual Grant: (sum of lines 2 - 19)                            | 3,491,921.00   |  |  |                         |
| 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                       |  |  |  |                         |
| 24  | Amount of line 20 Related to Security - Hard Costs                       |  |  |  |                         |
| 25  | Amount of line 20 Related to Energy Conservation Measures                |  |  |  |                         |
| <b>Signature of Executive Director</b><br>   |  | <b>Date</b>  | <b>Signature of Public Housing Director</b><br> |  | <b>Date</b><br>11/18/14 |

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



| <b>Part II: Supporting Pages</b>   |   |  |          |                      |                                   |                                 |                                |                  |
|--|---|--|----------|----------------------|-----------------------------------|---------------------------------|--------------------------------|------------------|
| PHA Name: PHA Name: Home Forward formerly known as Housing Authority of Portland |   | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250113<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |          |                      | <b>Federal FFY of Grant: 2013</b> |                                 |                                |                  |
| Development Number<br>Name/PHA-Wide<br>Activities                                | General Description of Major Work<br>Categories                         | Development<br>Account No.   | Quantity | Total Estimated Cost |                                   | Total Actual Cost               |                                | Status of Work   |
|  |   |  |          | Original             | Revised <sup>1</sup>              | Funds<br>Obligated <sup>2</sup> | Funds<br>Expended <sup>2</sup> |                  |
|  |   |  |          |                      |                                   |                                 |                                |                  |
|  |   |  |          |                      |                                   |                                 |                                |                  |
|  |   |  |          |                      |                                   |                                 |                                |                  |
|  |   |  |          |                      |                                   |                                 |                                |                  |
| Blended Component<br>Unit  | Gallagher Plaza - 85 Stories Group 1<br>Preservation Initiative / Rehab |  |          | 433,964.00           | 289,808.02                        |                                 | 0                              | 2016 MTW<br>Plan |
| Blended Component<br>Unit  | Hollywood East - 85 Stories Group 2<br>Preservation Initiative / Rehab  |  |          | 433,964.00           | 289,808.02                        |                                 | 0                              | 2016 MTW<br>Plan |
| Blended Component<br>Unit  | Northwest Tower - 85 Stories Group 1<br>Preservation Initiative / Rehab |  |          | 433,964.00           | 289,808.02                        |                                 | 0                              | 2016 MTW<br>Plan |
| Blended Component<br>Unit  | Sellwood Center - 85 Stories Group 2<br>Preservation Initiative / Rehab |  |          | 433,964.00           | 289,808.03                        |                                 | 0                              | 2016 MTW<br>Plan |
| OR 2 -   | Debt Service - OR002D001B   | 9000   |          | 514,540.75           |                                   |                                 | 186,469.75                     | 2016 MTW<br>Plan |
|  |   |  |          |                      |                                   |                                 |                                |                  |

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

<sup>2</sup> 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

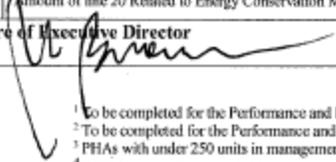
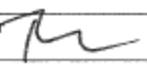
U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 3/31/2014

|   |   |   |
|---|---|---|
| <b>Part I: Summary</b>  |   |   |
| <b>PHA Name: Home Forward formerly known as Housing Authority of Portland</b> | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250114 (Forecast)<br>Replacement Housing Factor Grant No:<br>Date of CFFP: | <b>FFY of Grant: 2014 (Forecast)</b><br><b>FFY of Grant Approval:</b> |

|   |  |   |
|---|--|---|
| <b>Type of Grant</b>  |  |   |
| <input type="checkbox"/> Original Annual Statement  | <input type="checkbox"/> Reserve for Disasters/Emergencies | <input type="checkbox"/> Revised Annual Statement (revision no: ) |
| <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 |  |   |
| <input type="checkbox"/> Final Performance and Evaluation Report                                |  |   |

