



homeforward

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YEAR 16

Moving to Work

ANNUAL PLAN

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YEAR 16

FY2015 Moving to Work ANNUAL PLAN

April 1, 2014 – March 31, 2015

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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 tenant-based 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 will ensure our participation in the program until 2018, providing a long horizon to implement, test, and assess new initiatives and approaches to our work in support of the MTW program's goals.

MTW authority gives Home Forward the opportunity to explore new ways to support low-income families and be more efficient. However, in the face of sequestration and decreased federal funding, Home Forward, like all public housing authorities, is left facing difficult choices. Fortunately, no family in our community has lost their assistance. But residents have been asked to take on greater rent burdens and implementation of new programming to support families and youth has been stalled. The 3,000-person waiting list for Section 8 sits dormant for yet another year, and vouchers for highly vulnerable populations have been left unused. Home Forward takes its role as a steward of public resources seriously and will continue to weigh the costs and benefits of each programming decision we are forced to make. In the meantime, Home Forward owes a debt of gratitude to all of the outstanding community partners that have offered new resources over the last year to help low-income families weather this difficult period.

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

Home Forward develops agency 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. Examples of related MTW activities include Activity 01 Rent Reform which has not only changed the way we calculate rents, but the way we interact with our residents and participants. Activity 03 Local Blended Subsidy Program is playing a key role in our ability to meet Goal 2, increasing our number of housing units.

Initiatives funded through our MTW single-fund flexibility continue to directly support our Strategic Operations Plan goals. Known as our MTW Initiatives Fund, this budget finances resident engagement strategies, family self-sufficiency programs, youth initiatives and other innovative programs. These activities are further described in our Sources and Uses of Funds section, under Use of Single-Fund Flexibility.

Even in times of federal funding reductions, Home Forward continues to focus on these goals, and strives to be innovative and deliberate in the way we provide housing and services to our local community. In some instances, funding challenges have changed the timing of planned initiatives or altered aspects of an activity to account for tighter budgeting. Still, staff continue to think critically and creatively about the work we do and how we can achieve our broader mission within the framework of reduced resources. Home Forward looks to our Strategic Operations Plan, as well as the flexibility and opportunity provided by the Moving to Work program, to find ways to better meet the needs of our clients and our community.

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

Home Forward continues to utilize the flexibility afforded by the MTW program to be creative and intentional about the work we do and the community we serve. We recognize that we serve different populations with differing needs, and have worked to tailor our programs and activities to best serve our households. For example, our Rent Reform activity (Activity 01) emphasizes stability for seniors and people with disabilities, while also creating expectations that our work-focused households gradually increase their contribution to their rent. Our agency's family self-sufficiency program, called GOALS (Activity 02), offers families a managed savings account, workforce development and educational opportunities, with a focus on eventually moving on to non-subsidized housing. Program Based Assistance (Activity 14) offers time-limited rent assistance, paired with services, to families who may not need permanent subsidy to achieve housing stability. In each of these activities, our MTW authority has been key in serving these different populations in such specialized ways.

Home Forward also works to align with other systems in the community. Our local Project-Based Voucher program (Activity 10) allows us to work with numerous partners throughout the county to administer thousands of vouchers that are often connected to services and opportunities. We also administer Short Term Rent Assistance for the entire county, in collaboration with other service agencies and jurisdictional partners. Home Forward uses our single-fund flexibility to support this program, which serves targeted populations to ensure that families receive the support they need to maintain housing stability.

This year we are proposing three new activities, all with the goal of increasing housing choice for our participants. The first, alternative initial Housing Assistance Payment policy (Activity 12) will help us eliminate a disincentive that prevents some landlords from renting to Section 8 voucher holders. This activity uses MTW flexibility to enter into a Housing Assistance Payment contract with a landlord with an effective date prior to the initial inspection date. The second activity will broaden the range of payment standards we set in our community (Activity 13). This will allow us to set payment standards at a higher rate when appropriate, which can give families the option of moving into neighborhoods that may have lower levels of poverty and more opportunities for employment, transportation, or education. Lastly, Program Based Assistance (Activity 14) has previously been included in MTW Plans as a use of single-fund flexibility. This year, with HUD's guidance, we are expanding it to a full MTW activity. This assistance provides flexible rent assistance funds and services through partners to help clients get the support and resources they need to stabilize in their housing.

Overview of Home Forward's MTW Activities

01 Rent Reform (proposed modification)	17
Home Forward has implemented large scale reform of our rent calculation.	
02 GOALS – Home Forward's family self-sufficiency program.....	39
Home Forward has aligned its self-sufficiency programs into one consolidated, locally tailored program.	
03 Local Blended Subsidy.....	45
Home Forward has created a local blended subsidy program, blending Section 8 and public housing funds to subsidize units.	
05 Biennial inspections.....	47
Home Forward conducts biennial inspections for qualifying Section 8 households.	
06 Alternate inspection requirements for partner-based programs	49
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	50
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	51
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	52
Home Forward has implemented measures to improve landlord acceptance of Section 8 vouchers in the community.	
10 Local Project-Based Voucher program (proposed modification)	24
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.....	54
Home Forward has aligned the utility allowance adjustment process for public housing and Section 8.	
12 Alternative initial Housing Assistance Payment policy (proposed)	29
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 (proposed)	32
Home Forward will have the flexibility to establish payment standards between 80% and 120% of Fair Market Rents.	
14 Program Based Assistance (proposed)	36
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 FY2015 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. Several activities are underway this year 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. Additionally, surveys of landlords and families who are using this flexibility had overwhelmingly positive results, with two-thirds of participant respondents stating that the effort helped them move closer to jobs, schools, etc, and the vast majority of landlords indicating the program is working well for them. 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 serve 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. Researchers have completed interviews with staff at each PHA, conducted focus groups with participants who recently moved, and begun developing print and video tools to go in a mobility counseling tool kit. Tools will be piloted for six months, beginning in February 2014, and an evaluation of their effectiveness will follow.
- Expanding employment training for housing authority residents – Home Forward, in partnership with the three other local housing authorities and the three local Workforce Investment Boards, received a \$5.5 million, three-year grant from the Department of Labor 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 will also be available to provide employment supports (such as assistance with transportation and childcare) for participating families.

Beech Street Apartments

Beech Street Apartments will be 32 units of alcohol- and drug-free housing that will serve as a complement to a separate development on the same block by a different developer. The separate development will be a new home for Project Network, an established residential drug- and alcohol-abuse treatment program for women with children, operated by LifeWorks NW. The new facility will provide a custom-designed, stable home for the project, which is facing a non-negotiable lease termination at its current facility. By developing Beech Street Apartments along with the new Project Network facility, Home Forward will make permanent housing available that can support sustainable recovery efforts for graduates of Project Network and other drug- and alcohol-treatment programs. We will support the 32 units with Project Based Vouchers. Leasing is scheduled to begin in June 2014.

Employment/Education Preferences

Home Forward's public housing program will add an employment/education preference at eight family properties: 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 will qualify for the preference. Applicants who are senior or a person with a disability will receive an equal preference at the property.

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 will be offered to seniors, people with disabilities, and families who are working or engaged in education or training programs. Households who do not have one of these priority preferences may wait longer to receive their voucher.

High Rise Preservation Efforts

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 now 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.

Home Forward has formulated a financing strategy for the improvements, grouping the work into two phases with the most critical needs addressed first. The U.S. Department of Housing and Urban Development has approved the agency's proposal to change the operating subsidy at four of the buildings from public housing to project-based Section 8 funding. This allows Home Forward to leverage other private money, such as equity and debt. To target additional capital for investment, Home Forward is seeking Low Income Housing Tax Credits for these buildings. The estimated Phase

1 budget is approximately \$47 million: \$35 million in construction (capital) costs and \$12 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: \$8 million (17% of the total funding).

Phase 2 – preserving the remaining six buildings – will begin once work on the first four buildings is underway. Home Forward is considering an application for the Rental Assistance Demonstration (RAD) program as part of its Phase 2 strategy.

Stephens Creek Crossing

Formerly known as Hillsdale Terrace, the 60 units of public housing at that site have been demolished and construction of this HOPE VI redevelopment is underway. Stephens Creek Crossing will include 109 subsidized units, 13 units for families with incomes below 60% of area median, and Habitat for Humanity will work with first-time homebuyers to construct seven new homes. The mixed-finance closing occurred on August 30, 2012. Construction is scheduled for completion by December 31, 2013 and leasing activity will begin in early 2014.

VASH Households

Veterans Affairs Supportive Housing (VASH) vouchers are an important and valuable resource for homeless veterans in our community. Over the past five years, Home Forward has been awarded an additional 290 VASH vouchers, representing an increase of over 500% since our original award of 70 vouchers in FY2009. 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. Since then, we have received 55 new VASH vouchers, and we continue to work in partnership 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. Our goal is to ensure that every veteran using a VASH voucher is able to identify affordable housing of their own choosing.

Currently, Home Forward applies certain of our 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). We intend to request authorization from the HUD Voucher Office to include VASH voucher holders in the application of all approved MTW activities.

