



Moving to Work

ANNUAL REPORT

2013

Housing Authority of the County of San Bernardino



*Building Communities
Changing Lives*

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Submitted to HUD: December 31, 2013



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BOARD OF COMMISSIONERS

Our Mission

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

Our Vision

HACSB is committed to creating a world in which all people have a stable and enriched quality of life.

Our Core Values

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

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

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

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

Not Pictured – Dena Fuentes

Housing Authority of the County of San Bernardino
Executive Management Team



Daniel Nackerman
President/CEO



Maria Razo-Dale
Executive Vice President/CAO



Gustav Joslin
Sr. Vice President/COO



Ana Gamiz
Director of Policy
and Community Affairs



Lisa Jones
Vice President of
Housing Services



Marcia Waggoner
Director of Community
Development Initiatives

Not Pictured - Jennifer Dawson – Director of Human Resources; Rishad Mitha – Director of Housing Communities; Steve Grimes – Director of Information Technology

For More Information

Should you have any questions or need additional information, please contact Maria Razo-Dale at mgrazo@hacsb.com.

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Section I: Introduction

For over 70 years, the Housing Authority of the County of San Bernardino (HACSB) has been one of the leading providers of affordable housing in the County of San Bernardino. The County of San Bernardino is the largest county in the contiguous United States consisting of 24 cities: covering over 20,000¹ square miles of land. It is the twelfth largest county in the nation², with more residents than 15 of the country's states. HACSB proudly serves in excess of 30,000 people, most of whom are seniors, disabled individuals and children.

Our agency's success is a result of our business approach to strategic planning and delivery of services. We strive to design our program as a stepping stone providing additional assistance to our families on their path to economic independence. In conjunction with an extensive list of community partners, government agencies, employment service providers, and institutions of higher education we work to: provide family/individual case management and counseling, assist with career training and job placement; and ensure program integrity. These efforts are building blocks to achieve our mission and vision upholding our core values of respect, safety, integrity and service.

***HACSB Mission Statement** - Empower all individuals and families in need, to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.*

***HACSB Vision** – HACSB is committed to creating a world in which all people have a stable and enriched quality of life.*

***HACSB Values** - HACSB strives to be a key participant in supporting and improving the community it serves. HACSB seeks to streamline its programs and establish a higher standard of services to the community. Our core values of respect, safety, integrity and service will guide us in accomplishing our Mission and Vision.*

Moving to Work Designation

As a high performing, innovative and progressive agency, HACSB was designated as a Moving to Work (MTW) Agency by the U.S. Department of Housing and Urban Development (HUD) in 2008. The MTW designation allows HACSB to develop and test innovative programs that promote economic independence for families, save taxpayers' dollars through administrative efficiency and expand housing choices for families. HACSB has completed its fifth year of participation during which we have developed 24 MTW initiatives.

¹ [San Bernardino County 2012 Community Indicators Report](#)

² [Census Population Estimates](#)

A brief timeline of our MTW Plans and Reports is provided below –

MTW Plan	Approved by HUD	MTW Report	Accepted by HUD
FY 2009 MTW Annual Plan Amendment 1	September 25, 2008 June 29, 2009		
FY 2010 MTW Annual Plan Amendment 1 Amendment 2 Amendment 3	September 30, 2009 November 18, 2009 February 22, 2010 September 15, 2010	FY 2009 MTW Annual Report	April 22, 2010
FY 2011 MTW Annual Plan	October 18, 2010	FY 2010 MTW Annual Report	March 21, 2011
FY 2012 MTW Annual Plan Amendment 1	October 5, 2011 November 4, 2011	FY 2011 MTW Annual Report	March 20, 2012
FY 2013 MTW Annual Plan	September 27, 2012	FY 2012 MTW Annual Report	July 19, 2013
FY 2014 MTW Annual Plan	Pending HUD approval (resubmitted October 1, 2013)	FY 2013 MTW Annual Report	Pending approval

Overview of Agency's Goals and Objectives

Long-Term Goals

Prior to our MTW designation in early 2008, HACSB completed a 30 year strategic planning process and developed the agency's long term goals that provide us with the vision to achieve the short term milestones. These goals serve as a guiding map to help us achieve our mission and vision. Strategy leaders update the annual accomplishments and milestones marking the progress towards the 30 year strategic goals.

Our strategic 30 years goals are -

HACSB 30 Year Strategic Goals	
Strategic Goal 1:	No eligible family waits longer than 10 days for housing
Strategic Goal 2:	Clients have achieved their own personal level of stability and economic independence
Strategic Goal 3:	For those whom a transition is appropriate, the maximum stay in assisted living is 5 years
Strategic Goal 4:	HACSB leaders and supporters are innovative policy makers and influencers of legislation
Strategic Goal 5:	HACSB has secured the resources needed for accomplishing its Mission
Strategic Goal 6:	HACSB is a leading developer and provider of affordable housing in the County of San Bernardino
Strategic Goal 7:	HACSB is adequately staffed with well trained and fully developed employees
Strategic Goal 8:	HACSB communication is open, honest and consistent
Strategic Goal 9:	HACSB employees have a high level of morale
Strategic Goal 10:	HACSB clients, programs and properties are embraced by all communities
Strategic Goal 11:	HACSB clients live in safe and desirable homes and communities where they can develop and prosper

Our MTW designation assists in our efforts to achieve our long term goals and the statutory objectives align with our long term vision. HACSB currently has 22 approved MTW activities: 12 address the objective of operational efficiency, 7 assist families with their economic independence efforts and 3 help expand housing opportunities. As good stewards of taxpayers' dollars, we ensure optimal use of funds to provide the best quality services to our families; and HACSB continually seeks to implement innovative solutions that streamline processes, increase efficiency and help families achieve economic independence. Proactive planning has helped us face the consecutive budget reductions while increasing the number of families served and services provided.

Short Term Goals

Our long term goals align with the statutory objectives of MTW and our vision of creating a world in which all people have a stable and enriched quality of life. We accomplish MTW objectives by aligning our agency's strategic goals with our MTW goals/objectives -

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

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

In addition to implementing non-MTW activities to address this goal, we have currently implemented twelve MTW activities that address this goal (listed under the administrative efficiency statutory objective on the following table).

- **Goal 2 – Develop economically independent clients** – Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy through the following objectives:

-  Develop and maintain policies programs, and services that foster accountability, responsibility and self-sufficiency
-  Transform client mindset from entitlement to empowerment
-  Partner with external organizations to support clients in acquiring life skills, education and training
-  Assist clients in transitioning to Home Ownership/Market rentals

In addition to implementing non-MTW activities to address this goal, we have currently implemented nine MTW activities that address this goal (listed under the economic independence statutory objective on the following table).

- **Goal 3 – Ensure freedom of housing choice** – Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life through the following objectives:

-  Have an increasingly diverse number of funding sources to provide the programs and services described in the strategic plan

 Expand and improve HACSB’s housing stock

In addition to implementing the above non-MTW activities to address this goal, we have currently implemented three MTW activities that address this goal (listed under the administrative efficiency statutory objective on the following table).

The table below shows a current list of activities that were approved in our MTW Annual Plans .

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
Activity 1	Single Fund Budget	Administrative Efficiency	FY 2009	Ongoing
Activity 2	Strategic Investment Policies	Administrative Efficiency	FY 2009	Ongoing
Activity 3	Alternate Assessment Program	Administrative Efficiency	FY 2009	On Hold
Activity 4	Biennial Recertifications	Administrative Efficiency	FY 2009	Ongoing
Activity 5	Local Verification Policies	Administrative Efficiency	FY 2009	Ongoing
Activity 6	Elimination of Assets	Administrative Efficiency	FY 2009	Ongoing
Activity 7	Controlled Program Moves	Administrative Efficiency	FY 2009	Ongoing
Activity 8	Local Policies for Portability	Economic Independence	FY 2009	Ongoing
Activity 9	Elimination of Earned Income Disallowance	Economic Independence	FY 2009	Ongoing
Activity 10	Minimum Rent	Economic Independence	FY 2009	Ongoing
Activity 11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Ongoing
Activity 12	Local Payment Standards	Expanding Housing Opportunities	FY 2009	Ongoing
Activity 13	Local Inspection Standards	Administrative Efficiency	FY 2010	Ongoing
Activity 14	Local Asset Management Program	Administrative Efficiency	FY 2010	Ongoing
Activity 15	Pilot Work Requirement	Economic Independence	FY 2010	Ongoing
Activity 16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Complete
Activity 17	Local Income Inclusion	Economic Independence	FY 2011	Ongoing
Activity 18	Property Management Innovation	Administrative Efficiency	FY 2011	Ongoing
Activity 19	Local FSS program	Economic Independence	FY 2011	Ongoing
Activity 20	Five Year Lease Assistance Program	Economic Independence	FY 2011	Ongoing
Activity 21	Utility Allowance Reform	Administrative Efficiency	FY 2012	Complete
Activity 22	Streamlined Lease Assistance Program	Administrative Efficiency	FY 2013	In Development
Activity 23	No Child Left Unsheltered	Economic Independence	FY 2014	Pending HUD approval
Activity 24	Transition for Over-Income Families	Economic Independence	FY 2014	Pending HUD approval

Accomplishments

HACSB has continued to develop, improve and revise MTW activities to increase administrative efficiencies, develop economically self-sufficient families, and housing options for our families. Despite continued budget reductions within this past fiscal year, HACSB has made progress in the development and/or implementation of the following most recent MTW activities:

-  Activity 15 – Pilot Work Requirement
-  Activity 20 – Five Year Lease Assistance Program
-  Activity 22 – Streamlined Lease Assistance Program

-  Activity 23 – No Child Left Unsheltered
-  Activity 24 – Transition for Over-Income Families

HACSB has made progress toward our long-term strategic goals in the following ways:

-  Partnered with Loma Linda University to perform needs assessment studies to identify client barriers to success and provide services to overcome those barriers.
-  Partnered with Technical Employment and Training and developed and implemented a Deconstruction Training Program to utilize revitalization projects for hands-on training and material recycling.
-  Submitted applications with the U.S. Department of Housing and Urban Development (HUD) for the Rental Assistance Demonstration Program to convert the public housing subsidies into a long-term, Project-Based Section 8 rental assistance subsidy. If awarded, the subsidy change will provide stable and predictable revenues which will allow HACSB to apply for Low-Income Housing Tax Credits and other sources of financing to fund public housing renovations.
-  MTW Activity 15, Pilot Work Requirement, was implemented on January 1, 2013.
-  Upon joining and reaching their first year of participation in the Five Year Lease Assistance Program, participants in the program met with HACSB staff to review individual goals and were connected with resources to help them accomplish their economic independence goals.
-  Continued to expand our affiliate social services non-profit KEYS to provide case management and supportive services. As a non-profit, KEYS has the ability to apply for a wider range of funding sources including foundations. In 2013, KEYS was awarded the Supportive Services for Veterans Families grant in the amount of \$600,000 to provide supportive services including finding housing, rental assistance, security deposits and transportation. KEYS will partner with the HACSB and Community Action Partnership of San Bernardino for full service implementation.
-  HACSB has begun revitalization of the Redlands/Lugonia Affordable Housing site.

Serving the needs of our residents and helping them on their path to economic independence is a priority at HACSB. The administrative efficiencies from our activities helped create the Community Development Initiatives (CDI) Department that works closely with our families to further our strategic goal of transforming clients' mindsets from entitlement to empowerment. We have also repositioned assets and implemented innovative activities to create quality housing choices for our families. We are pleased with our progress and continue to strive to achieve our 30 year goals.

We are confident that through our combined efforts and through long term strategic planning, we will reach our mission of empowering all individuals and families in need, to achieve an enriched quality of life by providing housing opportunities and resources throughout the County of San Bernardino.

Section II: General Operating Information

HACSB provides affordable housing assistance to over 10,000 families throughout the County of San Bernardino consisting of the Affordable (Public) Housing Program, the MTW Voucher Program, and Special Programs such as Shelter Plus Care, Veterans Administration Supportive Housing (VASH) Vouchers, Mainstream and also through our Authority Owned Portfolio. We provide families a stepping stone through difficult economic times and in conjunction with community partners, assist them on their path to economic independence.

A. HOUSING STOCK INFORMATION HOUSING CHOICE VOUCHER (HCV) PROGRAM

We are working closely with our families and partners to provide participating families needed resources as they strive towards self-sufficiency. More information on our leasing efforts is included in the 'Leasing Information' part of this section.

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

In FY 2013, HACSB did not have any new housing choice vouchers that were project-based during the fiscal year.

Property Name	Anticipated Number of New Vouchers to be	Actual Number of New Vouchers that were Project-	Description of Project
N/A	N/A	0	
N/A	N/A	0	
N/A	N/A	0	

Anticipated Total Number of New Vouchers to be Project-Based *	Actual Total Number of New Vouchers that were Project-Based	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
0	0	N/A	N/A
		Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		844	786

* From the Plan

Details on the total number of PBV units at the end of FY 2013 are shown below. Of the 844 total units, 289 are HACSB owned and 555 are owned by HACSB's affiliate non-profit, Housing Partners I, Inc. –

Voucher Program – Project Based Voucher Properties		
Property Name	City	Number of Units
Redwood Terrace	Fontana	68
Robert O. Townsend	Montclair	48
Vista Del Sol	Redlands	53
Arrowhead Woods	San Bernardino	51
Grandview Towers	Twin Peaks	40
Yucaipa Crest	Yucaipa	45
Yucaipa Terrace	Yucaipa	51
Desert Village	Victorville	46
Sunset Pointe	Barstow	50
Sunrise Vista	Barstow	50
Mentone Clusters	Mentone	34
Scattered Sites	Various	308
TOTAL PROJECT BASED UNITS		844

Other Changes to the Housing Stock that Occurred During the Fiscal Year

Other Changes to the Housing Stock that Occurred During the Fiscal Year		
The Public Housing portfolio started off the year with 1,294 units. Throughout the year, decreases were made to the portfolio as follows:		
CHANGES TO PUBLIC HOUSING TOTAL UNITS IN FY 2013		
AMP	Description	# Units
AMP 120	No change	0
AMP 130	Homeownership sale	-1
AMP 150	PH revitalization disposition (Lugonia &	-62
AMP 160	Homeownership sales	-2
AMP 170	No change	0
AMP 180	Homeownership sale	-1
AMP 190	Homeownership sales	-3
TOTAL		-69

No additions were made to the public housing inventory. Therefore, as of October 1, 2013 there were 1,225 public housing units. This does not include 7 offline units (ACC Non Dwelling) that had previously been permanently converted to non-dwelling units for resident service purposes such as head-start centers, child care, and education centers or 25 non ACC units used for administrative purposes and resident amenities (community rooms, laundry rooms etc.).

Below is a detailed chart of our homeownership sales and their locations. HACSB works closely with our families in educating them on the Section 32 homeownership program. The current economic downturn has also led to a significant drop in property prices in San Bernardino County which has increased homeownership opportunities. In FY 2013, our efforts led to the sale of 7 homes.