| Line | Summary by Development Account                               | Total Estimated Cost |                      | Total Actual Cost <sup>1</sup> |          |
|------|--|----------------------|----------------------|--------------------------------|----------|
|      |  | Original             | Revised <sup>2</sup> | Obligated                      | Expended |
| 1    | Total non-CFFP Funds   |                      |                      |                                |          |
| 2    | 1406 Operations (may not exceed 20% of line 21) <sup>3</sup> |                      |                      |                                |          |
| 3    | 1408 Management Improvements                                 |                      |                      |                                |          |
| 4    | 1410 Administration (may not exceed 10% of line 21)          |                      |                      |                                |          |
| 5    | 1411 Audit   |                      |                      |                                |          |
| 6    | 1415 Liquidated Damages                                      |                      |                      |                                |          |
| 7    | 1430 Fees and Costs  |                      |                      |                                |          |
| 8    | 1440 Site Acquisition  |                      |                      |                                |          |
| 9    | 1450 Site Improvement  |                      |                      |                                |          |
| 10   | 1460 Dwelling Structures                                     |                      |                      |                                |          |
| 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                            | 1,747,364.75         |                      |                                |          |
| 16   | 1495.1 Relocation Costs                                      |                      |                      |                                |          |
| 17   | 1499 Development Activities <sup>4</sup>                     |                      |                      |                                |          |

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

| <b>Part I: Summary</b>  |  |   |  |   |               |
|---|--|---|--|---|---------------|
| <b>PHA Name:</b><br>Home Forward<br>formerly known as<br>Housing Authority<br>of Portland                         |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR 16P00250114 (Forecast)<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |  | <b>FFY of Grant: 2014 (Forecast)</b><br><b>FFY of Grant Approval:</b> |               |
| <b>Type of Grant</b>  |  |   |  |   |               |
| <input type="checkbox"/> Original Annual Statement  |  | <input type="checkbox"/> Reserve for Disasters/Emergencies  |  | <input type="checkbox"/> Revised Annual Statement (revision no: )     |               |
| <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015                   |  | <input type="checkbox"/> Final Performance and Evaluation Report  |  |   |               |
| Line  | Summary by Development Account   | Total Estimated Cost  |  | Total Actual Cost <sup>1</sup>  |               |
|   |  | Original  | Revised <sup>2</sup>   | Obligated   | Expended      |
| 18a   | 1501 Collateralization or Debt Service paid by the PHA                   |   |  |   |               |
| 18ba  | 9000 Collateralization or Debt Service paid Via System of Direct Payment | 522,384.25  |  |   |               |
| 19  | 1502 Contingency (may not exceed 8% of line 20)                          |   |  |   |               |
| 20  | Amount of Annual Grant:: (sum of lines 2 - 19)                           | 2,966,875.75  |  |   |               |
| 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  |  | Date  | Signature of Public Housing Director  |   | Date 11/18/14 |

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

| Part II: Supporting Pages  |   |   |          |                      |                                       |                                 |                                |                  |
|--|---|---|----------|----------------------|---------------------------------------|---------------------------------|--------------------------------|------------------|
| PHA Name: Home Forward<br>formerly known as Housing<br>Authority of Portland |   | Grant Type and Number<br>Capital Fund Program Grant No: OR 16P00250114<br>CFFP (Yes/ No):<br>Replacement Housing Factor Grant No: |          |                      | Federal FFY of Grant: 2014 (Forecast) |                                 |                                |                  |
| Development Number<br>Name/PHA-Wide<br>Activities                            | General Description of Major Work<br>Categories | Development<br>Account No.  | Quantity | Total Estimated Cost |                                       | Total Actual Cost               |                                | Status of Work   |
|  |   |   |          | Original             | Revised <sup>1</sup>                  | Funds<br>Obligated <sup>2</sup> | Funds<br>Expended <sup>2</sup> |                  |
| OR 2 – PHA Wide  | 20% Allowance to support operations             |   |          | 697,852.00           |                                       |                                 |                                | FY16 MTW<br>Plan |
| OR 2 - 117   | Schrunk Tower<br>Sewer / Piping Replacement     | 1492  | 118      | 556,860.00           | 0                                     |                                 | 0                              | FY15 MTW<br>Plan |
| OR 2 - 113   | Tamarack<br>Staircase Repairs                   | 1492  | 120      | 200,000.00           | 0                                     |                                 | 0                              | FY15 MTW<br>Plan |
| OR 2 - 114   | Dahlke Manor<br>Comprehensive Rehab             | 1492  | 115      | 0                    | 704,218.62                            |                                 | 0                              | FY15 MTW<br>Plan |
| OR 2 - 138   | Eliot Square<br>Exterior Brick Repairs          | 1492  | 30       | 250,000.00           | 0                                     |                                 | 0                              | FY15 MTW<br>Plan |
| OR 2 – PHA Wide  | Exterior Building Painting                      | 1492  |          | 200,000.00           | 0                                     |                                 | 0                              | FY15 MTW<br>Plan |
| OR 2 – PHA Wide  | Unidentified Future Projects                    | 1492  |          | 86,554.75            | 0                                     |                                 | 0                              | FY16 MTW<br>Plan |
| OR 2 –   | Debt Service – OR002D001B                       | 9000  |          | 522,384.25           |                                       |                                 | 0                              | FY16 MTW<br>Plan |
|  |   |   |          |                      |                                       |                                 |                                |                  |
|  |   |   |          |                      |                                       |                                 |                                |                  |
|  |   |   |          |                      |                                       |                                 |                                |                  |
|  |   |   |          |                      |                                       |                                 |                                |                  |

