

Moving to Work 2012 Annual Report



Ready to Rent is a free course offered by the Seattle Housing Authority that helps people become successful tenants. During the multi-week course, participants learn about safety, being a good neighbor, fair housing, credit challenges, and many other issues that might otherwise keep them out of housing.



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I. Introduction

This section provides an overview of the purpose and layout of the report and highlights major priorities and accomplishments for Seattle Housing Authority (also referred to as Seattle Housing, SHA) during 2012.

What is “Moving to Work”?

The Seattle Housing Authority is one of 35 housing authorities across the country participating in the U.S. Department of Housing and Urban Development (HUD) “Moving To Work” (MTW) Demonstration.¹ The MTW program has three primary goals:

- Reduce costs and achieve greater cost effectiveness
- Incentivize employment, job training, educational programs, or other programs that assist people to obtain employment and become economically self-sufficient
- Increase housing choices for low-income families

As an MTW agency, Seattle Housing tests innovative new methods to improve housing delivery and better meet local needs. The agency may implement alternatives to national regulations for issues described in an amended and restated 2008 agreement between Seattle Housing and HUD. Seattle Housing’s original MTW agreement was executed in 1999, making 2012 the agency’s 14th year of participation in the MTW program.

Each year, Seattle Housing adopts a plan that highlights MTW initiatives and other activities planned for the following fiscal year. At the end of the year, the agency creates the annual report to describe the year’s accomplishments.

What is in this report?

The annual report describes Seattle Housing’s activities and performance in 2012, in comparison to projections in the 2012 Annual Plan. The report follows the required outline established in Attachment B of the agency’s MTW agreement with HUD:

Section I: Introduction provides an overview of Seattle Housing’s goals and objectives for 2012.

Section II: General Housing Authority Operating Information reports on housing stock, leasing, and waiting lists.

Section III (Non-MTW and MTW Related Housing Authority Information) and Section IV (Long-term MTW Plan) are optional and are not included in this report.

¹ Because HUD’s name for the demonstration, “Moving To Work,” sounds like a jobs program for residents, Seattle Housing has renamed the demonstration “Moving To new Ways,” to keep the acronym and avoid confusion over the program’s purpose. However, for reporting purposes, Seattle Housing uses the official name of Moving To Work.

Section V: Proposed MTW Activities describes the activities that were proposed and approved in the 2012 Annual Plan and their current state of implementation.

Section VI: Ongoing MTW Activities provides required information detailing previously HUD-approved uses of MTW authority, including evaluation data on the effectiveness of different MTW activities.

Not all of Seattle Housing's activities and programs are part of the MTW program, although they may benefit from some of the changes that the agency is able to make due to MTW status. In previous annual MTW reports, we included information about both MTW and non-MTW activities. However, due to increasingly strict specifications from HUD about the contents and format of this report, we have decided to use this document to focus on MTW activities alone. For more information about all of Seattle Housing's programs, please see our website for agency-wide annual reports and our strategic plan.

Goals and objectives

2012 was an important year for Seattle Housing in many ways. The 2012 Annual Plan set several priorities for the year connected to the agency's ongoing focus on encouraging self sufficiency, mobility, and efficiency. Following is what happened in regard to those priorities during the year.

MTW goals and objectives

Primary objectives for new MTW activities in 2012 were efforts to increase consistency between our Housing Choice Voucher (HCV, voucher) and Low Income Public Housing (LIPH, public housing) programs and to encourage households who have sufficient income to "graduate" from subsidized housing in order to allow Seattle Housing to serve lower-income households on our waiting lists.

Increase consistency between the public housing and voucher programs

Seattle Housing's efforts to increase consistency between the public housing and voucher programs utilized both new and existing MTW authorities. Most activities were implemented as planned, while others were modified in response to changing conditions and stakeholder feedback.

- **Minimum rent:** A minimum rent of \$50 has been in place in the public housing program for many years. Seattle Housing has MTW authority to implement a similar practice for voucher households, which the voucher program considered during the year, including beginning planning work and engaging in conversations with community stakeholders. However, implementation of this policy in the voucher program was put on hold to allow consideration of additional agency-wide rent policy options.
- **Asset income:** A threshold of \$50,000 in asset income for rent calculation has proven successful in the voucher program. In 2012 Seattle Housing explored expansion of this policy to public housing, but did not fully implement the policy due in part to new software considerations. Planning and implementation will continue in 2013.

Promote graduation from subsidized housing

- Savings Match Program: In 2012 Seattle Housing expanded activities to support a broader range of options to help people move into unsubsidized housing, including private market rentals as well as homeownership. This included planning and development work for the new Savings Match Program, which will launch in early 2013 in tandem with increased marketing of the Safety Net Assistance Program (SNAP) for households moving out of public housing. The program will provide information and a cash match incentive for households that want to leave subsidized housing.
- End of Participation in Mixed Income Communities: Seattle Housing also developed procedures for a new policy regarding households in mixed-income communities whose income has increased past the point of subsidy, with implementation planned for 2013. These households will be able to remain in their units without subsidy while the subsidy “floats” to a different unit within the mixed income community.