General Housing Authority Operating Information

Housing Stock Information

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
OR002000065 Stephens Creek Crossing South	-	5	3	8	1	-	-	17	General	3	5
OR002000066 Stephens Creek Crossing North	-	4	2	33	-	-	-	39	General	6	5
Total Public Housing Units to be Added**								56			
* Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other											
If Other, please describe: <input type="text" value="-"/>											

** Although Stephens Creek Crossing includes 109 subsidized units in total, the first 53 units were added during FY2014 and therefor are not counted here as units to be added during FY2015.

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
-	-	-
Total Number of Units to be Removed	0	

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
Beech Street Apartments	32	Drug and alcohol free housing offering on-site recovery support, community stabilization and wellness activities, and coordination with external service providers. There will be a preference for households with an income at or below 30% of Area Median Income.
Anticipated Total New Vouchers to be Project-Based	32	<p>Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year</p> <p>Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year</p>
		2,001
		1,962

*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 is considering submitting a Portfolio Rental Assistance Demonstration application for 859 public housing units within 12 properties, including the six remaining high rise towers that are part of our preservation efforts.

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	Capital Fund	% Capital Fund	Total Expended	% of Total Expended
Schrunk Tower	Plumbing Replacement	-	\$ 1,000,000	10.83%	\$ 1,000,000	8.17%
Debt Service	Trouton Bond Payments OR002D001B	-	515,178	5.58%	515,178	4.21%
Maple Mallory	Sewer Repairs (FY2014 Continuation)	-	296,260	3.21%	296,260	2.42%
Williams Plaza	Exterior Sealing Repairs (FY2014 Continuation)	-	250,000	2.71%	250,000	2.04%
Eliot Square	Exterior Brick Repairs & Flashing	-	250,000	2.71%	250,000	2.04%
Tamarack	Staircase Repair & Replacement	-	200,000	2.17%	200,000	1.63%
Tamarack	Unidentified Emergency Repairs	-	55,592	0.60%	55,592	0.45%
Holgate House	Door Entry System (FY2014 Continuation)	-	50,000	0.54%	50,000	0.41%
Various Properties*	Major Systems Upgrades – High-rise Towers	3,000,000	5,000,000	54.13%	8,000,000	65.38%
Various Properties	PH Portfolio Capital Needs Assessments	-	300,000	3.25%	300,000	2.45%
Various Properties	Painting	-	200,000	2.17%	200,000	1.63%
Various Properties	Unidentified Emergency Repairs	-	188,433	2.04%	188,433	1.54%
Various Properties	Building Entry Systems & Fire Panels	-	116,000	1.26%	116,000	0.95%
Various Properties	Asbestos Abatement	-	76,573	0.83%	76,573	0.63%
Various Properties	Unidentified Elevator Hard Drive Upgrades	-	40,000	0.43%	40,000	0.33%
Agency Wide	20% Administrative Allowance	-	698,394	7.56%	698,394	5.71%
Total Capital Expenditures Budget		\$3,000,000	\$9,236,430	100%	\$12,236,430	100%

* Note: Major systems upgrades are scheduled to be mixed-finance and are still in the planning phase. Work will be bundled into two tax credit entities: 1) Sellwood Center and Hollywood East, and 2) Northwest Tower and Gallagher Plaza.

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	2,034	24,402
Federal MTW Voucher (HCV) Units to be Utilized	8,018	96,218
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	6 ¹	72
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	165	1,986
Total Households Projected to be Served	10,223	122,678

* 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.

¹ See page 15 for a description of our Local, Non-Traditional programs.

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

Public Housing
MTW Housing Choice Voucher – Tenant Based
Local, Non-Traditional Units

Description of Anticipated Leasing Issues and Possible Solutions

There are no anticipated leasing issues in FY2015.
Due to the financial impacts of sequestration, Home Forward does not anticipate pulling households from the tenant-based waiting list until early 2015.
There are no anticipated leasing issues in FY2015 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	12,265	Partially Open	Yes
MTW Housing Choice Voucher	Community-Wide	3,009	Partially Open	No
MTW Housing Choice Voucher	Site-Based	7,830	Partially Open	Yes
Tenant-Based Local, Non-Traditional MTW Program	Other	63	Open	Yes
Project-Based Local, Non-Traditional MTW Program	Site-Based	5	Closed	No

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.

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.

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 are currently 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 to open at some point in FY2015.

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 programs is a planned Program Based Assistance program for former foster youth (Activity 14), further described in the Proposed Activities section, as 14 Program Based Assistance. This program is not projected to have a waiting list at the beginning of FY2015.

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 18 partner agencies, which then manage the participant selection process, sometimes in partnership with Home Forward. The 18 agencies use a total of four different methods for participant selection, but all programs target families who are homeless or at risk of homelessness.

- 3 agencies utilize waitlists, and those agencies, combined, project 63 households on the waiting list as of 4/1/2015. Together, these agencies serve families with children at Alder School, clients of Multnomah County Developmental Disabilities, and families who seek assistance at El Programa Hispana.
- 8 agencies offer rent assistance on a first-come-first-served basis to applicants who are already receiving services within their agencies. When funds become available, the next eligible household to inquire receives the resources.
- 6 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.
- 1 agency conducts a monthly lottery from a list of all eligible households that requested assistance during that month.

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 FY2015. 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 planning to manage our lists similar to a private market model, which allows applicants to apply to any wait list when it is open.

Proposed MTW Activities

01 RENT REFORM

This activity was originally approved and implemented in FY2012. In FY2014, an amendment to the activity was approved and implemented. We are now re-proposing this activity to make three modifications to our rent reform policy:

- Currently when a Section 8 household reports a change in family composition, the new family size is used to determine the payment standard amount at the first regular re-examination following the change. Because of our biennial and triennial review schedule, this means households may be receiving subsidy for extra bedrooms for months or years after a household size changes. Beginning in FY2015, when a Section 8 household reports a change in family size, if the family has resided in their unit for at least 12 months, Home Forward will conduct an interim adjustment. Any change in voucher size, payment standard and subsidy calculation will be effective 120 days after the interim review.
- Home Forward will use actual past income to determine annual income for participant families. However, at a household's request, or if twelve consecutive months of verifiable income information are not available in the Enterprise Income Verification (EIV) system and/or the State of Oregon's income verification screen, or if there is a substantial difference in the family's declared income and EIV data, we will use projected future income and follow current verification procedures to establish annual income. A similar provision was identified in HUD Notice PIH 2013-03, and was intended to decrease administrative burden, but was temporary. We are seeking to make this similar provision part of our rent reform activity on a permanent basis.
- When the value of an asset is used to determine eligibility, we will accept families' self-certification of assets and income from assets that do not exceed \$5,000 in net value. All adult family members must sign the applicable forms, and Home Forward may require additional verification to document that assets do not exceed \$5,000 in net value. This provision was also identified in HUD Notice PIH 2013-03, and is intended to decrease administrative burden. Under the notice, this is a temporary provision, and we are seeking to make it part of our rent reform activity on a permanent basis.

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

These 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 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 will have triennial income re-certifications. We define those aged 55 and older as “senior”, 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 will have 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.
- **Years 3 and 4:** rent is based on 29.5% of gross income or \$100 minimum rent, whichever is greater. Utility allowances will be 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 will be 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 now automatically set to match Section 8 payment standards. There will be 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. (FY2015 Modification)
- The earned income disallowance is eliminated.
- All Family Self-Sufficiency (FSS) participants are included in the rent reform calculation.
- Home Forward will use actual past income to determine annual income for participant families. (FY2015 Modification)
- All income sources used to determine a household’s public housing rent or Section 8 assistance will be 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 will not be 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 will be used to determine initial eligibility. Home Forward will allow households to self-certify assets with a net value of \$5,000 or less. (FY2015 Modification)
 - All earned income of full-time students age 18 and over will be excluded from the rent calculation, unless they are the head, co-head or spouse of the household.
 - Student financial assistance will be considered only for the purpose of determining eligibility. Student financial assistance will not be used to determine annual income for rent and subsidy calculation.
 - All adoption assistance payments will be excluded from the rent calculation.
 - Households will 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 will have 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 voucher holders, are on the rent reform calculation. The earliest group of work-focused households will be transitioning to the second level of rent payment beginning in FY2015, and will be 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.

Impact on Statutory Objectives:

This activity uses Home Forward's rent reform authorizations to impact the statutory objective of achieving greater cost effectiveness of Federal expenditures. Eliminating deductions, simplifying the calculation and moving to triennial reviews save significant staff time. Additionally, Home Forward has exercised its authority to amend the definition of an elderly family to age 55. This supports the statutory objective of creating incentives for self-sufficiency by ensuring that households defined as work-focused can be reasonably expected to increase employment and earnings over time.