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

<sup>2</sup> 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 06/30/2017

| <b>Part I: Summary</b>   |  |   |                      |   |          |
|--|--|---|----------------------|---|----------|
| <b>PHA Name: Home Forward formerly known as Housing Authority of Portland</b>  |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR16P00250115<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |                      | <b>FFY of Grant: 2015</b><br><b>FFY of Grant Approval: 2015</b> |          |
| <b>Type of Grant</b><br><input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )<br><input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report |  |   |                      |   |          |
| Line   | Summary by Development Account                               | Total Estimated Cost  |                      | Total Actual Cost <sup>1</sup>                                  |          |
|  |  | Original  | Revised <sup>2</sup> | Obligated   | Expended |
| 1  | Total non-CFP Funds  |   |                      |   |          |
| 2  | 1406 Operations (may not exceed 20% of line 21) <sup>3</sup> |   |                      |   |          |
| 3  | 1408 Management Improvements                                 |   |                      |   |          |
| 4  | 1410 Administration (may not exceed 10% of line 21)          |   |                      |   |          |
| 5  | 1411 Audit   |   |                      |   |          |
| 6  | 1415 Liquidated Damages                                      |   |                      |   |          |
| 7  | 1430 Fees and Costs  |   |                      |   |          |
| 8  | 1440 Site Acquisition  |   |                      |   |          |
| 9  | 1450 Site Improvement  |   |                      |   |          |
| 10   | 1460 Dwelling Structures                                     |   |                      |   |          |
| 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                            | 3,310,117.00  |                      |   |          |
| 16   | 1495.1 Relocation Costs                                      |   |                      |   |          |
| 17   | 1499 Development Activities <sup>4</sup>                     |   |                      |   |          |

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

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| <b>Part I: Summary</b>  |  |   |   |   |             |
|---|--|---|---|---|-------------|
| <b>PHA Name:</b><br>Home Forward<br>formerly known as<br>Housing Authority<br>of Portland   |  | <b>Grant Type and Number</b><br>Capital Fund Program Grant No: OR16P00250115<br>Replacement Housing Factor Grant No:<br>Date of CFFP: |   | <b>FFY of Grant:</b> 2015<br><b>FFY of Grant Approval:</b> 2015 |             |
| <b>Type of Grant</b><br><input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:                      )<br><input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report |  |   |   |   |             |
| Line  | Summary by Development Account   | Total Estimated Cost  |   | Total Actual Cost <sup>1</sup>                                  |             |
|   |  | Original  | Revised <sup>2</sup>                        | Obligated   | Expended    |
| 18a   | 1501 Collateralization or Debt Service paid by the PHA                   |   |   |   |             |
| 18ba  | 9000 Collateralization or Debt Service paid Via System of Direct Payment | 361,203.00  |   |   |             |
| 19  | 1502 Contingency (may not exceed 8% of line 20)                          |   |   |   |             |
| 20  | Amount of Annual Grant:: (sum of lines 2 - 19)                           | 3,671,320.00  |   |   |             |
| 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                       |   |   |   |             |
| 24  | Amount of line 20 Related to Security - Hard Costs                       |   |   |   |             |
| 25  | Amount of line 20 Related to Energy Conservation Measures                |   |   |   |             |
| <b>Signature of Executive Director</b><br> ACTING EXECUTIVE DIRECTOR  |  | <b>Date</b><br>2/23/15  | <b>Signature of Public Housing Director</b> |   | <b>Date</b> |

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









# Appendix

## Local Asset Management Plan

### Home Forward Asset Management Program

The First Amendment to the Amended and Restated Moving to Work (MTW) Agreement allows Home Forward to develop a local asset management program for its Public Housing Program. The following describes Home Forward's asset management program and identifies where differences exist from HUD's asset management guidance.