PUBLIC HOUSING UNITS SOLD IN FY 2013		
Address	City	AMP
6334 Cienega	Twentynine Palms	190
415 Macy St.	San Bernardino	130
11997 Effen St.	Rancho Cucamonga	160
13645 Arroyo Dr.	Victorville	180
10668 Spahn Dr.	Bloomington	160
73984 Casita Dr.	Twentynine Palms	190
6415 Athol Ave.	Twentynine Palms	190

Demo/Dispo – In early March of 2013, HACSB commenced the first phase of construction for the Valencia Grove Housing Community in Redlands, CA. The disposition application for 32 buildings containing 113 dwelling units and 3 non-dwelling units for Management Point AMP 150, commonly referred to as the Redlands Lugonia Avenue Public Housing site (Sites 019-001, 008 & 009), was approved by HUD in March of 2012. The demolition is being completed in two phases – 60 units in the first phase and 55 units in the second phase. The mixed finance new development is being financed with tax-exempt bond proceeds, tax credits and includes a one for one replacement of the public housing units with project based vouchers. The development is being redeveloped as a mixed use/mixed income community consisting of 189 rental units and will also include 39 single family homes, which will be available for purchase. The initial phase of 85 rental units is scheduled for completion by the end of 2014.

General Description of Actual Capital Fund Expenditures During the Plan Year

General Description of Actual Capital Fund Expenditures During the Plan Year

The most significant expenditures of Capital Funds in 2013 consisted of ongoing agency-wide capital improvements consisting of interior kitchen and bathroom renovations and Section 504 unit accessibility. The revitalization of the Redlands Lugonia public housing site, financed with 4% tax credits and tax-exempt bonds, officially commenced construction in March, 2013. Also funded with Capital Fund was architectural and engineering work associated with the entitlement phase of the Waterman Gardens redevelopment project. Preliminary resident relocation planning was completed, as well as environmental (NEPA/CEQA) approval processes. HACSB also implemented resident employment programs under Section 3 as directly supportive of the variety of Moving-To-Work initiatives. Capital Fund was, and is currently being utilized to prepare and convert existing public housing (maintenance) facilities for employment training and educational use. These programs maintain a special focus on initiating deconstruction and recycling/reuse activities associated with the demolition of existing housing units. The initial deconstruction training, with two (2) classes of fifteen (15) resident trainees was completed in June, 2013. The program is now expanding to include broader construction skills training, including landscape irrigation and maintenance beginning late 2013 and extending into 2014.

Overview of Other Housing Owned and/or Managed at Fiscal Year End

AUTHORITY OWNED (Non-HUD) HOUSING STOCK – HACSB owns 1,199 units (including 4 commercial units) across 16 cities throughout the County. Many of these units are affordable for families earning 80% or less of the Area Median Income (AMI) as a result of public funds acquired for the acquisition and/or development, such as HOME and Redevelopment Housing Set-Aside funds. The breakdown of these units by Housing Program is detailed in the chart below.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End		
Housing Program *	Total Units	Overview of the Program
Market - Rate	451	Market Rate
State Funded	51	Funded by State of California
Locally Funded	459	HOME grant units, Redevelopment grant units, NSP
Other*	238	Project based vouchers *(Total PBV HA owned=289, 51 units are also included as part of State Funded category)
Total Other Housing Owned and/or Managed	1,199	

* Select Housing Program from: Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for
If Other, please describe: **Project Based Vouchers**

The chart below lists the properties and total number of units in each property in the HACSB Authority Owned (Non-HUD) Housing Portfolio.

AUTHORITY OWNED HOUSING STOCK		
Property Name	City	Total Units
Muni Property	Apple Valley	7
Desert View	Baker	24
Sunrise Vista	Barstow	156
Sunset Pointe	Barstow	144
9 th Street Property	Colton	3
Canyon Villas	Colton	46
Las Palmas	Fontana	16
Redwood Terrace	Fontana	68
A Avenue	Hesperia	4
Sunnyside	Hesperia	30
Mesa Gardens	Hesperia	29
Sequoia	Hesperia	35

Stone Creek	Loma Linda	20
Van Leuven (14/8)	Loma Linda	22
Mentone (State)	Mentone	34
Crafton	Mentone	5
Kingsley Patio	Montclair	34
Bahia	Ontario	3
Frankish Building (includes 4 commercial)	Ontario	20
Brockton	Redlands	8
Hampton Court	Redlands	24
Lombard	Redlands	4
Stillman	Redlands	9
Merrill	Rialto	24
Arrowhead Woods	San Bernardino	51
Yucca	San Bernardino	14
Grandview Towers	Twin Peaks	40
Andalusia	Victorville	168
Sunset Gardens	Yucaipa	39
Third Street	Yucaipa	19
Yucaipa Crest	Yucaipa	45
Yucaipa Terrace	Yucaipa	51
Scattered Sites	Various	3
TOTAL ALL AUTHORITY OWNED HOUSING STOCK		1,199

B. LEASING INFORMATION

Actual Number of Households Served at the End of the Fiscal Year

HACSB does not have any local non-traditional MTW funded programs. HACSB last exercised local, non-traditional flexibility in 2010 through Activity 16: Operating Subsidy for Vista Del Sol, whereby HACSB provided a temporary operating subsidy of approximately \$134,000 from its MTW Fund, to its affiliate non-profit, Housing Partners I, Inc. to enable affordability of the units to eligible seniors. This activity was closed on September 15, 2010 due to the conversion of the affording units to project-based vouchers, as noted in our FY 2010 Annual Report.

Affordable Housing (PUBLIC HOUSING)

Housing Program: Federal MTW Public (Affordable) Housing	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Public (Affordable) Housing	1,153	1,157
Total Projected and Actual Households Served	1,153	1,157

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

Housing Program: Federal MTW Public (Affordable) Housing	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Public (Affordable) Housing Property-Based Assistance Programs ***	13,842	13,880
Total Projected and Annual Unit Months Occupied/Leased	13,842	13,880

There were no major differences between number of households planned and actual households served.

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

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Housing Choice Voucher

Housing Program: Federal MTW Housing Choice Voucher	Number of Households	
	Planned	Actual
Number of Units that were Occupied/Leased through Housing Choice Voucher Property-Based Assistance	797	751
Number of Units that were Occupied/Leased through Housing Choice Voucher Tenant-Based Assistance	7,142	7,644
Port-In Vouchers (not absorbed)	-	-
Total Projected and Actual Households Served	7,939	8,395

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

Housing Program: Federal MTW Housing Choice Voucher	Unit Months	
	Planned	Actual
Number of Units that were Occupied/Leased through Housing Choice Voucher Property-Based Assistance	9,561	9,016
Number of Units that were Occupied/Leased through Housing Choice Voucher Tenant-Based Assistance	85,707	91,724
Port-In Vouchers (not absorbed)	-	-
Total Projected and Annual Unit Months Occupied/Leased	95,268	100,740

We conservatively estimated to be at 98% ,but always with a goal to reach or exceed 100% of our MTW baseline if fungibility and efficiencies could support it, that coupled with a slightly higher than anticipated utilization rate of new vouchers allowed us to go over our projected lease-up rate for 2013.

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

	Average Number of House holds Served Per Month	Total Number of Household s Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Local, Non-Traditional MTW Funded Programs

Housing Program: Local, Non-Traditional Programs	Number of Households	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based	0	0
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Actual Households Served	0	0

* Calculated by dividing the planned/actual 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 Served, the PHA should estimate the

Housing Program: Local, Non-Traditional Programs	Unit Months	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based	0	0
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Annual Unit Months Occupied/Leased	0	0

Explanation for differences between planned and actual households served: N/A

*** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the
 **** Unit Months Occupied/Leased is the total number of months the housing PHA has occupied/leased units, according to unit category during the year.

	Average Number of House olds Served Per Month	Total Number of Househ olds Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted Are Very-Low Income

HACSB does not have any local non-traditional MTW funded programs. HACSB last exercised local, non-traditional flexibility in 2010 through Activity 16: Operating Subsidy for Vista Del Sol, whereby HACSB provided a temporary operating subsidy of approximately \$134,000 from its MTW Fund, to its affiliate non-profit, Housing Partners I, Inc. to enable affordability of the units to eligible seniors. This activity was closed on September 15, 2010 due to the conversion of the affording units to project-based vouchers, as noted in our FY 2010 Annual Report.

Local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	0	0	0	X	X	X	X	X
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	0	0	X	X	X	X	X
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	0	0	X	X	X	X	X

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the

Baseline for the Mix of Family Sizes Served

Family Size:	Occupied Number of Public Housing units by	Utilized Number of Section 8 Vouchers by Household	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be	Baseline Percentages of
1 Person	442	2,801	-	3,243	35%
2 Person	338	1,619	-	1,957	21%
3 Person	279	1,187	-	1,466	16%
4 Person	222	1,003	-	1,225	13%
5 Person	142	567	-	709	8%
6+ Person	183	569	-	752	8%
Totals	1,606	7,746	-	9,352	100%

Explanation for Baseline

N/A

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained **	34.7%	20.9%	15.7%	13.1%	7.6%	8.0%	100%
Number of Households Served by Family Size this Fiscal Year ***	3,159	1,997	1,598	1,265	800	712	9,531
Percentages of Households Served by Household Size this Fiscal Year ****	33.1%	21.0%	16.8%	13.3%	8.4%	7.5%	100.00%
Percentage Change	-1.5%	0.03%	1.09%	0.17%	0.81%	-0.57%	0.00%

Justification and Explanation for

HACSB did not experience a variation of over 5% from the baseline percentages.

* “Non-MTW adjustments to the distribution of family sizes” are defined as factors that are outside the control of the PHA. Acceptable “non-MTW adjustments” include, but are not limited to,

** The numbers in this row will be the same numbers in the chart above listed under the column “Baseline percentages of family sizes to be maintained.”

*** The methodology used to obtain these figures will be the same methodology used to determine the “Occupied number of Public Housing units by family size when PHA entered MTW” and “Utilized

**** The “Percentages of families served by family size this fiscal year” will reflect adjustments to the mix of families served that are directly due to decisions the PHA has made. HUD expects that in

Description of Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End

Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End	
Housing Program	Description of Leasing Issues and Solutions
Public Housing	No issues related to leasing at fiscal year end
Authority Owned Portfolio	No issues related to leasing at fiscal year end
Housing Choice Voucher	No issues related to leasing at fiscal year end

Number of Households Transitioned to Self-Sufficiency by Fiscal Year End

HACSB has adopted the below definitions of self-sufficiency for activities that have the statutory objective of self-sufficiency. While the definitions differ very slightly, the overarching definition for the families in these activities is a voluntary termination of housing assistance, as well as other forms of government assistance due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to enable transition to market-rate housing or homeownership. In terms of employment income, this would mean their choice of housing (lease or mortgage payment) at no more than 30% of their income so that the other 70% can be budgeted for other necessities and means.¹ Due to the fairly recent implementation of these self-sufficiency activities, HACSB has not had any families transition yet; however, HACSB continues to work with our community partners and affiliate non-profit KEYS to provide our families the tools, services, and support they need to begin their transition to being able to afford market-rate housing and HACSB’s Homeownership program works closely with our families in educating them on the Section 32 homeownership.

¹ "Affordable Housing." U.S. Department of Housing and Urban Development. U.S. Department of Housing and Urban Development, n.d. Web. 4 Dec. 2013. <http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/>

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End

Activity 15 - Pilot Work Requirement	0	Voluntary termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or homeownership
Activity 19 - Local FSS Program	0	Voluntary termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or homeownership
Activity 20 - Five Year Lease Assistance Program	0	Termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc) due to an increase in income in attainment of and/or increased level in employment to transition to market-rate housing or homeownership in the 5 year program timeframe.
Activity 23 -No Child Left Unsheltered (pending HUD approval)	0	Voluntary termination off housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or homeownership
Activity 24 - Transition for Over-Income families (pending HUD approval)	0	Fulfilling program requirements of termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc) due to an increase in income in attainment of and/or increased level in employment to transition to market-rate housing or homeownership
Households Duplicated Across Activities/Definitions	0	
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	0	

* The number provided here should match the outcome reported where metric SS #8 is used.

HACSB's Pilot Work Requirement, Activity 15, was implemented on January 1, 2013, and residents were given a six month grace period to comply. Due to the recent implementation of this activity, at the end of FY 2013, there have not yet been any households that have transitioned to self-sufficiency.

Our local FSS program, Activity 19, introduced in our FY 2011 Annual Plan and implemented on July 2012 has a control group (traditional program) and a local group to compare their individual advantages. Due to the recent implementation of this activity, at the end of FY 2013, there have not yet been any households that have transitioned to self-sufficiency.

Implemented on January 1, 2012, we currently have 711 families in our Five Year Lease Assistance Program. Due to a recent implementation date, families have yet to transition to self-sufficiency, the first of which would do so in 2017. We continue to work with Loma Linda University to assist in the longitudinal study that will examine our families and their success over time.

Our newest activities –No Child Left Unsheltered and Transition for Over-Income Families – will also measure self-sufficiency. The program requirements in Activity 23 (Transition for Over-Income families) will require affordable housing families to move, thus enabling HACSB to assist more families on the waitlist, and HCV families to move or remain with their current landlord with no housing assistance. This program requires families to budget their income appropriately, in order to prepare for market rate or homeownership, in the event they are transitioned off HACSB housing assistance due to being over-income. In doing so, we expect these families to become self-sufficient. For No Child Left Unsheltered families, self-sufficiency is the goal to be achieved with the assistance of community partners and our KEYS non-profit that provides intensive case work for these families, and community partners providing resources and mental health services. Both activities were submitted in our FY 2014 Annual Plan and are pending HUD approval.

C. WAIT LIST INFORMATION

Waiting List Information at Fiscal Year End

Wait List Information at Fiscal Year End				
Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Federal MTW Public Housing Units	Site-Based	16,085	Partially Open	Yes
Federal MTW Housing Choice Voucher Program (Tenant Based)	Community-Wide	3,983	Closed	No
Federal MTW Housing Choice Voucher Program (Project-Based)	Site-Based	8,112	Partially Open	Yes

More can 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.

The Public Housing (Affordable Housing) waitlists were partially open during the FY for families with a composition of 3 or more persons. The one bedroom waitlists remained closed during the FY as there was sufficient quantity to accommodate pulls for a 24 month period.

The Project-Based waitlists were partially open during the FY, for our senior communities; however, the project-based waitlists for Region 1 (cities of Bloomington, Colton, Fontana, Loma Linda, Redlands, Yucaipa, and Rancho Cucamonga), Region 2 (cities of Chino, Montclair, and Ontario), & Region 3 (Adelanto, Apple Valley, Hesperia, and Victorville) were closed for the FY as there was sufficient quantity on those waitlists to accommodate pulls for a 24 month period. Region 4 was opened to accommodate the 2 & 3 bedroom vacancies and Region 5 (cities of Joshua Tree, Twentynine Palms, and Yucca Valley) was open only for 3 bedroom size families.

If Local, Non-Traditional Program, please describe:

N/A

If Other Wait List Type, please describe:

N/A

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.

HACSB has not made any changes to the organizational structure of the waitlist or policy changes regarding the waitlist.

The chart below provides a summary of the waiting list applicants by income and household type for both the Affordable (Public) Housing Program and the Housing Choice Voucher Program at the end of FY 2013:

WAITING LIST DEMOGRAPHICS								
Family Type	Affordable (Public) Housing Waiting List				HCV Waiting List			
	ELI (30% AMI)	VLI (50% AMI)	LI (80% AMI)	Total PH	ELI (30% AMI)	VLI (50% AMI)	LI (80% AMI)	Total HCV
Elderly	628	243	54	925	301	30	8	339
Disabled	1,339	475	139	1,853	538	80	19	637
All Other	9,459	3,508	785	13,034	2,676	235	73	2,984
TOTAL	11,426	4,226	978	16,085**	3,515	345	100	3,983**

* Total also includes all other families like over income or larger family sizes.