Activity Metrics:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	FY2011: \$140,228	FY2015: \$100,970	Less than \$105,040 annually
Staff time savings (Standard Metric: CE#2)			
Total time to complete the task	FY2011: 5,340 hours	FY2015: 3,845	Less than 4,000 hours annually
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		
Increase in tenant share of rent (Standard Metric: CE#5)			
Total annual tenant share of rent	FY2012: \$25,342,942	FY2015: \$29,144,383	FY2017: \$29,872,993
Increase in household income (Standard Metric: SS#1)			
Average earned income of households	FY2011: \$3,324	FY2015: \$3,360	FY2017: \$3,390

Metric	Baseline	Benchmark	Final Projected Outcome
Increase in positive outcomes in employment status (Standard Metric: SS#3) 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: 6) Other (defined as having an increase in earned income)	FY2011: 866 heads of households	FY2015: 552 heads of households	At least 500 heads of households annually
Percent of work-focused households who: 6) Other (defined as having an increase in earned income)	FY2011: 29.95% of work-focused households	FY2015: 31% of work-focused households	At least 30% 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%)	FY2015: 1,795 households receiving TANF (17.0%)	Less than 1,850 (17.5%) households receiving TANF per year
Reducing the per unit subsidy costs for participating households (Standard Metric: SS#6)			
Average amount of subsidy per household	FY2012: \$524 per household	FY2015: \$526 per household	Less than \$526 per household
Households transitioned to self-sufficiency (Standard Metric: SS#8)			
Number of households transitioned to self-sufficiency	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		
Displacement prevention (Standard Metric: HC#4) 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	FY2015: 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)			
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: 1,896 (30%) households lived in better neighborhoods	FY2015: 1,926 (30%) households	FY2017: at least 2,000 households (32%)

Metric	Baseline	Benchmark	Final Projected Outcome
Maintain stability for seniors and people with disabilities			
Shelter burden (rent ¹ + utility allowance divided by gross income) for seniors and people with disabilities	Before implementation, shelter burden was 27%	FY2015: 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 ¹ + utility allowance) for work-focused households	Before implementation: Section 8 average - \$267 Public housing average - \$249	FY2015: Section 8 average - \$307 Public Housing average - \$286	Maintain an average total tenant payment of at least \$307 for Section 8 and \$286 for Public Housing (15% above baseline)

¹ 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.

Rent Reform Activity:

Impact Analysis: Home Forward analyzed the impact of the proposed change to conduct an interim review upon a change in family size, and make any change in voucher size, payment standard and subsidy calculation effective 120 days after that interim review. This impact analysis is included in the Appendix.

Because the other two modifications proposed this year have already been implemented through HUD Notice PIH 2013-03, residents and participants are currently subject to these policies. Particularly, using past income to determine rent would only negatively impact the household if there were a significant difference between past and current income, at which point the household could request that we use projected future income instead. Allowing households to self-certify their assets that do not exceed \$5,000 in net value should have no negative impact on a family.

Hardship Case Criteria: All households participating in an MTW eligible program may submit a hardship exemption request. Our full hardship policy, including information about application and determination, is included in the Appendix.

Annual Re-evaluation: Home Forward uses the proposed metrics, an assessment of hardship requests, staff feedback and financial analysis to ensure that rent reform is having the intended effects. Home Forward will propose modifications to policies in response to unforeseen or unintended negative impacts to residents and participants or to the agency.

Transition Period: The rent reform calculation has been implemented for all MTW public housing and Section 8 households, as well as for VASH voucher holders. Home Forward will begin implementing the policy to conduct an interim review upon change of family size as of April 1, 2014. The other two modifications proposed for this plan year have already been implemented through HUD Notice PIH 2013-03.

10 LOCAL PROJECT-BASED VOUCHER PROGRAM

This activity was originally approved and implemented in FY2012. We are re-proposing this activity to make a modification to our local project-based voucher program.

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.

Changes or modifications:

For our FY2015 Plan, Home Forward is proposing a change to this activity. Under existing regulations, housing authorities are limited to project-basing up to 20% of the amount of budget authority allocated to the agency by HUD in the voucher program. We are proposing to eliminate this cap on project-based voucher allocations.

Home Forward was recently granted approval to begin disposition of ten of our public housing high-rise buildings, which account for over 1,200 units. In FY2014, the first 654 units were replaced with Tenant Protection Vouchers. In order to preserve these units as affordable housing in our community, Home Forward has committed to project-basing vouchers for those 654 units. If a tenant chose to use their Tenant Protection Voucher to move out of these buildings, we replaced the subsidy for that unit with a project-based voucher from our existing voucher pool.

This preservation effort will result in the need for Home Forward to exceed the 20% cap. Exceeding the cap and shifting the subsidy stream for these units will allow us to fund critical capital needs, preserve these valuable units, and potentially leverage project-based voucher funding in order to work with developers to build additional affordable housing in the future.

To track this change, we are adding a metric to measure units of housing preserved. Our other metrics for this activity have been updated to reflect the Standard Metrics found in Attachment B of our MTW Agreement, and are included in the table that follows:

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

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	FY2015: 1,346 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	FY2015: 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	FY2015: 15 months	15 months
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	FY2015: 400 households	400 households
Agency Cost Savings (Standard Metric: CE#1)			
Total cost of task in dollars	Prior to implementation: \$30,720	FY2015: \$5,025	\$5,025
Staff time savings (Standard Metric: CE#2)			
Total time to complete the task	Prior to implementation, 917 hours	FY2015: 150 hours	150 hours
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		

Metric	Baseline	Benchmark	Final Projected Outcome
Increase in tenant share of rent (Standard Metric: CE#5)			
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			
Total annual tenant share of rent	FY2014: \$3,570,859	FY2015: \$3,570,859	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 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% 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 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.

12 ALTERNATIVE INITIAL HOUSING ASSISTANCE PAYMENT POLICY

Multnomah County is currently 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. Currently, the average wait time for an initial inspection from Home Forward is five business days. Because the inspection must be completed before the lease and Housing Assistance Payment (HAP) contract can begin, landlords renting to a voucher holder lose an average of \$200 per unit in rental revenue while waiting for inspections to be completed.

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, we are proposing a modification to allow Home Forward to enter into a HAP contract with a landlord with an effective date prior to the initial inspection date. This modification would enable the effective date for payments to be the date the lease and HAP contract are signed, and would enable a landlord to lease to a voucher holder without losing valuable rental income while waiting for an inspection.

We will pilot this activity for the FY2015 plan year, and will complete a mid-year assessment prior to making it a permanent effort. Voucher holders will receive information about the importance of selecting a unit that will pass an inspection, including pictures and descriptions of the most commonly failed items to watch for. When the voucher holder selects a unit and we have approved rent reasonableness, affordability tests and the Request for Tenancy Approval, the voucher holder will sign a lease and Home Forward will enter into a HAP contract with the landlord as of this date.

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 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.

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

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.

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.

Impact on Statutory Objective(s):

In an already competitive rental market, it is even more difficult for voucher holders to find a unit when a landlord must accept losing rental income while waiting for the inspection to be completed. Home Forward is proposing this activity in an effort to increase housing choice for our voucher holders, especially in higher opportunity neighborhoods, by removing this disincentive for landlords to participate in the program.

Activity Metrics:

Due to the tight rental market, rapidly rising rents and a lack of program funding, Home Forward’s initial benchmark for FY2015 will be to maintain the percentage of households living in low-poverty neighborhoods. We hope better funding and a more tenant-friendly rental market will allow for increases in this percentage by FY2017. The metrics for this activity are as follows:

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	FY2015: 1,926 (30%) households	FY2017: at least 2,000 households (32%)
Improve voucher success rate			
Issued voucher success rate	FY2013: 81.5%	FY2015: 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	FY2015: 51 days	FY2017: less than 50 days

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

MTW Flexibility:

Current regulations require that Home Forward conduct initial inspections before the effective date of the HAP contract and lease. This activity will allow Home Forward to conduct initial inspections up to 15 days after the effective date of a HAP contract, and will allow payments to be effective as of that contract date.

13 BROADEN RANGE OF APPROVED PAYMENT STANDARDS

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.

Home Forward uses the Multifamily NW semi-annual Apartment Report as our data source for analyzing market rates. Multifamily NW represents multi-family landlords in the metro area and publishes survey information representing tens of thousands of units in the tri-county area.

This survey is accepted state-wide and considered a solid indicator of the market by the landlord community. Home Forward has used this survey as a guide for payment standards and rent reasonableness for the past five years. Using this information, we are finding that the HUD limit of 110% of Fair Market Rents is well below rental market rates in some areas of Multnomah County, and is therefore limiting access for our voucher holders. The following table illustrates the gap between local market rates (as provided by the Multifamily NW semi-annual Apartment Fall 2013 Report) and Fair Market Rents in the nine defined submarkets of Multnomah County.

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

Statutory objective:
Increase housing choice for low-income families

Submarket	STUDIOS		1 BEDROOM		2 BEDROOM		3 BEDROOM APT	
	Avg market rent	Market rent as FMR%	Avg market rent	Market rent as FMR%	Avg market rent	Market rent as FMR%	Avg market rent	Market rent as FMR%
Downtown	\$910	137%	\$1,114	144%	\$1,368	148%	\$1,731	127%
Downtown/NW	\$1,024	154%	\$1,113	144%	\$918	100%	\$1,081	80%
Gresham, Fairview, Troutdale	\$576	86%	\$687	89%	\$761	83%	\$843	62%
Inner & Central NE	\$864	130%	\$857	111%	\$962	104%	\$1,078	79%
Inner & Central SE	\$654	98%	\$755	98%	\$885	96%	\$1,047	77%
N Portland & St. Johns	\$950	143%	\$745	96%	\$815	88%	\$918	68%
Outer NE	\$558	84%	\$652	84%	\$743	81%	\$873	64%
Outer SE	\$552	83%	\$717	93%	\$732	79%	\$795	58%
SW Portland	\$1,050	158%	\$1,115	144%	\$888	96%	\$885	65%

● green indicates percentages above 110% of Fair Market Rents ● blue indicates percentages below 90% of Fair Market Rents

Having unrealistically low payment standards decreases participants' success in finding quality units in some neighborhoods and can result in concentrating participants in areas of high poverty where rents are lower. Additionally, payment standards that are too high compared with market rents in an area can unintentionally add to poverty concentration because families may opt to rent a unit larger than their voucher size in a low-rent area where the payment standard is actually sufficient to cover a larger-sized unit.