#### Home Forward's Local Asset Management Program

Home Forward has operated a property/project-based management, budgeting, accounting, and reporting system for the past five years. Our project-based management systems include:

- Annual budgets are developed by on-site property managers. These budgets are reviewed and further consolidated into portfolio level budgets managed by housing program managers
- Budgets at the property level are provided an allocation of public housing operating subsidy based on factors which differentiate subsidy based on building age, type, size, and relative poverty of the population of the various public housing properties.
- Weekly monitoring of occupancy by property, including notices, vacancies, and applicants, is published to the Public Housing management and Executive management.
- Monthly property-based financial reports comparing month-to date and year-to-date actual to budget performance for the current year are provided to site managers, portfolio managers, and the Director of Property Management. These reports are available to other management staff as needed to monitor specific properties.
  - Monthly reviews are held at the property level with Site Managers and their portfolio management.
  - Quarterly reviews of the Public Housing portfolio in its entirety are held at the division level with Property Management Director and Assistant Directors, as well as the Deputy Director and Chief Financial Officer. This review covers each property Net Operating Income and Cash Flow.
- Home Forward applies the same project/program based budgeting system and financial performance review to its Housing Choice Voucher program, local MTW programs, and non-federal programs and properties.

#### Home Forward's Cost Objectives

OMB Circular A-87 defines cost objective as follows: Cost objective means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred. The Cost Objectives for Home Forward's asset management program are the organizational subdivisions:

- Public Housing properties - includes resident services and management staff directly supporting this program
- Rent Assistance programs - includes management staff directly supporting this program and Family Self Sufficiency staff (including those supporting Public Housing residents)
- Moving to Work - includes activities related to our MTW agreement and local programs
- Affordable Housing
- Development

### **Home Forward's Treatment of Certain Costs**

Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, Home Forward has identified all of its direct costs and segregated all its costs into pools, as either a direct, direct allocated, or indirect allocated. We have further divided the indirect allocated pool to assign costs based on a relevant metric, as described in Attachment 1.

- CORE Maintenance: Home Forward is committed to a cost effective approach to managing our public housing assets. As such, Home Forward has developed a balance of on-site capacity to perform property manager functions and basic maintenance/handyman services, with more skilled services performed by a centralized group of trades and specialty staff (CORE maintenance). CORE maintenance performs services covering plumbing and electrical repairs, painting and pest control, as well as garbage and recycling. Although these maintenance functions are performed centrally, the decisions and control remains at the property level as it is the property manager and/or housing program manager who determines the level of service required from the CORE maintenance group. All services are provided on a fee for service basis.
- Procurement: Home Forward has adopted procurement policies that balance the need for expedient and on-site response through delegated authorization to site staff for purchases under \$5,000. Purchases greater than this limit require engaging central procurement. The Procurement staff is well trained in the special requirements of procuring goods and services for a federal program and provides necessary contract reporting requirements as well. Central procurement services are part of Home Forward's indirect overhead allocation.
- Human Resources: Along with the public housing program and its Section 8 voucher program, Home Forward has non-federal affordable properties, a development group, and locally funded rent assistance programs. Home Forward's Human Resources department serves the entire agency and certain human resource activities that HUD would consider a direct cost, such as recruitment and pre-employment drug testing and screening, are centralized and are part of Home Forward's indirect overhead allocation. Home Forward has determined that the cost of keeping extremely detailed records of HR activity for direct cost assignment exceeds the value received from such effort.