Below is a summary of our Project-Based Voucher waiting list –

Project Based Voucher Waiting List					
Property Name	Units	ELI	VLI	LI	Total
		(30% AMI)	(50% AMI)	(80%AMI)	
Redwood Terrace -Fontana	68	207	68	9	** 287
Robert O. Townsend - Montclair	48	269	63	13	** 348
Vista Del Sol - Redlands	53	218	50	9	** 280
Arrowhead Woods - San Bernardino	51	97	20	7	** 125
Grandview Towers - Twin Peaks	40	31	2	3	** 37
Yucaipa Crest - Yucaipa	45	82	18	7	** 110
Yucaipa Terrace - Yucaipa	51	72	14	6	** 93
Desert Village - Victorville	46	59	19	2	80
Scattered Sites Region 1 (includes Mentone	104	1,405	422	167	** 2,033

Clusters)					
Scattered Sites Region 2	107	1,317	443	183	** 2,000
Scattered Sites Region 3	72	1,942	447	135	** 2,546
Scattered Sites Region 4 (includes Sunset Point and Sunrise Vista)	100	1,322	383	72	** 1,804
Scattered Sites Region 5	59	329	77	21	** 434
TOTAL	844	6,209	1,465	438	8,112

** Includes people that do not meet the defined criteria due to income or family size

Section III: Proposed MTW Activities

All proposed activities that are granted approval by HUD are reported on in Section IV as 'Approved Activities.'



Section IV: Approved MTW Activities

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, dated September 17, 2013,” if the agency's first required document in the new format is a Report, the agency will list the standard metrics in this report and report on their outcomes in the next year's report.

A. Implemented Activities

Activity 1: Single Fund Budget with Full Flexibility

See Section V: Sources and Uses of Funds for additional information

Activity 2: Strategic Investment Policies

This activity was approved in our FY 2009 MTW Annual Plan and was implemented on November 2010.

A. Activity Description

This activity allowed the agency to implement a Strategic Investment Policy which would be consistent with California Government Code Section 53630 and/or HUD approved investment criteria.

B. Activity Impact

This activity was implemented in November 2010. The activity enabled the authority to achieve a safer, more liquid portfolio that had a competitive yield. A new investment policy was approved by the agency's Board of Commissioners. We sought the advice of an investment consultant to establish a time laddered investment pool. Unfortunately, the fiscal funding uncertainties coupled with the threat of sequestration, has now forced us to take a more conservative approach to investing. While the goal of the activity was to show a rate of return on our investments greater than the states LAIF interest rate we have not pursued aggressive investments.

<i>CE #5: Increase in Agency Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Revenue in dollars /interest income (increase)	Revenue/rate of return prior to implementation of the activity	Expected revenue/rate of return after implementation of the activity	Actual revenue/rate of return after implementation of the activity	Whether the outcome meets or exceeds the benchmark.
Interest earned on MTW funds invested	1.72% interest earned on MTW funds invested during FY 2009 (LAIF rate 0.35%)	Percentage increase in investment earnings over State LAIF interest rates	Actual rate of return was .24% (LAIF rates)	Same (rate of return= LAIF rate)

C. Benchmark Achievement

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013,” if the agency’s first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year’s Report.” The previously established metric was similar to the CE#5 metric; however, we were looking at an increase in investment earnings versus specifically in rental revenue.

At fiscal year-end 2013, \$3,414,585 was invested in LAIF accounts at an interest rate of 0.24%. Due to the uncertainty of the funding levels, sequestration and threat of government shutdown, we plan to continue our conservative approach in FY 2014.

The activity is on schedule.

D. Measurement Revisions

There are no revisions to the measurements.

E. Data Collection Methodology

The Agency has not modified its original data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

Activity 4: Biennial Recertifications

This activity was initially approved in our FY 2009 MTW Annual Plan and implemented on October 1, 2009.

A. Activity Description

This activity was initially approved in our FY 2009 MTW Annual Plan. It has allowed us to conduct recertifications every two years for elderly and disabled households that have no other adult household members and for which there is no earned income for both the Public Housing and Housing Choice Voucher programs. This activity was then modified in our FY 2012 MTW Annual Plan to expand the scope to conduct biennial inspections on all families in both programs.

B. Activity Impact

This activity generated operational efficiencies from a reduction in annual case loads and also reduced the reporting burden on our families. Since we have not made any changes to our interim process, families are required to report all changes in income and family composition. The recertification caseload was divided in half; the first half of the recertifications were completed in FY 2012, and the remaining half were completed this fiscal year (FY 2013).

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total hours to conduct recertification for elderly and disabled eligible families with fixed incomes	306 hours for Public Housing; 2,224 hours for HCV in FY 2009. (0.85 hours to complete recertification)	153 hours to complete recertifications in PH; 1,122 hours for HCV. The benchmarks will be the same for all forthcoming years.	99 hours to complete recertifications in PH and 813 hours for HCV for elderly and disabled eligible families with fixed incomes	Yes
Total hours (to conduct recertification for non-elderly and non-disabled families	1,393 hours for Public Housing; 8,453 hours for HCV in FY 2009 (1.62 hours per recertification)	697 hours to complete recertifications in PH; 4,227 hours for HCV. The benchmarks will be the same for all forthcoming years.	287 hours to complete recertifications in PH and 2,583 hours for HCV for non-elderly and non-disabled families	Yes

C. Benchmark Achievement

We have achieved our benchmarks for this activity in 2013. There are other factors that have affected the baselines – first the disposition of over 400 units from the Public Housing to the Housing Choice Voucher Program and second the aggressive leasing efforts in our voucher programs have led to a larger portfolio.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

Activity 5: Local Verification Policies

This activity was approved in our FY 2009 MTW Annual Plan and was implemented on October 1, 2009.

A. Activity Description

This activity, and the flexibilities granted through this activity, allowed us to implement local verification policies for both the Affordable (Public) Housing and Housing Choice Voucher programs.

B. Activity Impact

The verification form used by the team was modified in FY 2011 has Upfront Income Verification using HUD’s Enterprise Income Verification (EIV) as the highest, followed by documents viewed – if satisfactory information to verify income and source is provided. If additional verification is required, a third party written verification is requested and lastly we use third party oral as the lowest ranking of income verification. This activity has simplified the process for our families and the team - allowing us to better track the verification.

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Hours to conduct verifications per family	1,133 hours to process verifications in Public Housing; 5,814 in HCV (0.7 in PH and 0.8 in HCV to conduct verifications)	705 hours to process verifications in PH; 3,875 in HCV. The benchmarks will be the same for all forthcoming years.	Hours to process verifications: PH - 318 hours and HCV – 4,364 hours	Yes

C. Benchmark Achievement

The efficiencies gained from this activity continue in FY 2013. The time spent per verification compared to the baseline data decreased by 25% in the HCV program and over 75% in the Affordable Housing (Public Housing) program. The significant decrease in the number of hours in the Public Housing Program is due to the disposition of scattered sites that transferred 308 public housing families to the project based portfolio of the Housing Choice Voucher Program in FY 2012 as well as the disposition of an additional 62 units within the Redlands AMP this fiscal year. The total hours spent in the HCV program was 4,364 hours and 318 hours in the Public Housing Program.

This activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology

The Agency has not modified its data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (C)(4) and (11) which waives certain provisions of Sections 3(a)(1), 3(a)(2), 3(a)(3)(A) of the 1937 Act and 24 CFR 5.603, 5.611, 5.628, 5.630, 5.632, 5.634, 960.255, 966.4 and 960.257 and Attachment C(D)(1)(c) and (3)(b) which waives certain provisions of Section 8(o)(5) and 24 CFR 982.516 and 982 Subpart E. Through this regulatory waiver HACSB is able to meet the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures by performing fewer time consuming and as a result costly, income verifications.

Activity 6: Elimination of Assets

This activity was approved our FY 2009 MTW Plan and was implemented on October 1, 2009.

A. Activity Description:

HACSB has modified the tenant rent calculation by eliminating the inclusion of income from assets in both the Affordable Housing and Housing Choice Voucher programs. Information on assets is not required to be reported by families and is not being verified by HACSB.

B. Activity Impact

This activity has generated reduced staff time associated with collection and verification of assets. It also alleviates the reporting burdens on our families, most of whom have little or few assets.

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmarks

Hours of staff time to collect and calculate asset income for PH	178 hours to collect and calculate asset income in Public Housing	Zero hours in FY 2010 and beyond to collect and calculate asset income for PH	Zero hours in FY 2013 to collect and calculate asset income for PH	Yes
Hours of staff time to collect and calculate asset income for HCV	1,300 hours to collect and calculate asset income for HCV	Zero hours in FY 2010 and beyond to collect and calculate asset income for HCV	Zero hours in FY 2013 to collect and calculate asset income for HCV.	Yes

C. Benchmark Achievement

The established benchmarks were met in FY 2010 and have continued to be met wherein staff is not spending any hours calculating asset income in our Affordable Housing and Housing Choice Voucher Programs. No hardship requests were received for this activity as it benefits our families.

The activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology

The Agency has not modified its data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

Activity 7: Controlled Program Moves

This activity was approved in our FY 2009 MTW Annual Plan and implemented on February 1, 2010.

A. Activity Description

This activity limits voluntary program moves for Housing Choice Voucher participants to once every two years upon verification from their current landlord that they are a tenant in good standing. We have established exceptions to this policy, like permitting moves for reasonable accommodations and self-sufficiency activities.

B. Activity Impact

This activity has helped our families make educated, informed decisions regarding moves. All families wishing to move attend a pre-move briefing where we educate families on basics like expenses associated with moves and the importance of making the right move when necessary. The significance of a stable environment for a child's development is often missed when people move. The two year restriction on moves helps families become stabilized and avoid uncalculated moving expenses. As an agency, that is a great accomplishment as we are empowering our families to make educated decisions.

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmarks
Hours annually to process a program move	4,599 hours to process program moves annually (4.8 hours per move).	1,448 hours spent to process moves annually.	3,687 hours spent to process program moves annually (5 hours per move) (18% decrease from baseline)	No, but progress has been made. Will adjust aggressively established benchmark to 20%.

The following is an agency developed and previously established metric that we would like to maintain in addition to the required standard metrics:

Baseline Description	Baseline Data	Metric	Benchmark	Outcome
Percent of total voluntary program moves each year	12.7% of participants moved voluntarily in FY 2009	Percent of families that voluntarily move each year	No more than 4% of total participants move voluntarily each year. The benchmark will remain the same for all forth-coming years.	8.32% of participants moved voluntarily in FY 2013

C. Benchmark Achievement

The benchmark was not achieved in FY 2013 and the total hours spent processing moves did not change much from FY 2012 (3,772 hours); the moves process continues to be a timely one. However, progress continues to be made on decreasing the number of hours from the baseline. In FY 2013, the number of hours from the baseline decreased by 18%. Progress was also made on the number of moves. The percentage of moves in FY 2013 (8.32%) decreased by 30% over FY 2012 and over 40% over the baseline. Additionally, the number of hours spent to process program moves annually decreased from 3,772 in FY 2012 to 3,687 in FY 2013. The two year restriction on moves was effective upon execution of a new Housing Assistance Payment for current families which led to a staggered implementation. In FY 2012, we changed our occupancy standards to two per room, regardless of age, gender and relationships within the guidelines and as expected, we saw a decrease in the number of moves due to this policy.

This activity is on schedule.

D. Measurement Revisions

In FY 2009, when this activity was implemented, we aggressively set a goal to decrease the total hours spend in processing moves by 68%, we see now that this was rather aggressive and plan to adjust the benchmark percentage downward to 20% in future reports.

E. Data Collection Methodology

The Agency has not modified its data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

frequency of elective program moves which will save staff time that can be devoted to other critical activities.

Activity 8: Local Policies for Portability

This activity was approved in our FY 2009 MTW Annual Plan and was modified in our FY 2010 MTW Annual Plan. It was implemented on August 1, 2010.

A. Activity Description

This activity allowed us to apply MTW requirements to inbound portability families. As per activity 15: Pilot Work Requirement (effective August 1, 2010), a work requirement of a minimum of 15 hours per week for all eligible household members of the incoming portability family was also implemented.

B. Activity Impact

The detailed portability briefings allow us to educate incoming portability families about our MTW activities and requirements.

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmarks
Hours of staff time spent to process in-bound portability	2,004 hours to process in-bound ports in FY 2009	1,002 hours to process in-bound ports. The benchmark will be the same for all forthcoming years.	303 hours to process in-bound ports in FY 2013	Yes
Hours of staff time spent to process out-bound portability	319 hours to process out-bound ports in FY 2009	160 hours to process out-bound ports. The benchmark will be the same for all forthcoming years.	161 hours to process out-bound ports in FY 2013	Yes

C. Benchmark Achievement

The benchmarks for the inbound portability and portability receivables were accomplished in FY 2013. The overall number of incoming ports increased in FY 2013 and we did see a decrease in the number of outgoing ports. The increase in the number of incoming ports increased the time spent processing incoming ports. The hours spent on outgoing ports were still 50% lower than the baseline data creating efficiencies in processing ports.

This activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology

The Agency has not modified its data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

Activity 9: Elimination of Earned Income Disallowance

This activity was approved in our FY 2009 MTW Annual Plan and implemented on October 1, 2009.

A. Activity Description

This activity eliminated the HUD Mandatory Earned Income Disallowance (MEID) from the calculation of total tenant payment for all Housing Choice and Public Housing participants.

B. Activity Impact

The activity was implemented on October 1, 2009 and no new participants were offered EID. Our anticipated impact of this activity was to provide opportunities to families to increase their economic independence by better mirroring financial incentives in the unsubsidized housing portfolio. We did not receive any hardship requests for this activity.

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total staff hours to manage EID in Public Housing	52.7 total hours spent in FY 2009 to manage EID in Public Housing	Zero hours in staff time spent to manage EID in PH	0 total hours spent in FY 2013 to manage EID in PH	Yes
Total staff hours to manage EID in HCV	5.7 total hours spent in FY 2009 to manage EID in HCV	Zero hours in staff time spent to manage EID in HCV	0 hours spent in FY 2013 to manage EID in HCV	Yes

C. Benchmark Achievement

All benchmarks were achieved; participants who were receiving EID prior to the implementation date were allowed to continue to receive the disallowance through September 30, 2011 or until their eligibility for EID expired, whichever came first. In FY 2013, no families received the EID, thus zero staff hours were spent in managing EID. We are proposing to revise the statutory objective of this activity to cost effectiveness versus self-sufficiency as previously indicated.

This activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology

There are no revisions in the data collection methodology.

F. Changes to Authorization

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiatives through Attachment C, D 1.a and b and D 2.b which waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(G) and 8(o)(13)(F) of the 1937 Act and 24 CFR 982.303, 982.308, 982.309, 982.451 and 983 Subpart E and F. This activity addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures.

Activity 10: Minimum Rent

This activity was approved in our FY 2009 MTW Annual Plan and implemented on October 1, 2009 for recertifications and on January 1, 2010 for all families.

A. Activity Description

This activity allowed us to increase the minimum rent from \$50 to \$125 per month for all households in both the Affordable (Public) Housing and the Housing Choice Voucher Program.

B. Activity Impact

On October 1, 2009 and the minimum rent was increased from \$50 to \$125 (for families that had a recertification at that time, January 1, 2010 for all families). Unfortunately the current economic conditions have severely affected our County with an unemployment rate of 9.4% versus the state at 8.5% or the nation at 7.2%^[1]. Our Community Development Initiatives Department has been focusing on promoting strategies that support economic independence and providing our families the tools of support and services to succeed.