In order to ensure that payment standards are sufficient to allow Housing Choice Voucher participants reasonable choice in neighborhoods, Home Forward is proposing to broaden its "base range," providing the ability to establish payment standards between 80% and 120% of the Fair Market Rents without prior HUD approval. Home Forward is also proposing to allow self-approval of 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. This activity supports Fair Housing objectives by creating the potential for more inclusive patterns of housing occupancy in areas of opportunity and by taking steps proactively to overcome concentrations of high poverty within the County. While setting payment standards at 120% of Fair Market Rents still may not make all of these neighborhoods accessible to families with little or no income, it will offer working families the option to pay more in rent and choose these neighborhoods and the opportunities they may present, such as increased walkability or higher performing schools.

Home Forward will set payment standards via the following parameters:

- Payment standards will be broken down by nine separate neighborhoods (listed above) as defined by easy-to-understand ZIP codes. Each of these neighborhood payment standards will be broken down by bedroom size.
- In four high-opportunity neighborhoods (Downtown, Downtown/NW, Inner & Central NE and Inner & Central SE), the payment standard will be 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, the payment standard will be set at the market rate alone within the range of 90% to 118% of Fair Market Rents.
- Data shows that local market rents for three-bedroom apartments fall well below the current HUD limit of 90% of Fair Market Rents. The payment standards for three-bedroom apartments will be limited to the range of 85% to 118% of Fair Market Rents. Home Forward will establish 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 currently on the Section 8 program, we will apply any payment standard increase at the time of their full recertification or when they move. Households living in an area where the payment standard has decreased will retain their current payment standard, unless they move. This implementation schedule, as well as setting payment standards within the specified range even when market rents may be lower than that range, will help to ensure that current households are not harmed and that zero-income participants are able to find affordable housing and pay utilities. New

payment standards will be applied to any voucher recipients coming from our waiting list. Requests for exception payments standards up 120% of Fair Market Rents under this new policy will be considered beginning in FY2015, once the MTW plan is approved.

We will review the market data every six months as the Multifamily NW report is published. If trending data shows that a market rent for one of our established neighborhoods has changed by 10% and there is room within the 80%-120% range to make an adjustment, payment standards will be adjusted within 60 days to ensure that our voucher holders are still able to access the area. If the shift is between 5% and 9%, we will further analyze the data and adjust payment standards if it's deemed necessary. Home Forward's rent assistance department will maintain a goal of an 85% successful lease up rate throughout the county.

Impact on Statutory Objective(s):

The flexibility to set payment standards up to 120% of Fair Market Rents will allow Home Forward to respond to a tightening rental market and rising rents. This will help to ensure that payment standards are sufficient to allow all families, including those seeking units in low poverty areas or those who need a reasonable accommodation in order to find a unit that suits their needs, the ability to choose housing in any of the nine defined areas in Multnomah County (so long as Housing Choice Voucher funding is sufficient to permit this), and specifically in low-poverty areas. Upon approval from the Voucher Office, we will also apply this flexibility to VASH voucher holders, in an effort to also increase their housing choice throughout the county.

Activity Metrics:

Due to the tight rental market, rapidly rising rents and a lack of program funding, Home Forward's initial benchmark for FY2015 will be to maintain the percentage of households living in low-poverty neighborhoods. We hope better funding and a more tenant-friendly rental market will allow for increases in this percentage by FY2017. The metrics for this activity are as follows:

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	FY2015: 1,926 (30%) households	FY2017: at least 2,000 households (32%)

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1) 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: \$58,082,840	FY2015: \$60,032,099	FY2017: \$61,649,808
Average Housing Assistance Payment expense			
Average annual HAP expense by household	FY2014: \$6,690	FY2015: \$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 is proposing to use 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 establish exception payment standards up to 120% of Fair Market Rents, without HUD approval. The goal will be to ensure 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

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 merges two past single-fund MTW activities: Short Term Rent Assistance and Agency Based Assistance. This 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, that are administered by the Rent Assistance Department but do not operate like traditional vouchers. Each year we budget for this assistance based on the availability of funding; this year's budget for these rent assistance payments is approximately \$1,060,000. The funds 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. Funds may be contracted to partner agencies to administer or may be administered by Home Forward on behalf of partner agencies. In both cases, partner agencies are responsible for identifying participating families and determining the amount and duration of the rental assistance, with some guidance from Home Forward.

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 as part of the New Doors program, 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:

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

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).

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.

Impact on Statutory Objective(s):

With a limited supply of subsidized and affordable housing available in Multnomah County, many households are not able to access permanent, subsidized housing. Many of these households are working to exit homelessness, or are facing a temporary financial emergency that could result in homelessness. Program Based Assistance increases housing choice for families who would otherwise be on the brink of homelessness. This initiative allows Home Forward to reach more households, and sometimes different households, than through the traditional voucher program alone. These households will be included in our count of households served each month.

Program Based Assistance is a local, non-traditional rental subsidy program. Home Forward will comply with PIH Notice 2011-45 when administering 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	FY2015: 5 units	5 additional units made available through the New Doors project for former foster youth
Increase in Resident Mobility (Standard Metric: HC #5)			
Number of households able to move to a better unit and/or neighborhood of opportunity	Before implementation, 0 households	FY2015: 110 households	110 formerly homeless households receive placement services annually
Households Assisted by Services that Increase Housing Choice (Standard Metric: HC #7)			
Number of households receiving services aimed to increase housing choice	Before implementation, 0 households	FY2015: 273 households	270 households receive services annually through Program Based Assistance

Home Forward will track 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.

Approved MTW Activities

Implemented Activities

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.

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 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.
- 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.

Alignment of Home Forward's site-based and non-site-based programs into a single program is nearly complete. All of the above elements of the GOALS program alignment have been implemented except for the safety net for graduating participants. Funding has not allowed us to implement this element yet, but we hope to test it at some of our site-based locations this year. There are still some administrative changes that need to be made to ensure that all staff are using the same paperwork and reporting requirements.

Key to this successful alignment was shifting all participants onto the Rent Reform calculation this past year. This has eased enrollment significantly by no longer subjecting families to a shift in rent calculation methodology, which slowed the enrollment process and increased the potential for disengagement. More importantly, it has ensured that a family's decision to participate in GOALS is based simply on their interest in the program and not on what impact enrollment may have on their rent contribution. Enrollment has improved as a result of this.

Approximately three-quarters of people enrolling in GOALS this year utilized the preference for participants enrolled in another program intended to increase economic independence. Enrollees included many families participating in Home Forward's Housing Works program, which is a partnership with our local Workforce Investment Board to provide training and vocational case management to Home Forward residents. Co-enrolling families in Housing Works and GOALS is another element of the alignment of Home Forward's self-sufficiency programs and has helped families access the wide variety of supports necessary to promote economic independence.

Using the new strike point for the managed savings account has also been simpler for staff and participants. Participant feedback indicates that this new system is easier to understand compared to the traditional escrow calculation. Overall, total average monthly savings by participants has not been impacted by this shift to date, although individual families did see changes to their monthly accrual of savings, depending upon what their income had been at their enrollment into GOALS. This transition will ensure more equitable access to managed savings for all participants, regardless of their income at the time of program enrollment.

Finally, the alignment work is being completed just as we plan to add our newest site-based GOALS location at Stephens Creek Crossing, our latest HOPE VI redevelopment.