- Information Technology: Hardware and software costs will be directly charged to the appropriate cost objective when such costs are available and specific to that cost objective. When a reasonable measurement of such IT costs can be obtained, an allocation based on the number of users (computers, software applications, etc.) will be utilized to directly charge the cost objective.
- Resident Services: A large share of tenant/resident services are funded from grants and foundations and these funds augment local funds to provide supportive services and self-sufficiency services to residents. In order to optimize available services, any costs not eligible for state and local grants will be funded by Home Forward's public housing properties and housing choice voucher program.
- Rent: Home Forward charges rent to each cost objective based on the space they occupy in our central office building. Rent is based on estimated costs and adjusted for actual costs at year-end.

#### **Home Forward's Treatment of Public Housing Operating Subsidy**

Home Forward's flexibility to use MTW funding resources to support its low-income housing programs is central to our Asset Management Program. Home Forward will exercise our contractual authority to move our MTW funds and project cash flow among projects and programs as the Authority deems necessary to further our mission and preserve our low income housing assets and local programs.

#### **Home Forward's Indirect Cost Allocations**

Costs that can specifically and efficiently be identified to a cost objective are counted as direct costs to that objective. Costs that cannot be readily or efficiently identified as specifically benefiting a cost objective will be considered indirect and allocated. The *Home Forward Allocation Process – Process Flow Diagram* shown at the end of this policy is a graphic representation of Home Forward's allocation methodology. Home Forward has determined that some costs, defined as "direct costs" by HUD for asset management, require effort disproportionate to the results achieved and have included those costs as part of the indirect cost pool allocated to cost objectives as overhead.

#### ***Home Forward Indirect Costs***

OMB Circular A-87 defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Home Forward's indirect costs include, but are not limited to:

- Executive
- Policy & Planning
- Accounting & Finance
- Purchasing
- Human Resources, including job applicant screening, payroll, labor negotiations & organization wide training

- Information Technology: costs not specifically identified and charged as a direct expense to a cost objective

#### **Differences – HUD Asset Management vs. Home Forward Local Asset Management Program**

Home Forward is required to describe in the MTW Annual Plan differences between our asset management program and HUD’s asset management program as described in HUD’s Financial Management Guidebook. Below are several key differences:

- HUD’s asset management system and fee for service is limited in focusing only on a fee for service at the Public Housing (PH) property level and voucher program. Home Forward has implemented an indirect allocation methodology that is much more comprehensive than HUD’s asset management system which includes all of Home Forward’s cost objectives listed above.
- Home Forward has defined the treatment of direct and indirect costs differently than HUD’s asset management program. From the agency perspective, we view the program operations management as direct costs of the program.
- These differences include, but are not limited to:
  - HUD Indirect/Home Forward Direct:
    - Portfolio and program (“regional”) management, including hiring, supervision and termination of frontline staff is considered a direct cost. These costs are pooled and then allocated to each property based on units, vouchers, or other relevant metrics. Work with auditors and audit preparation by HCV and PH staff is considered a direct expense. Executive management is considered an indirect cost.
    - Storage of HCV and PH records and adherence to federal and/or state records retention requirements will be considered a direct cost of the program.
    - Development and oversight of office furniture, equipment and vehicle replacement plans will be considered a direct cost of the program.
    - Advertising (notification) costs specific to HCV, including applicants and landlords, will be considered a direct expense.
  - HUD Direct/Home Forward Indirect:
    - Advertising for new hires will be considered indirect and allocated to the program and properties.
    - Staff recruiting and background checks, etc. will be considered indirect and allocated to the program and properties.
  - Other:
    - Using MTW authority to improve efficiencies across programs, all staff associated with the Family Self Sufficiency program, regardless of serving public housing or housing choice voucher residents, will be considered a direct cost of the housing choice voucher program and managed by the HCV management.

- Preparation and submission of HCV and public housing program budgets, financial reports, etc. to HUD and others will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.
- Investment and reporting on HCV proceeds will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.
- HUD's rules limit the transfer of cash flow between projects, programs, and business activities. Home Forward intends to fully use its MTW resources and flexibility to move project cash flow among projects as locally determined and use MTW funding flexibility to provide additional funding to public housing properties when appropriate and necessary to provide for and preserve our public housing assets.
- HUD's rules provide that maintenance staff be maintained at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central maintenance services for repairs, unit turnover, landscaping, and asset preservation work.
- HUD's rules provide that purchasing is performed at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central purchasing, depending on the total cost of procurement and complexity of applicable procurement laws and reporting requirements.
- HUD intends certain property management activities to be at the property level. Home Forward has centralized selected property management functions, including but not limited to denial hearings, occupancy management, transfers, reasonable accommodations, auditing, training, compliance, and some waitlist management, and will allocate these costs as a direct expense to the properties based on a relevant metric such as units.
- Home Forward employs its own development staff. Any work on Public Housing Capital projects will be subject to a cost recovery fee paid from the capital fund to cover costs of development staff engaged in such capital projects.