^[1] US Bureau of Labor Statistics

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average earned income in dollars	Average earned income for PH minimum rent families prior to the implementation of this activity	Expected average earned income for PH minimum rent families	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013).	
Average earned income in dollars	Average earned income for HCV minimum rent families prior to the implementation of this activity	Expected average earned income for HCV minimum rent families	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013).	

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

Average amount of Section 8 and/or 9 subsidy for households with TTP < \$125.	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Decreased average amount of Section 8 and/or 9 subsidy to households with TTP <\$125.	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013).
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C. Benchmark Achievement

In FY 2013, we did not receive any hardship requests for the minimum rent policy.

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013,” if the agency’s first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year’s Report.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

Activity 11: Local Project Based Voucher

This activity was approved in our FY 2009 MTW Annual Plan and was amended in the third amendment to the FY 2010 MTW Annual Plan to clarify the components of our local program. The activity was implemented in September 2010.

A. Activity Description

This activity allows us to implement a local Project Based Voucher (PBV) program that meets the needs of the local community and increases the availability of quality housing units.

B. Activity Impact

In FY 2012, we received Board approval to renew PBV contracts for 159 units at Desert Village in Victorville, Redwood Terrace in Fontana, and Yucaipa Crest in Yucaipa. We also executed PBV contracts for 125 units at Sunset Pointe and Sunrise Vista in Barstow, executed an AHAP for 47 units at Meadowbrook Park Apartments in San Bernardino, received board approval for 8 units at META Housing in San Bernardino, and also received board approval for 35 units at Horizons in Yucaipa. HACSB or its affiliate nonprofit currently have or will have an ownership interest in these properties.

<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.	Housing units of this type prior to implementation of the activity (number). This number may be zero.	Expected housing units of this type after implementation of the activity (number).	Actual housing units of this type after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

C. Benchmark Achievement

This outcome will be measured in next year's Report. Per the "Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013," if the agency's first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year's Report.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C, Section D.7 of the MTW Agreement. This activity addresses the MTW statutory objective to increase housing choices for low income families.



Activity 12: Local Payment Standards

This activity was approved in our FY 2009 MTW Annual Plan and was modified in our FY 2012 MTW Annual Plan. It was implemented on April 1, 2011 for all recertification's effective July 1, 2011.

A. Activity Description

San Bernardino County is the largest county in the contiguous United States by area and larger than any of the nine smallest states combined. This activity accurately reflects the varying rental submarkets that exist across our vast County.

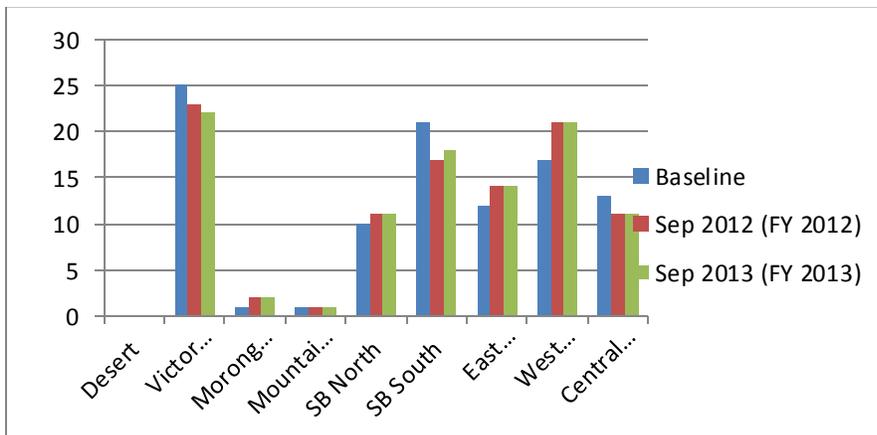
B. Activity Impact

An independent third party real estate consulting firm, AREA Inc. was initially hired to analyze our County and develop our sub markets (regions). In FY 2013, we updated our payment standards using the same methodology established by AREA Inc. This activity has increased the housing choice for our families as they are now able to move to regions with better job prospects, transportation and schools, most of them being lower poverty areas.

HC #5: Increase in Resident Mobility																
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?												
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.												
Number of participants in each submarket, with special focus on participants in Submarkets 2 and 6 – submarkets in high poverty census tracts.	<table border="1"> <tr> <td>SUB 2</td> <td>25%</td> </tr> <tr> <td>SUB 6</td> <td>21%</td> </tr> </table>	SUB 2	25%	SUB 6	21%	<table border="1"> <tr> <td>Sub 2</td> <td>21%</td> </tr> <tr> <td>Sub 6</td> <td>17%</td> </tr> </table> <p>Submarkets 2 and 6, see a decrease of 8% in three years.</p>	Sub 2	21%	Sub 6	17%	<table border="1"> <tr> <td>Sub 2</td> <td>22%</td> </tr> <tr> <td>Sub 6</td> <td>18%</td> </tr> </table> <p>Submarkets 2 and 6 both saw a decrease of 3% from the baseline.</p>	Sub 2	22%	Sub 6	18%	We have not yet reached the time period in which we expect to achieve the benchmark. However, we are on target.
SUB 2	25%															
SUB 6	21%															
Sub 2	21%															
Sub 6	17%															
Sub 2	22%															
Sub 6	18%															

C. Benchmark Achievement

We have not yet reached the time period in which we expect to achieve the benchmark. However, progress continues to be made in the percentage of households moving from areas of high poverty to other submarkets in the county that provide more opportunities which will help them with their self-sufficiency efforts. Examples of this include a 4% increase to the West Valley (relatively better opportunities) and 3% decreases in households residing in Victor Valley and San Bernardino South, higher poverty areas. The shifts from the higher poverty to lower poverty areas indicate our families are moving to areas that provide better opportunities, increasing their self-sufficiency efforts.



This activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology

The Agency has not modified its data collection methodology.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through its Moving to Work Agreement, Attachment C D(2)(a), (b), (c), and (d) which waives certain provisions of Sections 8(o) (1),(2),(3),(7),(10) and 8(o)(13)(F),(G)(H-I) of the 1937 Act. This Payment Standard Implementation plan replaces the federal regulations at 24 CFR 982.508, 982.503, 982.505, 982.518, 982.308, 982.451, 982.507 Subpart L and Subpart E. This activity addresses the MTW statutory objective to increase housing choices for low-income families. Without the waiver of the payment standard regulations we could not implement local payment standards which will improve housing opportunities for low-income families throughout the county of San Bernardino.

Activity 13: Local Inspection Standards

This activity was approved in our FY 2010 MTW Annual Plan and was implemented on May 1, 2011.

A. Activity Description

This activity allowed us to develop and implement local inspection standards for the Housing Choice Voucher program and allows units to qualify for a biennial inspection schedule.

B. Activity Impact

The biennial schedule reduced the administrative burden on conducting inspections on units that qualify, those that passed inspections on the first time. A good example of our enhanced standards is the requirement of a cooling system for units located in areas of our county that face significantly higher temperatures. Additionally, this activity provided an incentive for HACSB to increase housing choice options for low-income families. In our development phase for this activity, we sought and incorporated input from landlords.

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Dollars (total) to conduct inspections	Total expenses for inspections is \$707,551	Total expenses for inspections is \$579,392 in two years	Total expenses for inspections was \$402,463	Yes

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total time to conduct an inspection (decrease)	Total amount of staff time dedicated to conducting an inspection prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated conducting an inspection after implementation of the activity (in hours).	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)	

The following is an agency developed and previously established metric that we would like to maintain in addition to the required standard metrics.

Baseline Description	Baseline	Metric	Benchmark	Outcome
Number of units that qualify for biennial and annual inspections	0% of inspections were biennial	Ratio of inspections that qualify for biennial to total inspections	33% of our portfolio will qualify for biennial inspections	60% of our portfolio qualified for biennial inspections in FY 2013

C. Benchmark Achievement

In FY 2013, we completely outsourced our HCV inspections. To date, we are tracking the cost savings from the activity and our outsourcing efforts. We will also continue to do quality checks of our portfolio for accuracy, inspection standards and customer satisfaction. In FY 2013, the total costs to conduct inspections were \$402,463 which exceeded the benchmark bringing savings of \$305,088 from our baseline costs. This may be primarily due to the fact that the percentage of inspections that have qualified for biennial inspections has been well above the expected outcome.

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013,” if the agency’s first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year’s Report; we will report the outcome of the metric measuring staff time to conduct an inspection in next year’s Report.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (D)(5) which waives certain provisions of Sections 8(o)(8) of the 1937 Act and 24 CFR 982 Subpart I. This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures and to provide better housing options to low income families.

Activity 14: Local Asset Management Program

The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. As per our FY 2012 MTW Annual Plan and in accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elected to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. Detailed information is provided in Appendix B.

Activity 15: Pilot Work Requirement

This activity was approved in the FY 2010 MTW Annual Plan and was implemented on January 1, 2013 for the Maplewood Homes affordable housing community; it was implemented on August 1, 2010 for all incoming ports.

A. Activity Description

This activity requires families to participate for a minimum of 15 hours per week in “work” related activities. For the residents in our Maplewood Community, “work” under this activity encompasses participation in any one of three phases:

- Phase 1: activities removing barriers to gainful employment
- Phase 2: activities leading to gainful employment
- Phase 3: employment

“Work” activities are defined as a Resident’s participation in any of the three phases described below. Residents will be allowed to participate in Phase One work activities (activities removing barriers to gainful employment) for up to two (2) years. After the two-year period, Residents are required to transition to the other two phases. Residents are allowed to participate in Phase Two work activities (activities leading to gainful employment) for a maximum of two (2) years. After the two-year period, Residents are required to transition to Phase Three (employment).

For incoming ports, the work requirement for all non-elderly and non-disabled families was implemented on August 1, 2010 in the Housing Choice Voucher Program, and all eligible household members (non-elderly and non-disabled) of the incoming portability family must be employed at least 15 hours per week within our County or within a reasonable driving distance, prior to the execution of the HAP contract and throughout their participation in our program. Non-compliant families will have their previous employment income imputed until new employment is obtained. This has helped families make educated decisions prior to their move to San Bernardino and assist them on their path to economic independence.

We currently have an onsite Workforce Development Specialist, once a week, contracted from the county’s Workforce Development Department and an onsite full time Resident Services Coordinator. This activity has had a positive effect on the families by providing additional resources, through those mentioned above, in order to be able to assist families in participating in activities that will transition them to economic independence.

B. Activity Impact

Upon initial implementation, residents were given a six month transition period, allowing them time to comply prior to July 1, 2013, the date at which the transition period ended. Tremendous efforts were undertaken prior to implementation to ensure our families have access to the skills required to meet the work requirement. Researchers at Loma Linda University conducted an in-depth needs assessment which educated us about issues faced by the families like health barriers, lack of basic computer skills,

high levels of debt, substance abuse, transportation etc. We have established partnerships with service providers to meet our family's needs, including onsite services and provide guidance through the process.

Additionally, information sessions were held on site to educate residents about the work requirement.

SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Dollars - average earned income of households in Maplewood Homes affected by this policy.	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
Dollars - average adjusted income of port-in households affected by this policy; % increase of income	Average adjusted annual income at start of activity in \$13,966	Increase of 15% of average annual adjusted income	Average adjusted income for port families in FY 2013 is \$16,059, a 15% increase	Yes

SS #3: Increase in Positive Outcomes in Employment Status				
<i>Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

(4) Enrolled in Job Training Program (5) Unemployed (6) Other				
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
Employed full time	Head(s) of households with FULL TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with FULL TIME EMPLOYMENT prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	Actual percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	
Employed part time	Head(s) of households with PART TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with PART TIME EMPLOYMENT prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity (percent).	Actual percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity (percent).	
Enrolled in an Educational Program	Head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated

	Percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	9/17/2013)
Enrolled in Job Training Program	Head(s) of households ENROLLED IN JOB TRAINING PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	
Unemployed	Head(s) of households UNEMPLOYED prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households UNEMPLOYED after implementation of the activity (number).	Actual head(s) of households UNEMPLOYED after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able UNEMPLOYED prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households UNEMPLOYED after implementation of the activity (percent).	Actual percentage of total work-able UNEMPLOYED after implementation of the activity (percent).	
Other (i.e. volunteer activities)	Head(s) of households participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Actual head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	Actual percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household (affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
Average HAP for port-in families	Average HAP at start of activity is \$726.25	Reduction of 15% in Average HAP for incoming portability families	Average HAP payment for port families in FY2013 of \$626.84.	No; however progress was made on a continuing reduction. From last year's HAP, this year's amount saw a 5% decrease. From the baseline, this year's HAP saw a 14% reduction from the baseline.

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). For this activity, HACSB defines self-sufficiency as "Voluntary termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc.) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or homeownership).	0 households transitioned to self-sufficiency prior to implementation of the activity (number).	Expected households transitioned to self-sufficiency after implementation of the activity (number).	0 actual households transitioned to self sufficiency after implementation of the activity (number). (Outcome also provided in Section II.B of this Report)	We have not yet reached the time period in which we expect to achieve the benchmark. Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
PHA rental revenue in dollars due to increased rent amount from families' increased employment opportunities in the Maplewood Homes affordable housing community (increase).	Average household rent from program-eligible families residing at Maplewood Homes is \$194	Increase of 2% per year in monthly household rent from year 2	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)	

C. Benchmark Achievement

Per the "Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013," if the agency's first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year's Report.

In terms of existing metrics, we did see a 15% increase in the income of our port-in families, achieving our benchmark of an increase in 15% of average annual adjusted income from the baseline. Though the benchmark for a reduction of 15% in average HAP for port-in families was not achieved, significant progress was made resulting in a 14% reduction from the baseline; we were short only 1% from achieving our benchmark of 15% in average HAP reduction.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology –

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorization –

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

G. Authorization Citation and Statutory Objectives –

HACSB is authorized to undertake this initiative through Attachment C(C)(2), (C)(5), (D)(1)(g) and (D)(3)(b) which waives certain provisions of Section 6(c) and Section 8(r) of the 1937 Act and 24 CFR 960.201, 960.206, 982.516 and 982 Subparts E and H. This activity relates to the statutory objective to provide incentives to families to achieve self-sufficiency.

Activity 17: Local Income Inclusion

This activity was approved in our FY 2011 MTW Annual Plan and implemented on May 1, 2011.

A. Activity Description

This activity allowed us to implement policies to include certain income from sources in the rent calculation that are currently excluded. The sources of income that are now included are foster care income and sanctioned Temporary Assistance to Needy Families (TANF) income.

B. Activity Impact

The activity encourages families to maintain their self-sufficiency goals and maximize value on available resources. CALWORKS (TANF) is our local welfare program that provides cash aid and services to needy families if they comply with local and federal regulations. Many of our families were receiving sanctioned benefits due to non-compliance that hindered their path to economic independence. This activity has increased compliance and has been received well by our local Transitional Assistance Department (TAD). Families receiving foster care income are informed at their annual recertification that the inclusion will not occur until the following year. This will help prepare our families for economic independence and help them budget, while reducing the per-unit costs and increasing agency revenue, due to the inclusion of these forms of income in the rental calculation. There were no hardship requests received for this activity in FY 2013.