Changes or modifications:

Home Forward is updating the metrics for this activity to include Standard Metrics found in Attachment B of our MTW Agreement:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1) 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	FY2015: \$317,500	At least \$300,000 staff costs dedicated to site-based GOALS ¹
Staff time savings (Standard Metric: CE#2) 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	FY2015: 10,400	At least 10,000 staff hours dedicated to site-based GOALS ¹
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		
Increase in resources leveraged (Standard Metric: CE#4)			
Amount of funds leveraged	FY2013: \$0	FY2015: \$317,500	At least \$300,000 in internal funding leveraged to staff site-based GOALS ¹
Increase in household income (Standard Metric: SS#1)			
Average earned income of households	FY2013: \$9,277	FY2015: \$9,370	FY2017: \$9,740

Metric	Baseline	Benchmark	Final Projected Outcome
Increase in household savings (Standard Metric: SS#2)			
Average amount of escrow of households	FY2013: \$1,292	FY2015: \$1,305	FY2017: \$1,357
Increase in positive outcomes in employment status (Standard Metric: SS#3) ²			
Number of heads of households:	FY2013:	FY2015:	FY2017:
1) Employed full-time	1) 283	1) 315	1) 325
2) Employed part-time ³	2) N/A	2) TBD	2) TBD
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) 291	5) 300	5) 275
6) Other (defined as having completed an education or job training program)	6) 38	6) 40	6) 40
Percentage of work-able households:	FY2013:	FY2015:	FY2017:
1) Employed full-time	1) 53%	1) 55%	1) 55%
2) Employed part-time ³	2) N/A	2) TBD	2) TBD
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) 52%	5) 50%	5) 48%
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)			
Number of households receiving TANF assistance	FY2013: 126 households	FY2015: 125 households	FY2017: 120 households
Households assisted by services that increase self-sufficiency (Standard Metric: SS#5)			
Number of households enrolled in GOALS	FY2013: 565 households enrolled	FY2015: 600 households enrolled	Maintain enrollment of at least 600 households

Metric	Baseline	Benchmark	Final Projected Outcome
Reducing per unit subsidy costs for participating households (Standard Metric: SS#6)			
Average amount of subsidy per household	FY2013: \$490.65 per household	FY2015: \$480 per household	Less than \$490 per household
Increase in tenant share of rent (Standard Metric: SS#7)			
Tenant share of rent	FY2013: \$986,971	FY2015: \$1,184,365	At least \$1,100,000 annually
Households transitioned to self-sufficiency (Standard Metric: SS#8)			
Number of households transitioned to self-sufficiency	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		
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 FY2015 - \$10,000	20% increase in average earned income between enrollment and exit
		Average earned income for all participants successfully <u>graduating</u> in FY2015 - \$21,000	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 all participants exiting (for any reason) in FY2015 - \$3,000	Average managed savings balance disbursed to all participants exiting each year will be at or above \$3,000
		Average managed savings balance disbursed to <u>graduating</u> participants in FY2015 - \$7,500	Average managed savings disbursed to program graduates each year will be at or above \$7,500

Metric	Baseline	Benchmark	Final Projected Outcome
Increase in positive outcomes for exiting participants			
Percentage of households: 1) Employed full-time 2) Employed part-time 3) Enrolled in educational program 4) Enrolled in job training program 5) Unemployed 6) Other (defined as having completed an educational or job training program)	For 81 households exited in FY2013: 1) 50% employed full-time 2) Home Forward does not yet track part-time employment; this baseline will be established in FY2015 3) 9% enrolled in educational program 4) 2% enrolled in job training program 5) 50% unemployed 6) 14% have completed educational or training programs	For FY2015 exiting households: 1) 40% employed full-time 2) This benchmark will be established in FY2015 3) 10% enrolled in educational program 4) 2% enrolled in job training program 5) 35% unemployed 6) 14% have completed educational or training programs	By FY2017: 1) 50% employed full-time 2) This outcome will be established in FY2015 3) 10% enrolled in educational program 4) 2% enrolled in job training program 5) 25% unemployed 6) 14% have completed educational or training programs
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	FY2015: 30% of exiting households	At least 30% of families who had TANF during participation will have given up TANF at exit ⁴

¹Home 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.

²Households 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.

³Home Forward does not currently track full-time vs part-time employment. For the purposes of this year's metrics, all employed households are counted as employed full-time. Part-time employment will be tracked going forward.

⁴Households 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.

By the end of FY2015, Home Forward will have 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, which will begin to come on-line at the end of FY2014. No additional LBS units are planned at this time unless we dispose of additional public housing units in the future.

Changes or modifications:

Home Forward is adjusting metrics after review of this activity. Metrics for this activity are as follows:

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	FY2015: 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	FY2015: 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	FY2015: 109 households	109 LBS households located in better neighborhoods
Increase in resources leveraged (Standard Metric: CE#4)			
Amount of funds leveraged	Before implementation, \$0	\$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 continued 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. This supports the objective to increase efficiencies in Federal expenditures.

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 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.

05 BIENNIAL INSPECTIONS

Approved FY2008, Implemented FY2008

Home Forward has instituted biennial inspections for all tenant-based Housing Choice Voucher (HCV) participants. When this activity was initially approved in FY2008, participants only qualified for biennial inspections if they had resided in the same unit for a minimum of three years and had passed two consecutive annual inspections on the first visit. As we monitored the success of the activity, we continued to expand it to more households and in our FY2013 plan year we implemented the biennial schedule for all participants as follows:

- All current HCV participants are on a biennial inspection schedule unless:
 - They have two failed inspections in a row in the last two years; OR
 - There is a concerning factor regarding their inspection or unit status; OR
 - They are living in a unit owned or managed by a landlord or property management company with a concerning inspection history.
- Participants placed on a biennial schedule remain on that schedule unless a concern arises, at which point they are placed back on an annual schedule until the concern no longer exists.

MTW authorization:
Attachment D, Section D(2) – Revise Section 8 Inspection Procedures

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures

As of September 1, 2013, 61% of tenant-based HCV participants, including VASH and FUP voucher holders, are on the biennial inspection schedule. During FY2013, we expanded eligibility criteria for a biennial schedule, but the administrative work to shift households to that schedule is not yet complete. Additional households will be shifted to the biennial schedule by the beginning of FY2015. Since implementing this activity, the time savings from this and other inspections-related activities have resulted in Home Forward reducing the size of its inspections department by two full time employees.

Changes or modifications:

We are not anticipating any changes to this activity. Home Forward is updating the metrics to include Standard Metrics found in Attachment B of our MTW Agreement:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	Before implementation, \$594,210	FY2015: \$413,859	Less than \$450,000 annually

Metric	Baseline	Benchmark	Final Projected Outcome
Staff time savings (Standard Metric: CE#2)			
Total time to complete the task	Before implementation, 10,928 hours	FY2015: 7,611 hours	Less than 8,000 hours annually
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing a task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		

MTW Flexibility:

Home Forward has utilized our MTW authority to create a biennial inspection schedule for qualifying participants. Fewer inspections per year result in cost savings not only in staff time, but in the other associated costs of conducting inspections.

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 requirements, and lead-based paint visual assessment requirements currently required by 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.

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. Home Forward is updating the metrics, to include Standard Metrics found in Attachment B of our MTW Agreement:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	Before implementation, \$35,500	FY2015: \$0	\$0
Staff time savings (Standard Metric: CE#2)			
Total time to complete the task	Before implementation, 500 hours	FY2015: 0 hours	0 hours
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing a task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		

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 annual 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.

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. Home Forward is updating the metrics, to include Standard Metrics found in Attachment B of our MTW Agreement:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	Before implementation, \$140,092	FY2015: \$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	FY2015: 950 hours	Less than 1,000 annually
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing a task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		

MTW Flexibility:

This activity uses alternate criteria – in the form of an owner's written certification – to verify the correction of deficiencies in a unit that failed its initial or annual HQS inspection as a result of four or fewer minor (as defined by Home Forward) deficiencies. This policy increases efficiencies, 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.

Changes or modifications:

As indicated in our FY2013 MTW Report, Home Forward has re-evaluated the metrics for this activity in order to ensure accuracy and relevance in reporting. As a result, we are changing the metrics to better reflect the statutory objective of 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

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	Prior to implementation, \$17,750	FY2015: \$0	\$0
Staff time savings (Standard Metric: CE#2)			
Total time to complete the task	Prior to implementation, 370 hours	FY2015: 0 hours	0 hours
Decrease in error rate of task execution (Standard Metric: CE#3)			
Average error rate in completing a task	Home Forward will establish a baseline, benchmarks and final projected outcome in FY2015		

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

Home Forward has implemented two measures to improve landlord acceptance of Section 8 vouchers in our community (and thus improve the ability of voucher holders to successfully lease up):

- The Landlord Guarantee Fund provides landlords with reimbursements for damages by Section 8 participants, up to a maximum value of two months' rent.
- We also 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 Guarantee Fund is available to all households as they are pulled from the waiting list, porting in, or transferring to a unit in a low-poverty area. While encouraging landlord acceptance of Section 8 vouchers, the guarantee has been of relatively little cost to Home Forward, with an average of less than two claims per year. In 2013, the Oregon State Legislature built on the work Home Forward has done and passed HB 2639, which prohibits discrimination against renters who hold Section 8 vouchers and also establishes a statewide Landlord Guarantee Program Fund.

The vacancy loss payments have also been very appreciated by landlords, even as we have seen a relatively small number of claims. 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, together these two measures helped prevent success rates from falling to our FY2009 baseline levels. Leasing success has increased one percentage point since Home Forward submitted our FY2013 Report.

Changes or modifications:

Home Forward is updating the metrics for this activity, to include Standard Metrics found in Attachment B of our MTW Agreement:

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

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	FY2015: 500 households	At least 500 households per year will have access to the Landlord Guarantee Fund service

Metric	Baseline	Benchmark	Final Projected Outcome
Improve voucher success rate			
Issued voucher success rate	FY2009: 74%	FY2015: 85%	Increase in voucher success rate of over 10%
Decrease in lease-up time			
Average number of days for a voucher holder to lease up	Before implementation, 51 days	FY2015: Less than 50 days	Decrease in average lease-up time

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.