***Balance sheet accounts***

Most balance sheet accounts will be reported in compliance with HUD's Asset Management Requirements and some will deviate from HUD's requirements, as discussed below:

- Cash
- Restricted Cash
- Petty Cash
- Investments
- Selected Prepaid Expenses and Deferred Charges

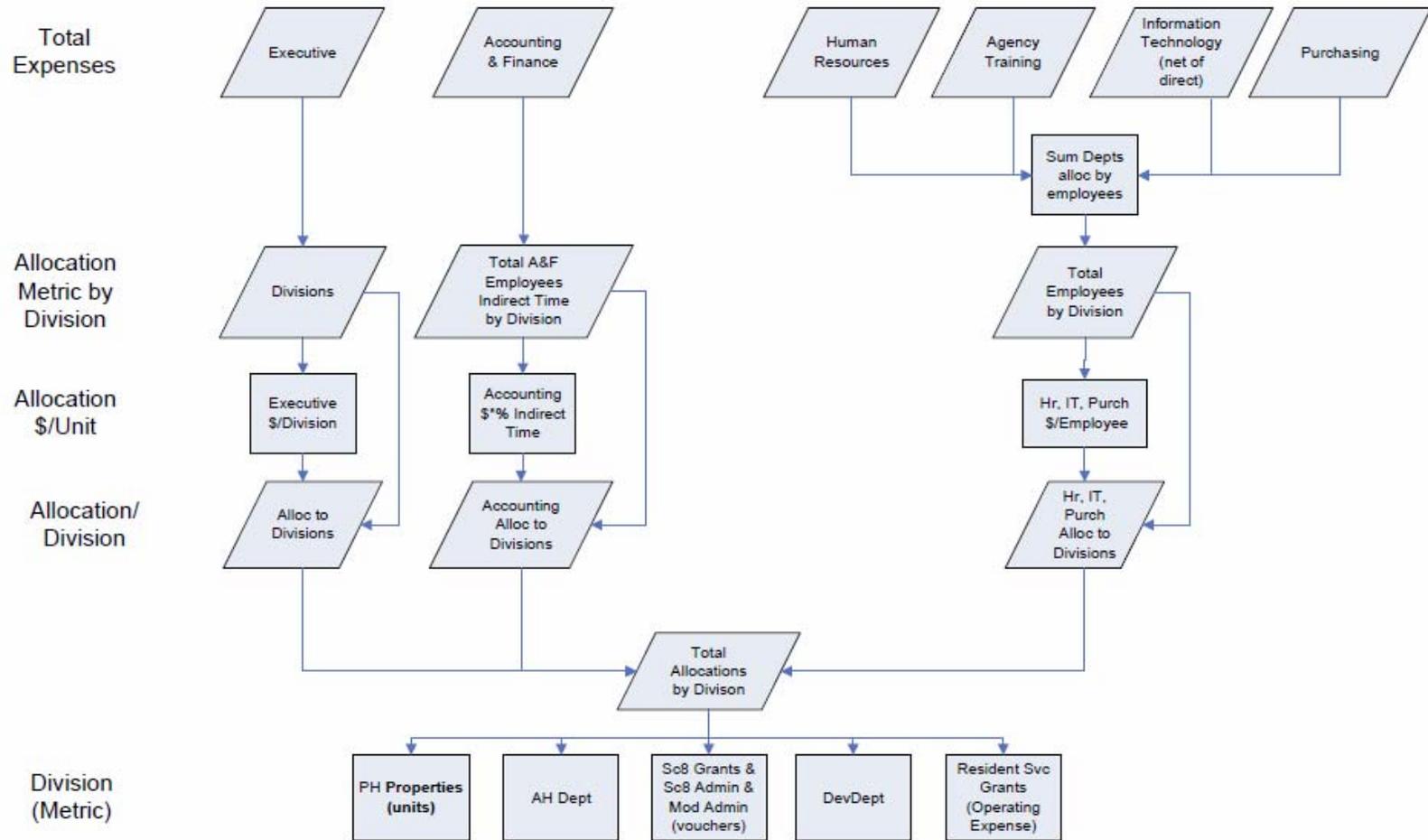
- Selected Accrued Liabilities
- Payroll Liabilities
- Compensated Absences
- Other Post Employment Benefits (OPEB) Liability
- Unrestricted and Restricted Net Assets