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Dollar - Average amount of Section 8 and/or 9 subsidy per household receiving foster care allowance in PH and the HCV program, affected by this policy in dollars (decrease). Dollar - Average amount of Section 8 and/or 9 subsidy per household receiving TANF sanctions in PH and the HCV program, affected by this policy in dollars (decrease).	Average subsidy per household receiving foster care income (excluded from rent calculation) affected by this policy prior to implementation of the activity (in dollars). Average subsidy per household receiving TANF sanctions (excluded from rent calculation) affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars). Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013) Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)	

C. Benchmark Achievement

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013,” if the agency’s first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year’s Report.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorization –

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

G. Authorization Citation and Statutory Objectives –

HACSB is authorized to undertake this initiative through Attachment C (D) 2 (a) which waives certain provisions of Section 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R 982.303, 982.309 and 983 Subpart F. This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

Activity 18: Property Management Innovation

This activity was approved in our FY 2011 MTW Annual Plan and implemented on January 1, 2012.

A. Activity Description

This activity allowed us to develop a property management innovation program that reflects the private sector property management principles.

B. Activity Impact

The activity was with the objective of implementing policies that are used in the private sector to decrease management costs, improve the quality of our units and assist our tenants in becoming familiar with the private sector property management principles. All residents signed a new lease which incorporated all the changes proposed in the activity. The lease reflected the following changes approved by HUD in our FY 2011 plan:

- a. 3 Day notice to pay or Quit (previous policy was 14 days).
- b. NSF fees of \$25.00 for first and \$35 for additional items (previous policy was \$25.00).
- c. Late fees increased from \$20 to \$50.
- d. Security deposits equal to one month's market rent (current security deposit charged is \$500.00)
- e. Implement a holding deposit of \$200.00
- f. Agency will choose lower of flat rent or 30% income rent for residents.

- g. Grievance Process – Previous two step process was replaced with a single on site settlement conference with staff for timely and effective resolutions to issues.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost for arbitration services (decrease)	Cost of task prior to implementation of the activity (in dollars)=\$6,550	Expected costs for arbitration services after implementation of the activity (in dollars)=\$0	Actual arbitration services costs after implementation of the activity (in dollars)=\$0	Yes
Average per unit contract vacancy turnaround expenses (decrease)	Cost of task prior to implementation of the activity=\$14 PUM (9/30/2011)	Expected average per unit contract vacancy turnaround expenses after implementation of the activity=\$11 PUM	Actual average per unit contract vacancy turnaround expenses after implementation of the activity=\$12 PUM	Yes

C. Benchmark Achievement

All benchmarks were achieved for this activity. This activity is on schedule.

D. Measurement Revisions

There were no revisions to the baselines or the metrics.

E. Data Collection Methodology –

There are no revisions in the data collection methodology.

F. Changes to Authorization –

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

G. Authorization Citation and Statutory Objectives –

HACSB is authorized to undertake this initiative through Attachment C (C) 9(b) which waives certain provisions of Section 6 (l) of the 1937 Act and 24 C.F.R 966 Subpart A and B and Attachment C (C) 10 which waives certain provisions of Sections 3,6,7,16 and 31 of the 1937 Act and 24 C.F.R. 945 subpart C, 960 Subparts B, D, E and G. This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

Activity 19: Pilot Local FSS Program

This activity was approved in our FY 2011 MTW Annual Plan and was implemented in July 2012.

A. Activity Description

This activity allowed us to develop a pilot local Family Self Sufficiency (FSS) program to help families in their self-sufficiency efforts. Under this program, families will have access to their accrued escrow funds during their contract term, if used for self-sufficiency purposes. At the end of their FSS contract term, participants will only be eligible to receive the remaining balance if they voluntarily terminate their assistance from the program.

B. Activity Impact

At initial implementation of this activity, we set up a control group (traditional program) and a local group to compare their individual advantages. Recruitment for both local program and control group is ongoing and the programs are offered to new FSS applicants in the Housing Choice Voucher and Public Housing Programs. We anticipate families in our local group will use their withdrawal ability wisely and make educated financial decisions that will assist them in their self-sufficiency efforts.

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy.	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
<i>Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for	Head(s) of households in <<category name>> prior to implementation of the	Expected head(s) of households in <<category name>> after implementation	Actual head(s) of households in <<category name>> after implementation	Whether the outcome meets or exceeds the

each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	activity (number). This number may be zero.	of the activity (number).	of the activity (number).	benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
Employed full time	Head(s) of households with FULL TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with FULL TIME EMPLOYMENT prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	Actual percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	
Employed part time	Head(s) of households with PART TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with PART TIME EMPLOYMENT prior to implementation of activity (percent). This	Expected percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity	Actual percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity	

	number may be zero.	(percent).	(percent).	
Enrolled in an Educational Program	Head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	
Enrolled in Job Training Program	Head(s) of households ENROLLED IN JOB TRAINING PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	
Unemployed	Head(s) of households UNEMPLOYED prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households UNEMPLOYED after implementation of the activity (number).	Actual head(s) of households UNEMPLOYED after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able UNEMPLOYED prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households UNEMPLOYED after implementation of the activity (percent).	Actual percentage of total work-able UNEMPLOYED after implementation of the activity (percent).	

Other (i.e. volunteer activities)	Head(s) of households participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Actual head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	Actual percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase).</p> <p>For this activity, HACSB defines self-sufficiency as "Voluntary termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc.) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or homeownership.</p>	0 households transitioned to self-sufficiency prior to implementation of the activity (number).	Expected households transitioned to self-sufficiency after implementation of the activity (number).	<p>0 actual households transitioned to self sufficiency after implementation of the activity (number).</p> <p>(Outcome also provided in Section II.B of this Report)</p>	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

C. Benchmark Achievement

Per the "Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013," if the agency's first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year's Report.

At the end of FY 2013, we had 69 families in the local group and 53 families in the control group. Of the 122 families participating in this activity, 43 (35%) have experienced an increase in earnings which has resulted in accrued escrow balances totaling \$33,852.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

HACSB is authorized to undertake this initiative through Attachment C (E) which waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984. This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

Activity 20: Five Year Lease Assistance Program (formerly Term Limits)

This activity was approved in our FY 2011 MTW Annual Plan and was implemented on January 1, 2012.

A. Activity Description

This activity implements a five year term limit with flat subsidy on housing assistance for new households (excluding elderly and disabled) in our Housing Choice Voucher Program.

B. Activity Impact

At the end of FY 2013, we had 719 families on our Five Year Lease Assistance Program. The goal of the activity is to help our families focus on their self-sufficiency efforts while we assist them with their housing needs for a specific term. In addition all eligible family members work with our Community Development Initiatives Department to develop a personalized Individual Training and Service Plans

(ITSP). This plan helps our families map out their five year plan and establish milestones on their path to self-sufficiency.

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy.	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
<i>Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
Employed full time	Head(s) of households with FULL TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with FULL TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with FULL TIME EMPLOYMENT prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	Actual percentage of total work-able households with FULL TIME EMPLOYMENT after implementation of the activity (percent).	
Employed part time	Head(s) of households with PART TIME EMPLOYMENT prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Actual head(s) of households with PART TIME EMPLOYMENT after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able households with PART TIME EMPLOYMENT prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity (percent).	Actual percentage of total work-able households with PART TIME EMPLOYMENT after implementation of the activity (percent).	
Enrolled in an Educational Program	Head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN AN EDUCATIONAL PROGRAM after implementation of the activity (percent).	

Enrolled in Job Training Program	Head(s) of households ENROLLED IN JOB TRAINING PROGRAM prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Actual head(s) of households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	Actual percentage of total work-able ENROLLED IN JOB TRAINING PROGRAM after implementation of the activity (percent).	
Unemployed	Head(s) of households UNEMPLOYED prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households UNEMPLOYED after implementation of the activity (number).	Actual head(s) of households UNEMPLOYED after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able UNEMPLOYED prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households UNEMPLOYED after implementation of the activity (percent).	Actual percentage of total work-able UNEMPLOYED after implementation of the activity (percent).	
Other (i.e. volunteer activities)	Head(s) of households participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of the activity (number). (This number may be zero.)	Expected head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Actual head(s) of households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (number).	Outcomes will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)
	Percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	Actual percentage of total work-able participating in OTHER activities, leading to positive outcomes in employment status after implementation of the activity (percent).	

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number)	Actual households receiving TANF after implementation of the activity (number)	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

SS #5: Households Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self sufficiency (increase)	Households receiving self sufficiency services prior to implementation of the activity (number)	Expected number of households receiving self sufficiency services after implementation of the activity (number)	Actual households receiving self sufficiency services after implementation of the activity (number)	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase).</p> <p>For this activity, HACSB defines self-sufficiency as "Voluntary termination of housing assistance and other forms of government assistance (TANF, Calworks, cash aid, etc.) due, but not limited to, an increase in income, education, savings and employment (attainment of and/or increased level) to market-rate housing or</p>	0 households transitioned to self-sufficiency prior to implementation of the activity (number).	Expected households transitioned to self-sufficiency after implementation of the activity (number).	<p>0 actual households transitioned to self sufficiency after implementation of the activity (number).</p> <p>(Outcome also provided in Section II.B of this Report)</p>	Metrics will be reported in next year's report (per HUD FAQ instructions dated 9/17/2013)

homeownership.				
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C. Benchmark Achievement

Per the “Frequently Asked Questions about HUD Form 50900: Elements for the Annual MTW Plan and Annual MTW Report, September 17, 2013,” if the agency’s first required document in the new format is the Report, the agency will list the standard metrics in this Report and report on their outcomes in the next year’s Report.

The activity is still in the initial implementation phase. The ultimate goal of this activity will not be realized until the fourth and fifth year of implementation. We are also working with Loma Linda University, which is conducting a longitudinal study which will follow the first 700 families through this activity, tracking their goals and accomplishments. Together with Loma Linda University, we continue to develop this program through processes and tracking methods. In FY 2013, we worked with the Workforce Investment Board (WIB) and placed a workforce development specialist at our Housing Program Office in San Bernardino and the Maplewood Homes Affordable Housing Community. This specialist provides job training programs and ‘leads’ that will help our families secure employment and earn a ‘living wage’ moving them closer to economic independence.

This activity is on schedule.

D. Measurement Revisions

Standard metrics were selected from Form 50900: Elements for the Annual MTW Plan and Annual MTW Report. As directed, if one of the new standard metrics had not been used in previous Annual MTW Reports, the HA will begin tracking the activity using the standard metrics in the current fiscal year.

E. Data Collection Methodology

Revisions will be made in the coming fiscal year to accommodate the collection of data to report on the new standard metrics.

F. Changes to Authorizations

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

G. Authorization Citation and Statutory Objectives

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

B. Not Yet Implemented Activities

Activity 22: Streamlined Lease Assistance Program

This activity was approved in our FY 2013 MTW Annual Plan.

A. Activity Description

Through this activity, HACSB will develop a tiered subsidy/rent schedule, based on annual income, to calculate the total tent payment (TTP) for all non-elderly and non-disabled households participating in the Housing Choice Voucher and Affordable Housing (Public Housing) portfolios. For all elderly and disabled households, TTP will be based on a fixed percentage of the gross annual income that has been adjusted to account for deductions and allowances. If the percentage of annual income is more than the ceiling rent for Affordable Housing or contract rent for Housing Choice Voucher Program, then the lesser of the TTP or rent will be charged.

TIERED LEASE ASSISTANCE PROGRAM:

The subsidy/rent tier for all non-elderly and non-disabled families will be effective at each biennial recertification and will start at 21% of annual income and increase by 3% at every recertification (two years) to a maximum 30% of annual income. No other deductions or allowances (e.g. dependents, elderly/disabled, childcare, medical, disability expense, utility, etc.) will be provided, since these have been taken into account in determining the baseline percentage amount of 21%. At each recertification, an individualized baseline will be established and the TTP will never drop below the prior baseline. Families will not be subject to any changes in their calculations in between tiers, hence an increase in family income would equate to additional savings for the family.

TIERED SCHEDULE FOR NON ELDERLY AND NON DISABLED HOUSEHOLDS

Timeline	Next recertification	Year 2	Year 4	Year 6
Percentage	21%	24%	27%	30%

FIXED LEASE ASSISTANCE PROGRAM:

For all elderly and disabled households, HACSB will use a flat 24% of gross annual income to calculate the total tenant payment. This process will eliminate all other deductions and allowances (e.g. dependents, elderly/disabled, childcare, medical, disability expense, utility, etc.) resulting in a simpler calculation which will benefit the agency and the family. The baseline percentage has taken into account deductions and allowances. These families will not be subject to a tier and the 24% of annual income will be effective at their next biennial recertification.

Timeline	Next recertification
Percentage	24%

HACSB participates in an Energy Performance Contract (EPC) within its affordable housing program. The incentives associated with the EPC are an add-on subsidy and a utility allowance reduction calculation. The proposed tiered and/or subsidy/rent schedule has been adjusted to account for utility allowances. HACSB will continue to calculate the utility allowance reduction incentive separately for applying the incentive on the affordable housing Operating Subsidy application.

The goal of this activity is twofold: first to simplify the cumbersome rent calculation process and achieve administrative efficiencies; and second to help families better understand the rent structure and prepare them for economic independence. This will be applicable to all current and new families in our Housing Choice Voucher and Affordable Housing Programs (except those in the Five Year Lease Assistance Program). This process will also greatly benefit the agency and the administrative efficiencies gained will help case managers guide families towards other economic independence services. HACSB has implemented a biennial schedule for recertifications (Activity 4), as such families will not be subject to a change until their next recertification. Since the tiered subsidy/rent has incorporated the allowances and deductions, it simplifies the process and reduces time spent verifying and calculating the adjusted income. Furthermore, the impact analysis shows a minimal initial change for our families yet significant efficiencies for the agency.

We plan to examine the effects of the tiered subsidy/rent schedules by conducting a research study with a partner like Loma Linda University. We believe the activity will increase accountability and promote self-sufficiency activities in our families thus resulting in economic independence.

B. Actions toward Implementation

In 2013, with the approval of the Streamlined Lease Assistance program and its associated significant changes across many aspects of the Housing Services and Public Housing programs, we thought it prudent to review the Administrative Plan and Admissions and Continued Occupancy Policy (ACOP) in its entirety to ensure that all written policies were current, clear and accurate.

We began reviewing the Administrative Plan and ACOP in February with the stated purpose of incorporating the Streamlined Lease Assistance Activity and evaluating all chapters within both policy plans. We completed our review this past summer and finalized all chapters after much careful discussion and conversations with our software vendor to determine impact of certain policies on our

upcoming software conversion. The Administrative Plan for the Housing Voucher Programs and Admissions and Admissions and Continued Occupancy Policy governing the Affordable Housing Program were approved by our Board of Commissioners in September 2013.

Our next step is to obtain the delivery schedule for the custom modification from our software provider, this is currently on hold as we complete our agency wide software conversion with them, with an expected go live date of January 13, 2014. Next steps would include testing the software modifications, preparing a communication plan for all stakeholders, to include a fact sheet and Q&A documents, and the development of letters/forms/process guides/training plans/briefing materials. We anticipate an implementation date of June, 2014.

C. Activities on Hold

Activity 3: Alternate Assessment Programs

This activity was approved in our FY 2009 MTW Annual Plan and was placed on hold in FY 2011.