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 will review the utility allowance adjustments annually, with the adjustment going into effect at the resident's next regular review.

This activity was originally approved in our FY2011 MTW Plan, and was implemented the same year. Through a technical error, the activity was inadvertently omitted in following plan years. However, we continue to use this procedure to make utility allowance adjustments in public housing.

Changes or modifications:

We do not anticipate any changes or modifications to this activity. The metrics used to measure this activity are as follows:

Metric	Baseline	Benchmark	Final Projected Outcome
Agency cost savings (Standard Metric: CE#1)			
Total cost of task	Before implementation, \$8,000 per year	FY2015: \$0	\$0 to complete survey
Staff time savings (Standard Metric: CE#2)			
Total time to complete task	Before implementation, approximately 393 hours	FY2015: 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.

MTW authorization:

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

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures.

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.

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 November and then adoption in December. Thus, these preliminary forecasts are projected two 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	\$4,647,000
70600	HUD PHA Operating Grants	\$75,615,000
70610	Capital Grants	\$360,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$2,000
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$6,108,000
70000	Total Revenue	\$86,732,000

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 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$8,111,000
91300+91310+92000	Management Fee Expense	\$0
91810	Allocated Overhead	\$3,141,000
92500 (92100+92200+92300+92400)	Total Tenant Services	\$238,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$2,669,000
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$7,146,000
95000 (95100+95200+95300+95500)	Total Protective Services	\$152,000
96100 (96110+96120+96130+96140)	Total insurance Premiums	\$353,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$2,821,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$87,000
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	Housing Assistance Payments + HAP Portability-In	\$62,014,000
97400	Depreciation Expense	\$4,019,000
97500+97600+97700+97800	All Other Expenses	\$0
90000	Total Expenses*	\$90,751,000

* 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.

In September 2013, Home Forward proceeded with the disposition of four high rise properties as part of our High Rise Preservation Initiative. The properties are Hollywood East, Sellwood Center, Northwest Tower and Gallagher Plaza, consisting of 654 public housing units. Home Forward anticipates receiving RHF or DDTF funds for these units, and may utilize its MTW authority to determine the future use of these funds based upon the amount of the award and timing in which funds are received.

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, as well as provide sufficient operating reserves for prudent financial management. 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 PBA, 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, last year, 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 will expand on an existing partnership between Home Forward and the local WIB. Over the next three years, Home Forward will receive \$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 is exploring partnerships with a number of local systems, including Worksystems, Inc., the six school districts in Multnomah County, the Schools Uniting Neighborhood network of school-based programming, the County’s Linkages system targeting kindergarten readiness and enrollment, and Portland’s Cradle to Career initiative to improve educational and career outcomes for youth. Goals include supporting kindergarten readiness, enrollment and attendance; improving access to parenting education and early childhood education programs for our families; and creating early childhood centers at two of our HOPE VI properties. For older children, goals include increasing college exposure and providing work readiness opportunities for high school and post-secondary youth, and continuing to invest in structured work experiences at Home Forward and ongoing internship activities. Specific youth initiatives have varied from year to year and have included summer internships for high school students, scholarships for youth living in Home Forward housing and outreach to parents of incoming kindergarteners

- 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 Community Compact, 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 will include understanding the crisis of poverty and will provide 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 pilot 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 in our community: participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, and 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 leasing up in units requiring deposits. 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.
- Landlord Incentive Fund: Home Forward has implemented a landlord incentive program to attract new landlords to the Housing Choice Voucher (HCV) program and increase the number of units available to voucher holders. In the first year, Home Forward issued 460 payments of \$100 each, 35% of which went to landlords who were new to the HCV program. In FY2015, we are targeting the fund more specifically to landlords new to the program. Home Forward will

make 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 aligns with Oregon State HB 2639, which prohibits discrimination against renters and also recruits new landlords to the Section 8 program.

- 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 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	<input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> 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?

<input checked="" type="checkbox"/> Yes	or	<input type="checkbox"/>
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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



STAFF REPORT

To: Board of Commissioners

Date: December 17, 2013

From: Melissa Sonsalla, MTW Coordinator

Subject: FY15 Moving to Work (MTW) Plan
Resolution 13-12-06

The Board of Commissioners is requested to authorize staff to submit the 16th Year Moving to Work (MTW) Annual Plan to the Department of Housing and Urban Development. This plan corresponds to Home Forward's fiscal year 2015.

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. Five years ago, Home Forward signed a ten year agreement with HUD that 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 this year's proposed initiatives are implemented, and as existing initiatives continue.

The full proposed FY2015 MTW Plan can be accessed through the following link: http://www.homeforward.org/sites/default/files/2013-11-01_FY2015MTWPlan-DRAFT.pdf



RESOLUTION 13-12-06

RESOLUTION 13-12-06 AUTHORIZES HOME FORWARD STAFF TO SUBMIT THE 16th YEAR 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 November 7, 2013 Home Forward staff met with community partners to review the draft MTW plan; and

WHEREAS, on November 19, 2013 the Home Forward Board of Commissioners conducted a public hearing on the draft MTW plan; and

WHEREAS, on November 26, 2013 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 Sixteenth-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 Sixteenth-Year Annual MTW Plan with the Department of Housing and Urban Development.

ADOPTED: DECEMBER 17, 2013

Attest:

Home Forward

Steven D. Rudman, Secretary

Harriet Cormack, 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 4/1/2014, 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)

OR002

PHA Name

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)

Harriet Cormack

Board Chair

Name of Authorized Official

Title

Harriet Cormack

December 17, 2013

Signature

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.

November 1 – December 2, 2013:	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
November 3 & 10, 2013:	Public notice published in the Oregonian announcing the public hearing on November 19, 2013; text and Affidavit of Publication included in the following pages
November 7, 2013:	Community stakeholder meeting held at Home Forward (135 SW Ash Street, Portland, OR 97204); 16 people in attendance; comments included below
November 19, 2013:	Public hearing / Board meeting held at Home Forward’s Hollywood East Building (1605 NE 45th Ave., Portland, OR 97213); no members of the public made comments
November 26, 2013:	Presentation to Home Forward’s Resident Advisory Committee; comments included below
December 17, 2013:	Approval by Board of Commissioners

Public Comments

FY2015 – P01: Rent Reform

Is reporting a change in family size voluntary?

No. HUD and Home Forward regulations require families to report any changes in family composition within ten business days of the change occurring. If a family does not report a change, this is a violation of program rules.

Are there exceptions to the 120 day notice of the change in voucher size, payment standard, and subsidy calculation if people can’t find a unit?

The 120 day notice is for the date that the voucher size will change, along with any rent increase resulting from the change. This is more notice than is required by HUD. That notice period is not linked to a family’s decision to move, which they can choose to do at any time after they complete their one-year lease, although it is true that if the family’s voucher size is reduced, their rent may go up. The notice sent will include any rent increase that results from a change in voucher size and will provide the participant with the right to request an informal hearing if they disagree with the decision.

Home Forward is not likely to grant many exceptions to that 120-day notice, except as a Reasonable Accommodation for a family that includes a person with disabilities. However, if a family decides to move, Home Forward's leasing team can provide some support in identifying a new unit. It is Home Forward's hope that the new legislation that requires landlords to accept applications from people who have Section 8 vouchers will make it even easier for families to find units in the coming year.

Is there deposit assistance available for people who move as a result of the change in voucher size?

Home Forward does not have funds available for deposit or moving assistance. However, staff can make referrals to community organizations that have this assistance available.

How many people have applied for and been granted the hardship exception?

The phased in timing of rent reform and minimum rents is such that the first households will not be subject to minimum rents until April of 2014. This means that technically, there have been no hardship requests.

However, in the first year of rent reform, Home Forward offered what was called a phase-in. The phase-in capped the amount a household's portion of the rent would increase for families with high medical or childcare expenses or four or more dependents. After the first year of phase-in caps, households could request a continuation of the phase-in cap so long as their circumstances continued to warrant it. A total of 90 households continue to have their rent adjusted under this process.

What happens if there is a change in a child's status, like they turn 18 or start having income?

When a child turns 18, at the next re-certification, Home Forward will require all of the same paperwork and signatures from that "child" as they do for any other adult in the household. That 18-year-old has the same rights and responsibilities in the program as any other adult in the household. Any individual family member who did not have countable income is required to report new income within ten business days.

FY2015 – P10: Local Project Based Voucher Program

Are tenants in the buildings that have converted from public housing to project-based vouchers being afforded the procedural protections of public housing?

Yes. The leases for public housing and conversion sites are the same, other than that the conversion site leases no longer reference "public housing." The grievance policy and process remain the same.

What kind of notice are tenants getting about this conversion?