Home Forward's asset management program will maintain the above balance sheet accounts centrally. Maintaining these accounts centrally has proven to be the most cost effective and least labor intensive method ensuring efficient accounting operations and ultimately reducing costs charged to the programs. This deviates from HUD's asset management requirements as these accounts will not be reported at the AMP or program. Additionally, the centralization of cash and investments is in keeping with the single fund precept of our MTW authority. For those balance sheet accounts that are originated from expense entries, the related expenses will continue to be reported as an expense to the appropriate program, department and AMP-based income and expense statement through direct charges or allocations.

The agency is continually reviewing our asset management practices and will likely revise our approach over the coming years.

# Home Forward Allocation Process

## Process Flow Diagram



# Amendment I to FY2016 MTW Plan

Home Forward has added the following to the Overview of Non-MTW Activities (beginning on page 9):

## **Public Housing Strategy**

Home Forward operates nearly 2,100 apartment homes as public housing, a specific subset of affordable housing that receives federal operating subsidy and capital funding. The buildings, and the deep rent subsidies they provide, are an important resource for Home Forward and the people we serve. Unfortunately, given waning federal support, mounting capital needs, and growing demand for affordable housing, the public housing program itself severely limits our ability to reinvest in these homes and meet the preservation challenges each apartment community faces. The reality is that the ongoing viability of this community resource is in jeopardy.

It is in the best interests of our residents, and the properties they call home, for Home Forward to pursue a transition from public housing subsidy to a type of Section 8 rent assistance for all of Home Forward's public housing communities. Section 8 provides more stable operating funding and allows Home Forward to use a conventional real estate model that leverages equity and debt to make vital and significant capital improvements.

The process to convert public housing properties to Section 8 began with our 85 Stories effort to preserve our high-rise public housing communities. We now are developing plans to make the change for the rest of our public housing portfolio. Home Forward can consider two options in converting the public housing properties to Section 8 rent assistance: HUD's Section 18 demolition and disposition process or the Rental Assistance Demonstration (RAD), which could transition properties to either project-based vouchers or project-based rental assistance. During the next few months, Home Forward will determine the specific details, including which properties will be included in applications to either program, and which subsidy type is the most appropriate.

Several important policies will guide us as we undertake this complex and challenging initiative. We have developed these policies as a result of our work over the last 15 years, starting with our first HOPE VI redevelopment, to preserve this vital community resource.

## Policy Guidelines for Subsidy Conversion

- 1) Continue to serve very low-income populations in these communities
- 2) Maintain ownership or control of the properties
- 3) Improve the physical and financial condition of the properties
- 4) Partner to optimize public and private resources on behalf of the properties and our residents

The following table lists all properties currently utilizing public housing subsidy, which may be chosen for conversion via either Section 18 Disposition or the Rental Assistance Demonstration:

| PIC Development No. | Development Name              | Units |
|---------------------|-------------------------------|-------|
| OR002000058         | Humboldt Gardens              | 100   |
| OR002000060         | Rockwood Station              | 25    |
| OR002000061         | The Jeffrey                   | 20    |
| OR002000062         | Martha Washington             | 25    |
| OR002000063         | Bud Clark Commons             | 130   |
| OR002000064         | Madrona Place                 | 45    |
| OR002000066         | Stephens Creek Crossing North | 75    |
| OR002000065         | Stephens Creek Crossing South | 47    |
| OR002000108         | Peaceful Villa                | 70    |
| OR002000111         | Dekum Court                   | 39    |
| OR002000113         | Tamarack                      | 118   |
| OR002000114         | Dahlke Manor                  | 114   |
| OR002000115         | Holgate House                 | 80    |
| OR002000117         | Schrunk Riverview Tower       | 118   |
| OR002000118         | Williams Plaza                | 101   |
| OR002000121         | Fir Acres                     | 31    |
| OR002000122         | Townhouse Terrace             | 31    |
| OR002000123         | Stark Manor                   | 29    |
| OR002000124         | Lexington Court               | 20    |
| OR002000125         | Eastwood Court                | 31    |
| OR002000126         | Carlton Court                 | 24    |
| OR002000131         | Slavin Court                  | 23    |
| OR002000132         | Demar Downs                   | 18    |
| OR002000138         | Eliot Square                  | 30    |