A. Activity Description

In FY 2009, HACSB proposed to develop Activity 3: Alternate Assessment Programs which would meet the statutory goal of increasing operational efficiencies. At HUD's 2009 Annual MTW Conference we learned that there was an effort to establish an MTW-wide successor to the Section Eight Management Assessment Program (SEMAP) and Public Housing Assessment Program (PHAS) systems currently in place. HACSB has been actively involved in a working group, consisting of team members from various MTW agencies, in an effort to develop a replacement assessment. The working group met again in October 2012 and is close to making a recommendation.

HACSB formally opted out of the PHAS and SEMAP on December 8, 2010, and will continue to retain its high performer status until a new MTW-wide successor system is adopted, at which time HACSB can be fully scored under that system.

D. Closed Out Activities

Activity 16: Operating Subsidy for Vista del Sol

This activity was approved through an amendment to our FY 2010 MTW Annual Plan and was closed out on September 15, 2010.

A. Activity Description

Vista del Sol is a 71 unit affordable senior housing community developed by HACSB's affiliated non-profit; Housing Partners I Inc. Approximately 75% of the development is affordable to households at no more than 80% of Area Median Income. An initial analysis of the Vista del Sol waiting list showed that the average amount of rent that applicants could afford was far below the HOME rents for these beautiful units. In order to meet the gap, HACSB requested a temporary operating subsidy of \$134,000 to make these units affordable to low income seniors from April 2010 through September 2010

B. Final Outcome and Lessons Learned

On September 15, 2010, we executed a Project Based Voucher contract, and no longer need the operating subsidy.

We learned that it was extremely beneficial to have the ability and flexibility to use this operating subsidy in order to ensure that these seniors had access to and could afford the newly constructed units for the short period of time prior to executing the project based voucher contract.

C. Describe any statutory exceptions outside the current MTW flexibilities that might have provided additional benefit for this activity

Not Applicable

D. Summary table listing outcomes from each year of the activity

Not Applicable.

E. Narrative for additional explanations about outcomes reported in the summary table

Not Applicable.

Activity 21: Utility Allowance Reform

This activity was approved in our FY 2012 MTW Annual Plan; it was never implemented.

A. Activity Description

This activity allowed us to develop a flat utility allowance schedule for the Housing Choice Voucher Program, based on the consumption methodology versus the traditional engineering methodology.

However subsequent development of other programs — namely, our Five Year Lease Assistance Program approved in our FY 2012 In FY 2012, HACSB also created a five-year lease assistance program that provides a standard subsidy of 50% of the payment standard (or contract rent, whichever is lower) to each participant. In FY 2013, HACSB adopted a Streamlined Tiered and Streamlined Fixed Lease Assistance program which uses a standardized percentage of annual income to determine the participant's rent responsibility. The standardized percentage, which increases at recertification for families on the tiered program, incorporated average utility allowances. As a result, the utility allowance schedule was no longer necessary.

In FY 2014, the transition to Streamlined Lease Assistance for all families not participating in the Five Year Lease Assistance program will be complete. HACSB will have no need for a flat utility allowance schedule as utilities have already been taken into account for all MTW Housing Choice Voucher participants. HACSB will continue to monitor the success of the Streamlined Lease Assistance and Five Year Lease Assistance programs but at this time, the Agency has postponed utility allowance reform indefinitely.

B. Final Outcome and Lessons Learned

This activity was not implemented as discussed above, as a result there is no final outcome or lessons learned.

C. Describe any statutory exceptions outside the current MTW flexibilities that might have provided additional benefit for this activity

Not Applicable

D. Summary table listing outcomes from each year of the activity

Not Applicable.

E. Narrative for additional explanations about outcomes reported in the summary table

Not Applicable.

SECTION V: Sources and Uses of MTW Funds

A. MTW Report: Sources and Uses of Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year

For FY 2013, HACSB has submitted its unaudited financial statements in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System- PHA (FASPHA).

Describe the Activities that Used Only MTW Single Fund Flexibility
HACSB did not have any activities that used only the Single Fund Flexibility.

B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/>
Has the PHA implemented a local asset management plan (LAMP)?	<input checked="" type="checkbox"/> Yes	or <input type="checkbox"/>
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. It 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"/>
An appendix has been including describing HACSB's Local Asset Management Program.		

C. MTW Report: Commitment of Unspent Funds

As per the instructions in this section, until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.

SECTION VI: Administrative

A. DESCRIPTION OF DEFICIENCIES

No deficiencies to report.

B. RESULTS OF AGENCY DIRECTED EVALUATIONS

HACSB has directed Loma Linda University to conduct a longitudinal study for the Five Year Lease Assistance Program (Activity 20). This study will follow the families leased up during the first year of the program through their progress, tracking their goals and accomplishments. We will continue to develop this program based on the results of this study.

C. STATUTORY REQUIREMENTS CERTIFICATION

HACSB certifies that it has met the three statutory requirements of:

- 1) Assuring that at least 75 percent of the families assisted by the Agency are very low-income families;
- 2) Continuing to assist substantially the same total number of eligible low income families as would have been served had the amounts not been combined; and
- 3) Maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

APPENDIX A: SUMMARY OF MTW ACTIVITIES

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
Activity 1	Single Fund Budget	Administrative Efficiency	FY 2009	Ongoing
Activity 2	Strategic Investment Policies	Administrative Efficiency	FY 2009	Ongoing
Activity 3	Alternate Assessment Program	Administrative Efficiency	FY 2009	On Hold
Activity 4	Biennial Recertifications	Administrative Efficiency	FY 2009	Ongoing
Activity 5	Local Verification Policies	Administrative Efficiency	FY 2009	Ongoing
Activity 6	Elimination of Assets	Administrative Efficiency	FY 2009	Ongoing
Activity 7	Controlled Program Moves	Administrative Efficiency	FY 2009	Ongoing
Activity 8	Local Policies for Portability	Economic Independence	FY 2009	Ongoing
Activity 9	Elimination of Earned Income Disallowance	Economic Independence	FY 2009	Ongoing
Activity 10	Minimum Rent	Economic Independence	FY 2009	Ongoing
Activity 11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Ongoing
Activity 12	Local Payment Standards	Expanding Housing Opportunities	FY 2009	Ongoing
Activity 13	Local Inspection Standards	Administrative Efficiency	FY 2010	Ongoing
Activity 14	Local Asset Management Program	Administrative Efficiency	FY 2010	Ongoing
Activity 15	Pilot Work Requirement	Economic Independence	FY 2010	Ongoing
Activity 16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Complete
Activity 17	Local Income Inclusion	Economic Independence	FY 2011	Ongoing
Activity 18	Property Management Innovation	Administrative Efficiency	FY 2011	Ongoing
Activity 19	Local FSS program	Economic Independence	FY 2011	Ongoing
Activity 20	Five Year Lease Assistance Program	Economic Independence	FY 2011	Ongoing
Activity 21	Utility Allowance Reform	Administrative Efficiency	FY 2012	Closed Out
Activity 22	Streamlined Lease Assistance Program	Administrative Efficiency	FY 2013	In development
Activity 23	No Child Left Unsheltered	Economic Independence	FY 2014	Pending HUD approval
Activity 24	Transition for Over-Income Families	Economic Independence	FY 2014	Pending HUD Approval

APPENDIX B: Local Asset Management Program

The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. The program should include a description of how it is implementing property based management, budgeting, accounting and financial management and any deviations from HUD's asset management requirements. In our FY 2010 MTW Annual Plan, we first described our asset management program and amended it through our FY 2010 MTW Plan – Amendment 3 approved on September 15, 2010. Prior to our designation as an MTW agency, HACSB developed a comprehensive 30 year strategic plan in 2008 that serves as a guiding map in achieving our mission, vision and goals. Some of the goals of our plan include helping our participants achieve self-sufficiency, providing timely housing assistance to needy families, increasing housing options and strengthening our agency, our residents and our community. As good stewards of taxpayer's dollars, we pride ourselves in achieving administrative efficiency while providing the best quality service to the families that we serve. Upon closer examination, we feel that the indirect cost rate methodology will best serve our mission, versus our current fee-for-service methodology. In accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elect to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. The cost allocation plan along with the indirect cost rate is described in detail below and we agree to justify the indirect cost rate established.

HACSB did a detailed examination of our current agency structure including our Central Office Cost Center (COCC) structure and confirmed how intertwined our Central Office was to the agency as a whole. The work done by various departments has resulted in agency wide solutions and it is our combined efforts that will help us achieve our goals. This strengthens the need for an indirect cost rate methodology that allows the flexibility to combine resources and achieve inter-department solutions that are represented as a simple unified solution for the families that we serve and our agency. We wish to keep the funding and administrative processes indistinguishable in the eyes of our customers and hope that our collective efforts at various levels provide the best services, the best support, and the best housing choices for our families. This has led to a centralized effort in many services like information technology, community affairs, administrative services, waiting list and development. Details on some of our departments are provided below -

Information Services (I.S.) – Our centralized I.S. department is responsible for the network and server administration, database and software administration, telecommunications and software and report developments for the entire agency. This is done with a dedicated team of five individuals that support approximately 150 agency computers in 16 locations throughout our county. They respond to an average of 50 help desk tickets a week that result in around 20 site visits per week. In addition, in February 2010, we were awarded the competitive BTOP grant to provide high speed technology access to underserved communities. The IS department currently manages the technology needs for these centers which are currently comprised of 4 computer centers that are served by 3 computer technicians and host 40 personal computers and 20 Apple Mac's. Our IS team provides the necessary technical support and manages the computer centers. Our agency partnered with the Career Institute to provide free career, education and job counseling services at these centers.

Community Affairs – Our centralized community affairs department assists in making and strengthening partnerships throughout the County to leverage services and programs to assist our residents in achieving self-sufficiency. These partners include schools, non-profit community organizations, health and human service providers, financial institutions, elected officials, and so forth. Through these efforts,

APPENDIX B: Local Asset Management Program

our housing sites are able to sustain services such as child care, financial literacy courses, health services, parenting courses, to name a few examples.

In an effort to outreach to services of greatest need among our residents, in 2010, we partnered with Loma Linda University (LLU) to conduct a detailed needs assessment for one of our Public Housing communities- Maplewood Homes Community (formerly known as Medical Center, 296 units) to determine the appropriate partners that could serve our residents based on resident input and professional analysis. As a result, LLU staff and students will assist with follow up by providing on-site case work management and varying topic workshops in response to the assessment findings.

As monies from the federal government continue to deplete for resident services, HACSB was proactive in 2011 by establishing an affiliate nonprofit K.E.Y.S. (Knowledge Education for Your Success) to support resident and community initiatives and client self-sufficiency activities. The mission of KEYS is to empower low income families in San Bernardino County, to unlock their potential for success. Our efforts are not restricted to resident self-sufficiency, and KEYS is an example of the additional work that we have accomplished to improve the quality of life for our residents.

Specifically, in an effort to improve the quality of life for residents, HACSB acknowledged the serious health issues caused by second hand smoke and partnered with the County Department of Public Health to search for viable solutions. Though our vast efforts of educating our residents on the harmful effects of smoking, and surveying them for their feedback, we have transitioned several of our affordable housing sites to 100% smoke free developments. This was an effort achieved through the strength of our partnership and the educational health resources provided to our residents.

Administrative Services – The Administrative Services department assists other offices by providing oversight on matters pertaining to the agency’s compliance with state and federal requirements. As an example, this department works to ensure compliance with annual filings of Statement of Economic Interests, the Brown Act, Public Records Requests, Fair Housing and Americans with Disabilities Act (ADA). An agency-wide Needs Assessment is currently being conducted to ensure compliance with current ADA requirements, which will include input from outside agencies and a plan to address any deficiencies. This department also handles our legal issues and is our liaison between the agency and the legal team.

Development – Our centralized Office of Real Estate Development team is responsible for all Real Estate acquisition, rehabilitation, redevelopment and new construction projects. Our dedicated project managers often eliminate the costs associated with outside development and/or construction management consultants. The staff is continuously available to all AMPS as a technical, as well as planning and implementation resource for non-routine maintenance and emergency rehabilitation projects. The Department manages the completion of all Physical Needs Assessments and due diligence reports for the entire portfolio of HACSB residential developments. This department also oversees all of the Capital Fund improvement and rehabilitation projects within the public housing portfolio and administers all grant funding and debt financing that can be associated. Lately, the development team has been actively involved in implementing energy efficiency projects and in 2010 was awarded a \$1.84 million grant at our Maplewood Homes Community (leverage funds for the CFRC grant). This project is has been completed. Finally, Development administers a very successful homeownership program that has helped over 140 families overcome their barriers and achieve the American dream of owning a

APPENDIX B: Local Asset Management Program

home. It is a program utilizing a variety of methods to achieve goals for our clients, including Section 32 (converted public housing), Section 8 Homeownership, and a Community Land Trust.

Procurement- Our centralized procurement department is responsible for agency wide contracts enable higher cost savings and fiscal prudence. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

Local Asset Management Implementation

Leadership - Our local asset management program will be led by a leadership team consisting of representatives from the following departments: housing programs, development, finance, administrative services, human resources, information technology, procurement and community affairs and policy. They will meet on a biweekly basis to review the combined efforts and ensure the agency is striving to achieve its long-term objectives. This team is also responsible for our Strategic Plan and charters the path annually while ensuring significant milestones are met.

Project-based Management - We expect that all of our programs, regardless of funding source, to be accountable for project-based management, budgeting, and financial reporting. We apply the same expectation of aligning responsibility and accountability to those services that are managed centrally.

HACSB has been operating under project-based budgeting and accounting practices since 2006. We have developed systems and reports to facilitate the onsite management and analysis of budgets, expenses, rent collection and receivables, and purchasing. In accordance with HUD Asset Management guidance, HACSB decentralized its maintenance program in 2008 and each AMP was assigned maintenance personnel, depending on the size and maintenance requirements of the properties in the AMP. HACSB has a decentralized purchasing model for the acquisition of goods. Sites staff use a simple purchasing system that enables them to be able to purchase goods directly from their pool of vendors while still enabling management staff to track spending habits. While the acquisition of goods is decentralized, the agency has adopted a hybrid approach to the acquisition of its services. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

Cost Allocation Approach - 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, HACSB has identified all of its direct costs and segregated all its costs into pools, as either a direct or an indirect cost pool.

Direct Costs - OMB Circular A-87 defines direct costs as follows: Direct costs are those that can be identified specifically with a particular final cost objective. HACSB's direct costs include, but are not limited to:

APPENDIX B: Local Asset Management Program

- Contract costs readily identifiable with delivering housing assistance to low-income families.
- Housing Assistance Payments, including utility allowances, for vouchers
- Utilities
- Insurance
- Property-based audits
- Staff training
- Interest expense
- Information technology fees
- Portability administrative fees
- Rental Assistance department costs for administering Housing Choice Vouchers including inspection activities
- Operating costs directly attributable to operating HACSB-owned properties
- Fleet management fees
- Maintenance services for unit or property repairs or maintenance
- Maintenance services include, but are not limited to, landscaping, pest control, decorating and unit turnover
- Community Services department costs directly attributable to tenants services
- Gap financing real estate transactions
- Acquisition costs
- Demolition, relocation and leasing incentive fees in repositioning HACSB-owned real estate
- Homeownership activities for low-income families
- Leasing incentive fees
- Certain legal expenses
- Professional services at or on behalf of properties or a portfolio, including security services
- Extraordinary site work
- Any other activities that can be readily identifiable with delivering housing assistance to low-income families
- Any cost identified for which a grant award is made. Such costs will be determined as HACSB receives grants

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. HACSB's indirect costs include, but are not limited to:

- Executive
- Communications
- Certain legal expenses
- Development

APPENDIX B: Local Asset Management Program

- Finance
- Purchasing
- Human Resources
- Housing Finance and Asset Management
- Administration staff and related expenses of the Housing Operations and Rental Assistance Departments that cannot be identified to a specific cost objective.