Resident notice about the conversion was as follows:

1. Residents were invited to meetings in their buildings in May to learn about conversion and their option to move out of the building using a tenant protection voucher. At the meeting, they received documents explaining the process and the timeline.
2. Following the meeting, all residents were mailed information regarding the conversion. The information explained that their existing lease would be terminated and they would need to sign a new lease effective 9/1/13, and they were asked to submit a Housing Declaration Form to Home Forward regarding whether they intended to stay in the building or move with a tenant protection voucher.
3. Educational meetings were held at each property in June for anyone who wanted to learn more about the Tenant Based Voucher program before submitting their Housing Declaration Form.
4. All residents who indicated they would remain in the building participated in a briefing orientation for the Project Based Voucher program between June and August. This is when they signed their new leases.
5. A second letter was sent to residents on July 1st if they had not yet submitted their Housing Declaration Form. The letter informed residents that if they did not turn in a form by July 31st they would “forfeit the opportunity to take a tenant based section 8 voucher.”
6. In late July, letters were mailed to residents who were remaining in the building, officially notifying them of their rent as of 9/1/13 under the Project Based Voucher program. This letter also served as the 30 day notice of the rent increase that was put into effect due to sequestration and Home Forward’s change to the tenant rent calculation. At this time, residents who had not passed inspection and/or attended a briefing were notified that their housing assistance might be interrupted if they did not become compliant with the Project Based Voucher program.
7. On August 29th letters were mailed to residents who failed to submit a housing declaration form. The letter affirmed “This letter is a confirmation that your housing assistance in your current unit will continue as long as you remain eligible for the program and in good standing with your lease.”
8. In late September, the Rent Assistance department began contacting people who requested a tenant protection voucher to begin the process of helping them look for a unit in the community.

What does it mean when you say that an owner can substitute a different unit as a project-based voucher? Does that mean the unit is vacant? How does this work?

With Home Forward’s approval, an owner can choose to remove a unit from the project-based voucher contract and replace it with another unit in the same building. This would typically be done when a tenant in a unit that is subsidized by a project based voucher is no longer eligible for the subsidy or for a reasonable accommodation. The new project-based voucher unit must be the same size as the unit being replaced and must be either vacant or occupied by the next eligible family on the waiting list.

FY2015 – P12: Alternative Initial Housing Assistance Payment Policy

Will the landlord addendum also state that the landlord may not charge a tenant a lease break fee if the unit doesn’t pass the initial inspection?
Yes.

Will the landlord addendum state that the landlord cannot charge the tenant for any rent at all if the unit does not pass the initial inspection?

No. A tenant who chooses to move into a unit prior to the inspection will be responsible for their portion of the rent for the period of time that they live in the unit. Home Forward will educate participants to be careful about choosing to move into a unit prior to the inspection and provide information on what to look for in a unit to make an educated decision about the likelihood that the unit will pass inspection. However, it should be noted that in 2013, less than 1% of units failed to meet initial inspection requirements.

FY2015 – P13: Broaden Range of Approved Payment Standards

What is being done for landlords regarding frozen payment standards that are not being increased?

This is a critical challenge for the Section 8 Housing Choice Voucher program, which is a market program that depends on the participation and goodwill of thousands of landlords in our community. Our efforts over the last few years to encourage landlord participation have included increasing payment standards in certain zip codes, providing a Landlord Guarantee Fund to pay for damages to units, and offering a \$100 incentive to landlords who rent units to Section 8 participants in low-poverty areas.

The decision to raise payment standards in certain areas is tied to Home Forward's funding, and sequestration cuts have significantly hampered our ability to be nimble as we would like to be. We hope to recommend changes to payment standards next year, which may include raising payment standards in some areas and lowering them in others, but this requires extensive financial and impact analyses, as well as Board approval.

While leasing success rates remained above 80% in 2013, indicating that participants still have access to many units in our community, the success rate is not what we consider adequate, but rather what we were forced to accept given our funding constraints during 2013.

Non-MTW Activities

Is the Employment/Education/Training (EET) Preference new? And how does it work?

The EET is not a new activity. It is an adopted policy that Home Forward vetted with the public last year through multiple stakeholder meetings.

Families qualify for the EET preference when the head of household, spouse or co-head is actively engaged in an employment, education, or training program. Employment, education, or training programs include active participation in any of the following: GED or high school diploma, employment readiness programs (including the JOBS program for people receiving TANF), short term or long term training programs that will result in a certification, or a degree-seeking program at a college or university with a minimum enrollment requirement of six credit hours.

Home Forward has several other preferences for both public housing and Section 8 that are ranked higher than the EET preference, including one for terminally ill applicants and one for families that are already in Home Forward program and can no longer be served in their current unit.

The EET preference is currently in effect for the Section 8 Housing Choice Voucher program, although no applicants have been pulled from the waiting list since the preference went into effect. Going forward, each time Home Forward pulls names from the waiting list, 80% of the applicants pulled will

be those with some sort of preference, with the EET preference weighted equally with the senior/disabled preference. The other 20% of applicants pulled will be those who do not qualify for any sort of preference.

The EET preference is not yet in effect for public housing, with the exception of New Columbia. The intention is to put the preference into effect at eight new properties (Eliot Square, Chateau Apartments, Celilo Court, Demar Downs, Floresta, Slavin Court, Madrona Place Apartments, and Maple Mallory) as soon as we are able to notify the families currently on public housing waiting lists of the preference. Once in effect, the EET preference will be weighted equally with the senior/disabled family preference. Each time a property pulls applicants from the waiting list, the EET and senior/disabled preference families will be pulled in equal proportion. Families who do not qualify for one of these, or a higher ranked preference, will not be pulled from the public housing waiting lists until all of the families qualifying for preferences have been pulled from the list. However, upon notification of this new preference, a family that does not qualify for one of these preferences will have the option to choose to a different public housing waiting list.

Comment: I am concerned, because people who are unemployed are the ones most in need of housing help and aren't being given the preference.

What counts as a training program for the EET preference?

We have intentionally made the definition of training as broad as possible, based on feedback we received from stakeholders when we held meetings last year. Employment, education, or training programs would include active participation in any of the following: GED or high school diploma, employment readiness programs (including the JOBS program for people receiving TANF), short term or long term training programs that will result in a certification, or a degree-seeking program at a college or university with a minimum enrollment requirement of six credit hours.

For teen parents, would GED classes count as an education program?

Yes.

Can you tell us more about the timeline for the conversion from public housing to project-based vouchers for the high rise buildings?

On September 1, 2013, first four of our ten public housing towers transferred from public housing subsidy to project-based vouchers. At the same time, the ownership of the property transferred from Home Forward to Home Forward Development Enterprise (a nonprofit subsidiary controlled by Home Forward). Residents were given information through on-site meetings and via mail about the conversion.

Over the next 14 to 16 months, the properties will continue to be owned by Home Forward Development Enterprise and operated as project-based voucher buildings. During this same time, Home Forward will engage residents in additional conversations about design, upcoming certification as a Low Income Housing Tax Credit (LIHTC), and construction activities planned for their building. We anticipate closing on LIHTC and the debt financing needed to fund capital improvement around February of 2015, and will start construction, which is expected to last approximately 12 months.

Home Forward has six additional public housing high rise buildings which remain a priority for a next phase capital work. The timeline for any changes and work at these buildings is still under consideration.

OREGONIAN MEDIA GROUP

1320 S.W. Broadway, Portland, OR 97201-3499

Affidavit of Publication

I, Kim O'Neill 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:

11/3/2013, 11/10/2013

Kim O'Neill

Principal Clerk of the Publisher

Subscribed and sworn to before me this date: 4th day of Dec, 20 13.

Christine D. Cassel

Notary Public for Oregon

My commission expires 27th day of May, 20 16.

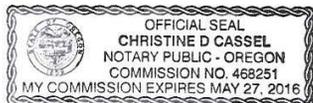
Ad Order Number: 0003534390

PUBLIC HEARING

Home Forward (formerly the Housing Authority of Portland) will hold a public hearing on Tuesday, November 19, 2013 @ 6:15 pm in the Lawrence Williams Conference Room at Home Forward's Hollywood East apartments, 1605 NE 45th Ave., Portland, OR 97213. 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 FY2015 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.



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 will 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 will be 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, 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 (FFY2011)

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

Part I: Summary					
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250111 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
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 ⁴				

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

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

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Type of Grant					
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	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	
				Date	

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Part II: Supporting Pages								
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250111 CFFP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2011			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
OR 2 – PHA Wide	20% Allowance to support operations	1492		753,079.20			753,079.20	FY2014 Actuals
OR 2 - 114	Dahlke Manor		114					
	Exterior Building Repairs	1492		125,622.57			125,622.57	FY2014 Actuals
OR 2 – 106	Hollywood East		286					
	Roofing Replacement	1492		429,266.31			429,266.31	FY2014 Actuals
OR 2 -125	Eastwood Court		31					
	Siding Repairs	1492		145,698.08				FY2014 Actuals
OR 2 – 126	Carlton Court		24					
	Siding Repairs	1492		421,427.99			421,427.99	FY2014 Actuals
OR 2 – 138	Medallion		30					
	Elevator Hard Drive	1492		16,052.00			16,052.00	FY2014 Actuals
OR 2 – 113	Tamarack		118					
	Sewer Emergency Repairs	1492		55,592.00				FY15 MTW Plan
OR 2 – 115	Holgate House		80					
	Door Entry System (Continued from FY14)	1492		50,000.00				FY15 MTW Plan
OR 2 - 203	Maple Mallory		48					
	Sewer Repairs (Continued from FY14)	1492		283,744.96				FY15 MTW Plan
OR 2 - 118	Williams Plaza		101					
	Exterior Sealing Repairs (Continued from FY14)	1492		250,000.00				FY15 MTW Plan
OR 2 – PHA Wide	Asbestos Abatement	1492		76,573.00				FY15 MTW Plan
OR 2 – PHA Wide	Unidentified Emergency Repairs	1492		188,432.89				FY15 MTW Plan