| PIC Development No. | Development Name                 | Units |
|---------------------|----------------------------------|-------|
| OR002000139         | Medallion Apartments             | 89    |
| OR002000140         | Ruth Haefner Apartments          | 73    |
| OR002000142         | Celilo Square                    | 28    |
| OR002000151         | Tillicum South                   | 12    |
| OR002000152         | Harold Lee Village               | 10    |
| OR002000153         | Floresta                         | 20    |
| OR002000203         | Maple Mallory                    | 48    |
| OR002000232         | Bel Park                         | 10    |
| OR002000236         | Winchell Court                   | 10    |
| OR002000237         | Powellhurst                      | 34    |
| OR002000251         | Tillicum North                   | 18    |
| OR002000252         | Hunters Run                      | 10    |
| OR002000305         | Haven Limited Partnership (NC)   | 29    |
| OR002000310         | Cecelia Limited Partnership (NC) | 72    |
| OR002000315         | Trouton Limited Partnership (NC) | 125   |
| OR002000320         | Fairview Oaks & Woods            | 40    |
| OR002000325         | Woolsey Limited Partnership (NC) | 70    |
| OR002000332         | Camelia Court                    | 14    |
| OR002000336         | Cora Park                        | 10    |
| OR002000337         | Alderwood                        | 20    |
| OR002000436         | Chateau Apartments               | 10    |
| OR002000705         | Scattered East A                 | 7     |
| OR002000707         | Scattered East C                 | 1     |
|                     |                                  |       |

## PUBLIC COMMENT PROCESS

In addition to the public hearing for the MTW Plan Amendment, meetings were held with jurisdictional partners and community stakeholders. Home Forward is also conducting at least two meetings for residents at each affected property. All comments received are included below.

|                   |  |
|-------------------|--|
| May 4, 2015       | Jurisdictional partner meeting   |
| May 8, 2015       | Community stakeholder meeting  |
| May 8, 2015       | Draft Amendment posted on Home Forward's website for 30 days of public comment and input                 |
| May 10 & 17, 2015 | Public Notice published in the Oregonian announcing the public hearing to be held on May 19, 2015        |
| May 19, 2015      | Public hearing on the draft FY2016 MTW Plan Amendment I held at May April Board of Commissioners meeting |
| June 16, 2015     | Board of Commissioners approval to submit the FY2016 MTW Plan Amendment I to HUD                         |

## PUBLIC COMMENTS

One commenter asked how Home Forward will maintain the financing plan in a competitive process.

*Response: We will use LIHTC, some of our own resources and we will work with partners. We will consider bundling, sequencing our preservation, and looking to the City and State.*

One commenter asked what will become of undocumented families when buildings move to the Section 8 model.

*Response: Currently there only needs to be one documented household member, which can be a child. Home Forward has used our MTW authority to create a more generous rent calculation for mixed families.*

One commenter asked what the management model will look like after RAD.

*Response: We anticipate this being a complicated 3-5 year process. We are sensitive to our represented staff and expect to make this a seamless process working together amongst all departments. Other cities have turned over the building management, but fundamentally that is not who we are. We want to maintain control and feel we have the capacity to do so.*

One commenter asked, in conjunction with RAD, what is a resident's mobility choice.

*Response: Under RAD they will have an opportunity to move with a voucher. We would backfill the unit with the same subsidies and it will be offered to the next person on the waiting list.*

One commenter felt the comment period was too short. Home Forward staff explained that the comment period covered a full 30 days, and that written comments could be provided outside the public hearing on May 19<sup>th</sup>. The commenter thanked Home Forward for the clarification.