Indirect Services Fees - HACSB has established Indirect Services Fees based on anticipated indirect costs for the fiscal year. Any indirect costs incurred by HACSB in support of its projects and programs will be incurred by the Central Office Cost Center (COCC) and charged out to the programs in the form of a fee. The four fees are:

- Asset Management Fees
- Management Fees
- Bookkeeping Fees
- Indirect Services Fees

Asset Management Fees – This fee was described in Plan Year 2010 and was modified through our third amendment to the FY 2010 MTW Annual Plan. The Asset Management Fee uses our fungibility to transfer funds among AMPS and allows us to charge an asset management fee, regardless of whether a project has excess cash. The COCC will continue to charge the Asset Management to the AMPS at the HUD's determined rate of \$10 per ACC unit

Management Fees – The COCC will continue to charge the Management Fee at the HUD's determined rate of \$70.64 per units leased to the AMPS and 20% of Administrative Fees for Housing Choice Voucher program.

Bookkeeping Fees - The COCC will continue to charge the Bookkeeping Fee at the HUD's determined rate of \$7.50 per unit leased to the AMPS and the Housing Choice Voucher program.

Indirect Service Fees – Before calculating the per unit indirect service fees, HACSB indirect costs are offset by designated revenue. Offsetting revenue includes 10 percent of the MTW Capital Fund Grant award, Asset Management Fees, Management Fees, Bookkeeping Fees, and other revenues. A per unit cost is calculated using the remaining net indirect costs divided by the number of units and the number of leased vouchers. For the 2013 budget, the per-unit per month (PUM) cost is \$9.03.

Per the requirements of OMB Circular A-87, the indirect services fees are determined in a reasonable and consistent manner based on total units and/or leased vouchers. The fees are calculated as a per-housing-unit or per-leased-voucher per month charged to each program.

HACSB will annually review all of its indirect service fees charges in relation to actual indirect costs and will incorporate appropriate adjustments in indirect service fees for the subsequent year, based on this analysis.

APPENDIX B: Local Asset Management Program

Differences between HUD Asset Management and HACSB LAMP - Under the First Amendment, HACSB is allowed to define costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of 24 CFR 990. HACSB is required to describe in this MTW Annual Plan differences between our Local Asset Management Program and HUD's asset management program. Below are the three key differences:

- HACSB determined to implement an indirect service fee that is much more comprehensive than HUD's asset management system. HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Low Income Public Housing (LIPH) property level. HACSB's LAMP is much broader and includes local housing and other activities not found in traditional HUD programs. HACSB's LAMP addresses the entire HACSB operation.
- HUD's rules are restrictive regarding cash flow between projects, programs, and business activities. HACSB intends to use its MTW resources and regulatory flexibility to move its MTW funds and project cash flow among projects without limitation and to ensure that our operations best serve our mission, our LAMP cost objectives, and ultimately the low-income people we serve.
- HACSB charges an Asset Management Fee to all AMPS regardless of excess cash by each AMP by the use of our fungibility.

FDS Reporting – HACSB will continue to report on the HUD's established deadlines following the same format as previous years using the Asset Management with COCC/ elimination.

APPENDIX B: Local Asset Management Program

Indirect Services Fee Calculation Fiscal Year 2013		
Description		Fiscal Year 2013 Estimated Budget
Indirect Costs		
Executive	\$ 987,187	
Finance	895,811	
Information Systems	799,163	
Procurement	319,770	
Development	1,153,704	
Human Resources	285,125	
Total Indirect Costs		\$ 4,440,760
Less Indirect Revenues		
Capital Grant Revenue	\$ 321,495	
Asset Management Fees	143,280	
Management Fees	2,095,054	
Bookkeeping Fees	827,460	
Other Revenues	58,267	
Total Revenues		3,445,556
Remaining Indirect Costs		995,204
Estimated Units Leased		
Housing Choice Voucher	8,024	
Public Housing	1,170	
Total Estimated Units Leased		9,194
Indirect Service Fees Rate		\$ 9.03

Appendix C: Non-MTW Related Information

Special Purpose Programs –

In addition to the MTW Voucher Program, HACSB administers other voucher programs and special programs, such as Mainstream, HOPWA, VASH and Shelter Plus Care.

 **Mainstream** – This program is designed to provide rental assistance to persons with disabilities to enable them to lease affordable private housing of their choice. At the end of FY 2013, we were providing assistance to 98 families through this program.

 **Housing Opportunities for Persons with AIDS (HOPWA)** - HACSB has partnered with Foothill Aids Project to offer rental assistance and supportive services to persons diagnosed with HIV/AIDS. The Foothill Aids Project assesses the applicant's duration of participation in their case management program and facilitates location of suitable housing to meet their clients' needs. At the end of FY 2013, we were providing assistance to 36 families through this program.

 **Veteran's Affairs Supportive Housing (VASH)** - HACSB and Veterans Administration Medical Center have partnered to provide rental vouchers and supportive services to eligible homeless veterans with severe psychiatric or substance abuse disorders. The program goals include promoting maximal Veteran recovery and independence to sustain permanent housing in the community for the Veteran and the Veteran's family. At the end of FY 2013, we were providing assistance to 132 families through this program.

 **Master Leasing Program** – This program is funded by State of California Mental Health funds and serves mentally ill or developmentally disabled families in a group home setting. Case management and comprehensive support services are provided for residents participating in this program. At the end of FY 2013, we were providing assistance to 51 families through this program.

 **Shelter Plus Care Programs (S + C)** - The Shelter Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACSB currently administers the following S + C vouchers:

- **Stepping Stones (S + C)** - This program provides rental assistance for hard to serve homeless persons with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). Under the program requirements, HACSB provides the housing services based on referrals from DBH, which matches the housing funds by providing supportive services. At the end of FY 2013, we were providing assistance to 39 families through this program.
- **New Horizons (S + C)** – This program is offered through the Department of Behavioral Health for homeless individuals/families that are currently receiving services from the department. It was implemented in 2008 with expiration in August 2014 due to a one

year extension on the grant term. At the end of FY 2013, we were providing assistance to 150 families through this program.

- ***Good Samaritan (S + C)*** – This program is offered through the Department of Behavioral Health for chronically homeless individuals that are currently receiving services from the department. It implemented in 2008 with expiration in August 2014 due to a one year extension on the grant term. At the end of FY 2013, we were providing assistance to 29 families through this program.
- ***Laurelbrook Estates (S + C)*** – This program assists individuals or families experiencing mental illness and homelessness and is a Project Based S+C voucher subsidy tied to designated scattered sites throughout the County of San Bernardino. The supportive services will be offered through the Department of Behavioral Health. At the end of FY 2013, we were providing assistance to 22 families through this program.
- ***Project Gateway (S + C)*** – HACSB formed a partnership with Ontario Housing Authority, Mercy House Living Centers Inc. and Department of Behavioral Health (DBH) to provide permanent housing in conjunction with long term supportive services including mental health care, employment, self-sufficiency etc. to our homeless community. At the end of FY 2013, we were providing assistance to 10 families through this program.
- ***Cornerstone (S + C)*** - This program implemented in 2012 and is offered through the Department of Behavioral Health for homeless individuals or families. At the end of FY 2013, we were providing assistance to 21 families through this program.
- ***Whispering Pines (S + C)*** - This program implemented in 2012 and is offered through the Department of Behavioral Health for homeless individuals. At the end of FY 2013, we were providing assistance to 16 families through this program.
- ***Lantern Woods (S + C)*** - This program implemented in 2012 and is offered through the Department of Behavioral Health for homeless individuals. At the end of FY 2013, we were providing assistance to 10 families through this program.

HACSB College Scholarship Program

For 22 years, the Housing Authority has been proud to assist eligible participants in achieving their higher educational goals through scholarships. To date, HACSB has awarded 261 students with \$180,250 in scholarships. Current participants/residents in the Housing Services Program (Housing Choice Voucher programs), Affordable Housing Program (Public Housing programs) or other HACSB affordable housing communities are eligible to apply. Students need to be accepted by or currently attending a four-year college/university, community college, or technical/vocational school. Students attending a four-year college or university receive a \$1,500 scholarship while community and technical/vocational students receive a \$750 scholarship. The Housing Authority uses non-public funds to promote educational success among their participants.

This past year, eight students were awarded scholarships to assist them with their college expenses. The recipients are attending one of the following colleges/universities: Biola University; California State University, San Bernardino; Prairie View A&M University; San Bernardino Valley College; Norco Community College; and University of California, Riverside. Their areas of study include the following majors: accounting, business administration, biology (pre-med), human development, human nutrition/food, and nursing.

Knowledge & Education for Your Success (KEYS)

KEYS is a 501(c)(3) nonprofit corporation created in 2009 by HACSB to consolidate HACSB's array of supportive services, centralize strategic community partnership development, and to provide additional support and services for economically disadvantaged families and children, including the 30,000 persons assisted by HACSB. The mission of KEYS is to empower low-income individuals and families in San Bernardino County and to unlock their potential for success. Our vision is for individuals and families to have the skills and resources necessary to thrive.

KEYS utilizes a "collective impact" strategy which aligns with a county wide approach called the Launch Initiative. KEYS has become a leader for the Launch Initiative, which is a shared vision to align key leaders in education, safety, housing, faith, nonprofit, and business sectors to: 1) stabilize housing, 2) develop supportive services, 3) provide career development opportunities, and 4) develop long term career placement options for families so they move from poverty to prosperity. KEYS uses an evidenced based "Families Strengthening" Case Management model to help families reach their full potential. Through KEYS services, our goals are to assist families to become: 1) economically empowered and self-sufficient; 2) actively engaged in community life; 3) empowered to access community resources; and 4) have increased protective factors and resiliency.

KEYS has created two Family Resource Centers in HACSB's largest Affordable Housing community, Maplewood Homes and Waterman Gardens, both within the City of San Bernardino. KEYS staff also work to provide case management services throughout the county for residents in the Five Year Lease Assistance Program and Maplewood Homes families participating in the Pilot "Work" Requirement. KEYS staff works in partnership with the Community Development Initiatives Department of HACSB to streamline the intake and referral process so residents have opportunities to receive supportive services throughout their residency within HACSB. Due to limited capacity, the initial families assisted are those participating in the Five Year Lease Assistance and Pilot Work Requirement Programs.

KEYS also receives external grant funding to support all low income families throughout the county. Recently KEYS was awarded the Supportive Services for Veteran Families (SSVF) grant to promote housing stability among very low-income Veteran families who reside in or are transitioning to permanent housing. SSVF providers can assist HUD-VASH households through temporary financial assistance (i.e. security deposit, rental arrears, utility assistance) and supportive services for non-Veteran household members. We have also uniquely partnered with faith based groups, nonprofits, and businesses to help furnish beds, clothes, furniture, and other household items once homeless veterans and/or families have been placed into permanent housing through the No Child Left Unsheltered Program through HACSB and the KEYS SSVF program.

Together KEYS, HACSB, and our many community partners are working diligently to change the trajectory for families living in poverty and provide a safe and unique environment to help them thrive and become self-sufficient.

Other Affordable Rental Housing

HACSB owns 1,199 Non-HUD residential units along with 4 commercial units (Frankish Building). Many of those units are affordable as a result of public funds, such as HOME and Redevelopment Housing Set-Aside funds. For more information please refer to the Authority Owned Housing Stock under the Housing Stock Information in Section II: General Operating Information of this report.

Affiliate Non-Profit – Housing Partners I, Inc. (HPI, Inc.) was created in 1991 to develop, own, and manage affordable housing and is an affiliate non-profit of HACSB. HPI, Inc.’s designation as a Community Housing Development Organization (CHDO) allows it to apply for and receive HOME funds from the County of San Bernardino, Department of Community Development and Housing and other cities for the acquisition, development and rehabilitation of housing units. With over 20 years of housing development experience behind it, HPI, Inc. provides HACSB the means with which to leverage a variety of public as well as private funding sources to continue to increase the supply of affordable housing throughout the county of San Bernardino. HPI Property Acquisitions LLC is an HPI, Inc. controlled entity that owns 211 units throughout the County of San Bernardino. HPI Inc. and its affiliates own a total of 617 units, detailed in the list below.

Affiliate Non-Profit			
Property Name	City	Units	Entity
Acacia Property	Fontana	28	HPI Property Acquisition LLC
Desert Village	Victorville	46	HPI Property Acquisition LLC
Kendall Drive Apts.	San Bernardino	37	HPI Property Acquisition LLC
Kendall Park Apts.	San Bernardino	52	HPI Property Acquisition LLC
Robert O. Townsend	Montclair	48	HPI Property Acquisition LLC
Vista del Sol	Redlands	71	HPI, Inc. Portfolio
Scattered Sites – Region 1	Loma Linda, Redlands, Yucaipa, Bloomington, Colton, Fontana, Rancho Cucamonga	97	HPI, Inc. Portfolio
Scattered Sites – Region 2	Ontario, Montclair, Chino	107	HPI, Inc. Portfolio
Scattered Sites – Region 3	Adelanto, Apple Valley, Hesperia, Victorville, Joshua Tree, 29 Palms, Yucca Valley	131	HPI, Inc. Portfolio
TOTAL UNITS		617	

HACSB **FACTSHEET**

Who we are



Our Business

The Housing Authority of the County of San Bernardino (HACSB) is one of the nation's most progressive housing authorities. As the largest provider of affordable housing in the County, we proudly serve more than 30,000 people, most of whom are seniors, disabled individuals, and children.

As a non-traditional housing authority, our agency's success is a result of our business approach to strategic planning and delivery of services. Sandra Henriquez, Assistant Secretary at the federal Housing and Urban Development Department, stated that the success of the Boston Housing Authority during her tenure was a result of "operating as a private business with a social mission." This resonates at our agency. As a business entity that serves as good stewards of taxpayer's dollars, we cannot properly serve our families unless we operate an effective and productive business.

We also strive to provide our families with the resources, skills, and motivation to transition out of government assisted programs into economic independence. Therefore, as a reflection of our mission and service philosophy, we have increased our resident services and coupled them with new initiatives such as five-year term limits, work requirements, minimum rent increases, and others. These new initiatives also

help ensure greater personal accountability for our families.

Our agency's business success comes during a period of economic and social challenges facing San Bernardino County. The ongoing economic downturn, especially in the housing industry, has left many families without jobs and homes, increasing the demand for affordable housing, social services, and assistance from government programs. Table 1 highlights some critical statistics that paint a picture of the reality facing the

TABLE 1: SAN BERNARDINO COUNTY STATS

- Housing was the highest unmet need among 211 callers in 2012.
- \$2.5 billion are allocated yearly to families receiving cash assistance, Medi-Cal, and food stamps.
- 14% of individuals are receiving some form of assistance in cash benefits and/or food stamps.
- 24% of all children live in poverty.
- \$21,392 in per capita income is 26% below the state average.
- 10.8% unemployment rate compared to the 7.8% national level.
- Sixth in foreclosures nationwide.
- 35% of working households are experiencing a severe housing cost burden.
- City of San Bernardino is the second-poorest city in the United States, with 34% of people below the national poverty level.

residents and communities of San Bernardino County.