Annual Statement/Performance and Evaluation Report (FFY2012)

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

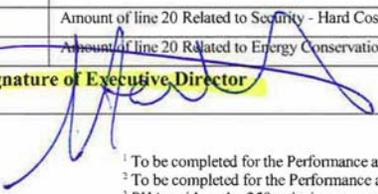
U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary					
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250112 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:
Type of Grant <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 ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
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11	1465.1 Dwelling Equipment—Nonexpendable				
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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 ⁴				

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

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

Part I: Summary					
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250112 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/2015					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
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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)				
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Annual Statement/Performance and Evaluation Report (FFY2013)

Annual Statement/Performance and Evaluation Report
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U.S. Department of Housing and Urban Development
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 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary					
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Type of Grant <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					
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Type of Grant <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					
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		Original	Revised ²	Obligated	Expended
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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			
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22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
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Annual Statement/Performance and Evaluation Report (FFY2014)

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

Part I: Summary					
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250114 (Forecast) Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2014 (Forecast) FFY of Grant Approval:
Type of Grant <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 ¹	
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2	1406 Operations (may not exceed 20% of line 21) ³				
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 ⁴				

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

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

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

Part I: Summary					
PHA Name: Home Forward formerly known as Housing Authority of Portland		Grant Type and Number Capital Fund Program Grant No: OR 16P00250114 (Forecast) Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2014 (Forecast) FFY of Grant Approval:	
Type of Grant					
<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 ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	522,384.25			
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,269,749.00			
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	

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

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant: 2014 (Forecast)				
PHA Name: Home Forward formerly known as Housing Authority of Portland		Capital Fund Program Grant No: OR 16P00250114 CFFP (Yes/ No): Replacement Housing Factor Grant No:						
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
OR 2 – PHA Wide	20% Allowance to support operations			453,950.00				FY16 MTW Plan
OR 2 - 117	Schrunk Tower Sewer / Piping Replacement	1492		556,860.00				FY15 MTW Plan
OR 2 -	Tamarack Staircase Repairs	1492		200,000.00				FY15 MTW Plan
OR 2 -	Eliot Square Exterior Brick Repairs	1492		250,000.00				FY15 MTW Plan
OR 2 – PHA Wide	Exterior Building Painting	1492		200,000.00				FY15 MTW Plan
OR 2 – PHA Wide	Unidentified Future Projects	1492		86,554.75				FY16 MTW Plan
OR 2 –	Debt Service – OR002D001B	9000		522,384.25				FY16 MTW Plan

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

² To be completed for the Performance and Evaluation Report.

Appendix

Rent Reform – Impact Analysis

Home Forward analyzed the impact of the proposed change to conduct an interim review upon a change in family size, and make any change in voucher size, payment standard and subsidy calculation effective 120 days after that interim review. To do so, we analyzed Section 8 households that would be affected by this policy if it were implemented as of September 1, 2013. This snapshot of households represents the typical number and type of households that would be subject to this policy over the course of a year.

There were 115 households who were overhoused as of September 1, 2013, and would be subject to this policy change. This represents less than 1.5% of our total voucher population. The change in the family’s subsidy was calculated as the difference between their new payment standard, and the lesser of their current payment standard or their current gross rent. This was done to isolate the impact from other changes that could affect rent calculation, such as recent changes in income or moving to a new apartment. If a household has removed a family member who was earning income, or the family chooses to move to a less expensive unit when notified of this policy, the impact may be less than what is shown below.

Households analyzed had family size decreases between one and seven family members, and would see a decrease in their payment standard of between \$33 and \$736. The larger impacts were less common, and corresponded with the larger changes in family size. As stated in the Rent Reform activity, families will be given 120 days after their interim review before the change in voucher size, payment standard and subsidy calculation take effect. The tables below detail the impact to these households.

Family Size Change						
	All Households	% of All Households	# of Work-Focused	% of Work-Focused	# of Seniors/PWD	% of Seniors/PWD
-1	94	82%	42	75%	52	88%
-2	16	14%	10	18%	6	10%
-3	3	3%	2	4%	1	2%
-4 or more	2	2%	2	4%	-	-
	115	100%	56	100%	59	100%

Decrease in Payment Standard (Maximum household impact)						
	All Households	% of All Households	# of Work-Focused	% of Work-Focused	# of Seniors/PWD	% of Seniors/PWD
\$0-100	8	7%	1	2%	7	12%
\$101-200	46	43%	18	32%	31	53%
\$201-300	24	21%	18	32%	6	10%
\$301-400	29	25%	15	27%	14	24%
\$400+	5	4%	4	7%	1	2%
	115	100%	56	100%	59	100%

Home Forward Hardship Policy for MTW Programs

All households participating in an MTW eligible program may submit a hardship exemption request. Households may qualify for a hardship exemption if one of the following criteria is met:

1. Households may qualify for a hardship exemption if the total shelter costs exceed 50 percent of the gross monthly income used to determine household's rent and subsidy. Total shelter costs are defined as rent and utilities paid by the household.

While all households qualify to request a hardship exemption, generally those having the following criteria will not qualify for an exemption:

- a. Amount of subsidy reduction for mixed families
 - b. Additional amount a household has chosen to pay above the payment standard for an HCV assisted unit.
2. Households that were participating in the PHA's MTW programs on March 31, 2012 and qualified for an automatic phase-in adjustment based on the criteria may qualify for a hardship exemption if the circumstances that qualified them for an automatic phase-in continue. Please see the section "Additional Information for Phase-in households" listed below.

These phase-in households may qualify for a hardship exemption without meeting the requirement to pay more than 50 percent of gross monthly income toward shelter costs. These phase-in households will be required to provide documentation showing that the circumstances that originally qualified them for an automatic phase-in have continued.

Applying for a Hardship Exemption

All hardship exemption requests must be made in writing and submitted to the appropriate PHA office. Requests must be received by the 15th of each month to be eligible for a revised rent effective on the first of the next month. Hardship exemption requests / adjustments will not be retroactive.

Only hardships expected to last longer than 90 calendar days will be considered.

Households applying for a hardship exemption are strongly encouraged to include the following documents / verifications with their request, as applicable:

- For households who have recently lost earned income – proof of application for unemployment;
- For households with children – proof of application for TANF and / or child support;

- Proof of application through Work Source;
- Proof of application / participation in one of the PHA's self-sufficiency programs;
- Proof of application for low-income energy assistance through an external community agency.

Determination of Hardship Exemptions

A hardship committee with representatives from the PHA staff will review hardship requests on a monthly basis. The committee has the authorization to implement an agreed upon exemption /remedy. If the committee cannot reach consensus regarding a hardship request, the majority vote will rule.

The committee will consider each household's circumstances on a case-by-case basis. The committee will have a menu of remedies to reduce a qualifying household's rent burden. These choices may include, but are not limited to, the following:

- Set tenant rent to \$0 for a specific period of time. This option would not include a utility reimbursement to the family.
- Extend a utility reimbursement for a specific period of time.
- Cap total shelter costs to not exceed 50 percent of gross monthly income or other appropriate percentage for a specific period of time.
- Reduce the amount of tenant rent.
- Remove minimum tenant rent for a specific period of time.
- Any combination of the above remedies.

The hardship exemptions will be granted to eligible households for a minimum of 3 months and a maximum of 12 months. Households may apply for another exemption once their exemption expires.

In cases when the committee recommends denial of a hardship request, the Director or Assistant Director will make the final determination.

In extraordinary cases, the hardship committee may make a final recommendation to the Director or Assistant Director who will have final approval when circumstances call for a deviation from hardship policy.

Notice of Hardship Exemption or Denial of Exemption

In cases when the committee grants a hardship exemption, the PHA will notify the owner and the family of the effective date, tenant rent, and the expiration date of the exemption.

If the hardship exemption is denied, the family will be notified of a decision in writing within 15 business days of the determination.

Additional Information for Phase-in Households

After the first 12 month phase-in (April 1, 2012 – March 31, 2013) households that qualified for phase-in due to high medical / childcare expense or because of a large number of dependents and request a hardship exemption will be required to provide documentation that circumstances still exist (i.e. receipts for medical bills, receipts for childcare payments, etc.).

Based on the amount of receipts provided and / or the number of dependents still in the household, the total amount of “lost” allowances / deductions will be calculated and the following chart will be used to assess the rent reduction:

Total Loss of Allowances / Deductions	Amount of Rent Reduction
\$10,000 +	\$200
\$9,000- \$9,999	\$175
\$8,000- \$8,999	\$150
\$7,000- \$7,999	\$125
\$6,000- \$6,999	\$100
\$5,000- \$5,999	\$75
\$4,000- \$4,999	\$50
\$3,000- \$3,999	\$25
\$1,920- \$2,999	\$0

A household’s rent amount may result in a credit or utility reimbursement payment however the amount the households receive will never be more than the utility allowance for their unit.

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