Because HACSB is a large, strong business entity, investing in HACSB is a wise investment of taxpayer dollars that benefit the entire county and its residents. During Fiscal Year 2012, we infused \$106 million into the county's economy as a housing and service provider, developer, and employer. Our other monetary contributions in Fiscal Year 2012 included:

- \$67 million paid in housing assistance payments to almost 4,000 landlords
- \$13.2 million paid to more than 600 vendors for various programs and services
- \$12.5 million on rehab, construction and acquisition of housing units.

Affordable Housing: What and Who

Affordable housing provides working individuals in low paying jobs the opportunity to afford a place to live. Research shows that in San Bernardino County, household needs an income of \$45,000 to rent a two-bedroom apartment.

Table 2 highlights how many common professions require vocational training and even Bachelor's degrees, indicating that, contrary to popular belief, educated professionals also need affordable housing.

Housing Types and Development

As the demand for affordable housing increases, our limited affordable housing supply is not enough to house the thousands of families in need. We embrace and are committed to providing affordable mixed income housing that complements the existing communities. Therefore, to better serve families of all income ranges, we manage two levels of housing programs:

- **Affordable Housing:** Rental assistance is avail-

TABLE 2*

Very-Low Income Earners in San Bernardino County (below 50% median income)

Average Annual Salary

Cashiers	\$20,766
Child Care Workers	\$22,889
Preschool Teachers	\$25,261
Receptionists	\$26,232
Bank Tellers	\$27,593
Medical Secretaries	\$30,344
School Bus Drivers	\$30,441
Dental Assistants	\$30,568
Paramedics and EMTs	\$31,249

* Source: California Campaign for Affordable Homes 2010



able for approximately 9,800 low-income households in the form of vouchers, lease assistance, or housing at a public housing community.

- **Market Rate Housing:** We moved beyond the traditional housing programs and expanded our housing stock as a developer of sustainable affordable and market rate housing. The revenue from these market rate units has helped us build and acquire more affordable housing.

Providing sustainable housing is crucial for high quality housing. In light of this, we are gradually transitioning our units to a variety of renewable energy sources. Recently we have invested \$17.9 million in solar panel installations, lighting upgrades, window upgrades, weatherization program, and xeriscaping. To date, HACSB continues solar installations on multiple apartment sites throughout the County, and this year is implementing an Energy Management planning and operations strategy involving staff and resident training across our housing portfolio. Through this work we seek to be a national leader in the implementation of renewable energy projects specific to affordable housing, reduce energy expenses for all of our low income residents, and reduce our overall carbon footprint. To date, we have reduced by over 700 metric tons—the equivalent of removing 150 vehicles from the roadway, or of preserving 575 acres of pine forest.

Innovation at Work

For several years now, Congress has considered legislation to provide a select few of traditional housing authorities with flexibility to waive current housing policies, and Section 8 reform bills to offer regulatory relief. Through the past five years, we have transformed our agency by setting ourselves to these high standards. Building upon our practices, we have executed innovative initiatives with three key goals in mind: save taxpayer dollars through efficient work; help our families achieve economic independence; and ensure a family's freedom of housing choice

Our implementation of these broad administrative efficiencies has enabled us to:

- **Save Taxpayers' Dollars:** We have continued to benefit from substantial operational efficiencies with new business practices such as Biennial Recertifications and Local Verification Policies. As a result of these activities, the staff saved a total of 8,742 hours during FY 2012.
- **Serve More Families:** The savings helped us assist 153 additional families in our Housing Choice Voucher Program (to 8,038), a 2% increase from the prior fiscal year; despite the ongoing federal funding cuts to our programs.

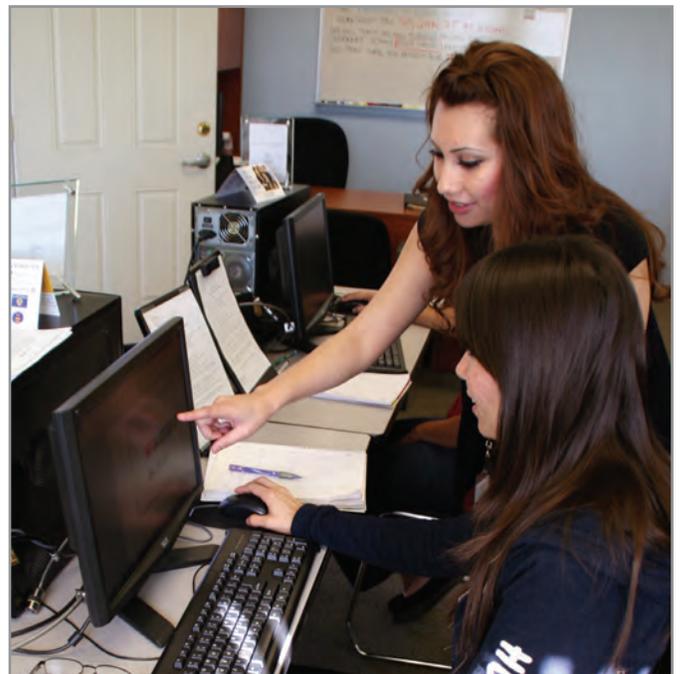


- **Help Families Achieve Self-Sufficiency:** Incorporated into our business plan is our Community Development Initiatives Department that serves as a catalyst for coordinating services, resources and partnerships to promote economic independence, family strengthening, and enhanced quality of life. These synergies will help families achieve economic independence, and help us promptly serve the 35,000 applicants on our waiting lists.
- **Address Local Needs:** Given the vast geographic area and demographic differences in our 20,000-square-mile county, HUD's previous payment standard was not an accurate rental market representation. Therefore, an independent third party firm conducted a detailed rental analysis and created nine rental submarkets with updated payment standards. Within one year, this reduced the per-unit costs from \$730 to \$672. The projected annual cost savings is \$5.5 million; enough to house 680 additional families and/or mitigate funding cuts. This also empowered our families to move to areas with better schools, access to transportation and/or job opportunities that may have been previously inaccessible.
- **Computer and Software Skills Development:** Computer labs offer internet access, education and career planning, resume review and editing, job search and employment application assistance, and basic training on Microsoft Office Programs.
- **Family/Individual Case Management and Counseling:** In order to enhance the quality of life of our families, staff works to coordinate the delivery of services and resources from partners.
- **Homeownership Assistance:** Since 2001, the homeownership program has helped 176 families, 22 of which graduated from the Family Self-Sufficiency Program and reached their life goal of homeownership. Since 2009, this program has received statewide recognition; it ranks among the top in creating new homeowners each year.
- **Program Integrity:** In 2010, HACSB incorporated a Program Integrity Unit that provides training, education, and prevention tools to maintain compliance in all aspects of the agency's housing programs.

More Than Just Housing

As we increase the number of families served we are also expanding the types of services we provide. As catalysts, we provide and leverage services that will help our families build a foundation for economic independence. Here are a few of the services we provide in collaboration with our partners:

- **Career Training and Job Placement:** In fiscal year 2012, our collaboration with Career Institute resulted in 631 career training sessions and 124 new jobs for our families.
- **College Scholarships:** During the past 21 years, we have provided 233 students with \$170,050 in scholarships using non-public funds.



HOUSING AUTHORITY OF THE
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OUR MISSION

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OUR CORE VALUES

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

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

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

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



03.2013

HACSB FACTSHEET

Moving to Work | OVERVIEW

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

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

WHAT IS MOVING TO WORK?

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

WHAT DOES THIS MEAN FOR THE HOUSING AUTHORITY?

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



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

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

WHAT DOES THIS MEAN FOR ME AS A...

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

WHAT'S NEXT?

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



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HACSBFACTSHEET

Maplewood Homes Pilot “Work” Requirement

The Housing Authority of the County of San Bernardino (HACSB) is one of the nation’s most progressive housing authorities. As the largest provider of affordable housing in the County, we proudly serve and house more than 30,000 people, most of whom are seniors, disabled individuals, and children. We also provide to our families the resources, skills, and motivation to transition out of assisted programs into economic independence. Therefore, as a reflection of our mission, we have increased our resident services and coupled them with new initiatives such as the upcoming pilot “work” requirement. Effective January 1, 2013, HACSB will be implementing a pilot “work” requirement for residents of the Maplewood Homes Housing Community.

All current and future adult household members between the ages of 18 and 61 will need to participate for a minimum of 15 hours a week in “work” activities. For the initial implementation period of this new effort, household members will be given a six-month grace period to comply. The definition of “work” encompasses participation in any one of the three phases:

Phase 1: Activities removing barriers to gainful employment

- These activities may include, but are not limited to: volunteer work, skills training, general education development (GED) courses, drug treatment, and/or mental health services.
- Under this category, residents have a maximum of two years upon which they should transition into the other two phases.



Phase 2: Activities leading to gainful employment

- These activities may include, but are not limited to: vocational training, apprenticeships, college enrollment, and/or participation in certification programs.
- Under this category, residents will be allowed to participate for a maximum of two years upon which they should transition to Phase 3.



Phase 3: Employment

- Employment is defined as a legal occupation for which the resident receives payment equal to at least 15 hours per week at California’s minimum wage.
- Under this category, residents should maintain at least 15 hours of work activities throughout the term of their assistance with HACSB.

RESOURCES AVAILABLE

The Housing Authority has partnered with various community organizations, local government agencies, businesses, and schools to provide the residents with the resources and tools necessary to fulfill this requirement. The on-site computer lab has also expanded the number of computers, increased broadband speeds, extended operating hours, and provides a range of online training workshops on Microsoft Office and Internet use for residents. Residents

are encouraged to reach out to Estella Nuñez via phone at (909) 890-5373 or via email at enunez@hacsb.com for more information on the resources available.

EXEMPTIONS AND HARDSHIP POLICY

All elderly and disabled individuals will be exempt from this policy. A disabled individual must be receiving permanent disability income. At any time, if the resident stops receiving permanent disability income, the pilot work requirement will apply. Residents who have a disability but have been determined eligible for the work requirement due to HACSB's verification procedure may request a review.

A hardship policy has also been established and will be reviewed on a case by case basis.

COMPLIANCE

HACSB reserves the right to verify, at any time, if household members are meeting the requirements for this endeavor. However, verification will take place at least annually.



If an adult member is determined to be non-compliant with the “work” requirement, they will be given an opportunity to become compliant within 90 days. If they fail to meet compliance after 90 days, a 90-day notice will be issued that states the rent will increase to the flat/market rent for that unit.

For more information on this and any other agency efforts, please visit our website at www.hacsb.com.



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HACSB FACTSHEET

Five-Year Lease Assistance Program | OVERVIEW

The Housing Authority of the County of San Bernardino (HACSB) provides affordable housing to approximately 30,000 individuals from all income ranges; 67% of which are seniors, children, and individuals with disabilities.

Unfortunately, there are not enough affordable housing units available to meet the increasing demand. The waiting lists have approximately 50,000 applicants and it can take up to 10 years to be housed in any of the various housing programs.

Affordable housing programs are meant to provide families a stepping stone through difficult economic times. Given this, our Mission is to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

We provide more than just housing to our clients. In conjunction with an extensive list of community partners, government agencies, employment service providers, and institutions of higher education we: provide family/individual case management and counseling; assist with career training and job placement; and ensure program integrity.

As an innovative and proactive agency, HACSB is one of only 35 Housing Authorities of 3,200 nationally, designated as a Moving to Work (MtW) demonstration site by Congress. The purpose of this special designation is to implement new business practices and program services with three goals in mind: 1) develop economically independent clients; 2) ensure freedom of housing choice; and 3) save taxpayer dollars through operational efficiencies.

This MtW designation enhances our ability to fulfill our mission and better serve our program participants and residents. In an attempt to move forward with our mission and service philosophy,



effective January 1, 2012, HACSB will implement a Five-Year Lease Assistance Program to help families achieve economic independence. As of November 1, 2011, individuals/families pulled from the Housing Choice Voucher Program waiting list will receive a five-year term limit on housing assistance through the Five-Year Lease Assistance Program. All elderly¹ and disabled²

applicants will be provided assistance under the Housing Choice Voucher Program.

GOAL OF FIVE-YEAR LEASE ASSISTANCE PROGRAM

The primary purpose of the Five-Year Lease Assistance Program is to help families achieve economic independence. Short-term lease assistance provides an opportunity for families/individuals to secure better employment and achieve other personal and professional goals. HACSB also anticipates serving more families by being able to pull applicants from the waiting list as participants reach the end of their participation in the program. There is a tremendous demand for affordable housing, which is clearly demonstrated with over 22,000 households currently on the Housing Choice Voucher Program waiting list.

HELPING FAMILIES ACHIEVE SELF-SUFFICIENCY

HACSB's Community Development Initiatives (CDI) staff will work with each adult program participant to develop a personalized education and/or professional action plan. This will serve as a guide for the participant's self-sufficiency efforts. CDI will also help participants to leverage existing resources in the community, including HACSB's Broadband

¹ Elderly: Head of household and/or spouse must be 57 years of age or older.

² Disabled Individual: Head of household and/or spouse must be receiving permanent disability income.

Technologies Opportunities Program (BTOP) and job counseling services available at the Housing Authority's various affordable housing communities.

DETERMINING THE LEASE ASSISTANCE AMOUNT

HACSB contracted with an independent third party to establish payment standards that accurately reflect the varying submarkets in San Bernardino County. These payment standards reflect market rents by bedroom size within each of the nine submarkets. The termed lease assistance for each family/individual will be based on 50% of the payment standard for the approved bedroom size and submarket. One of the benefits of this fixed subsidy amount is that as participants increase their household income, their rent portion will not be increased. Families can utilize the difference for savings or to invest in self-sufficiency activities that will better prepare them for when they reach the end of their five-year assistance.

FUTURE FIVE-YEAR LEASE ASSISTANCE PROGRAM PARTICIPANTS

Once a family/individual is pulled from the waiting list, they will be required to attend an eligibility briefing where they will receive information on the process to submit all paperwork, begin establishing their CDI action plans, and locate a housing unit.

PORTABILITY

Participants moving (porting) out of San Bernardino County will also be subject to the Five-Year Lease Assistance Program's term limit, but not to the flat subsidy. Participants moving (porting) in will not be subject to the Five-Year Lease Assistance provisions or the flat subsidy. However, the work requirement will still apply to all adult household members, except elderly and disabled participants. If at any

point, HACSB absorbs the participant who moved in from other areas, they will be subject to the Five-Year Lease Assistance Program requirements or be given the option to move back at that time.

LANDLORDS AND THE FIVE-YEAR LEASE ASSISTANCE PROGRAM

The process to lease a unit to a program participant receiving assistance under the Five-Year Lease Assistance Program is similar to working with a traditional Housing Choice Voucher Program participant. Below are a few process steps:

- a request for tenancy approval needs to be submitted to HACSB;
- the unit will be inspected before occupancy to ensure it meets housing quality standards and follows payment standard guidelines;
- the landlords will execute a lease with their future tenant;
- a Lease Assistance Payment contract will be executed with HACSB.

Specific details on the implications of the Five-Year Lease Assistance Program for landlords will be discussed at the various landlord briefings and orientation sessions.

For more detailed information on the Housing Authority's Five-Year Lease Assistance Program, please refer to the Administrative Plan located on our website at www.hacsb.com.

³ Elderly Port in: Any household member 62 years of age or older.

⁴ Disabled Port in Individual: Any household member receiving permanent disability income.

⁵ Absorbing a participant means that the participant will be assisted under HACSB's Five-Year Lease Assistance Program, which will be in place of the initial housing authority's voucher assistance; the five year term limit and flat subsidy will apply.



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