Strategic Plan goals and objectives

Seattle Housing also made significant progress on strategic plan goals during 2012. The following provides some highlights from the year.

Maintain and expand the supply of low-income housing

Seattle Housing:

- Received grants from HUD’s Choice Neighborhoods for the Yesler Terrace redevelopment project, as well as securing unanimous approval by the Seattle City Council for implementation and a Futurewise Equity and Environment Award for community participation and design work
- Completed construction of rental units at Rainier Vista Northeast, including 52 new affordable units in 2012
- Committed 135 project-based vouchers, including 63 project-based vouchers to support projects developed with capital dollars through the City of Seattle Housing Levy, 42 project-based vouchers as designated replacement units for the redevelopment of High Point, and 30 enhanced vouchers to maintain affordable rents in buildings undergoing conversion to market rate

Expand housing access and choice across Seattle for low-income residents using Housing Choice Vouchers

- Launched a concerted outreach effort to reach landlords with units in medium, high, and very high opportunity areas throughout the city
- Provided additional Ready to Rent classes, teaching rental preparedness, search tips, and tenant rights and responsibilities
- In collaboration with Washington State’s Department of Social and Health Services, developed a Memorandum of Understanding to pair vouchers with enhanced case management to safely prevent

children from entering foster care; to support a safe, permanent reunification with families; and to find timely, safe, permanent homes for those children who cannot be safely reunited with their families

- Obtained 58 new special purpose vouchers for veterans

Assist housing participants in gaining access to education and employment opportunities

- Worked with the School District, City, and community partners to improve access to educational opportunities and youth services for youth residing in Seattle Housing properties and among voucher households, including successful enrollment of approximately 97 percent of eighth graders in the College Bound Scholarship Program
- Connected adult residents with training programs, such as the 41 residents who enrolled in “Health Careers for All” Trainings in partnership with the Workforce Development Council and TRAC Associates
- Provided job placement services resulting in 100 non-Section 3 job placements in 2012, a 45 percent increase over 2011 non-Section 3 placements
- Continued to support leadership development among participants through resident and neighborhood councils

Provide additional services and increase the stock of housing for low-income seniors

- Planned for the renovation and expansion of Leschi House, including securing awards from Seattle’s Housing Levy and the Washington State Department of Commerce for the rehabilitation of 34 existing units and construction of an additional 35 apartments
- Maintained continuity in the Seattle Senior Housing Program (SSHP) portfolio during the program’s first full year of operating with public housing subsidy
- Completed rehabilitation of windows and exteriors at Blakeley Manor, Bitter Lake Manor, Olmsted Manor, and Nelson Manor

Partner with others to create healthy, welcoming and supportive living environments in Seattle Housing Authority communities

- Adopted and implemented a new smoke-free housing policy for SHA-owned residential buildings and partnered with the Seattle – King County Public Health Department to provide smoking cessation services to residents
- Completed all remaining parks at High Point in collaboration with the community’s Open Space Association, including receiving a KaBOOM grant for playground and outdoor exercise equipment at Bataan Park

Manage the Seattle Housing Authority as effectively as possible to meet the agency's mission

- Began planning for a second phase of disposition of scattered site units
- Implemented new policies to improve cost effectiveness, including new purchasing procedures
- Earned a Standard & Poor's rating of A+ and a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association
- Piloted a site-based management and maintenance model in the agency's largest high rise building
- Reorganized the Housing Choice Voucher program to increase client's access to information about the program and supportive services and to improve efficiencies and quality control
- Launched new program management software

Identify and implement sustainable practices across the agency to minimize impact on the environment

- Decreased car travel between SHA offices by co-locating staff previously located at the Central Office and PorchLight buildings
- Expanded the organics program to divert waste from the garbage stream at public housing properties, averaging 2.7 tons of food scraps and yard waste per week from public housing and SSHP buildings

Promote a healthy, engaged and productive workforce

- Developed and implemented safety and wellness programs and processes that reduced the number and severity of SHA's accident rates, including a variety of safety audits and trainings as well as collaboration with safety committees
- Updated new employee on-boarding and orientation training processes

II. General Housing Authority Operating Information

This section provides an overview of Seattle Housing's housing portfolio, leasing rates, and waiting list information.

Mission statement

The mission of the Seattle Housing Authority is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and self sufficiency for people with low incomes.

Agency overview

Seattle Housing Authority is a public corporation, providing affordable housing to more than 29,000 people in neighborhoods throughout the city of Seattle. Seattle Housing operates a variety of programs that include agency operated housing, partner operated communities, and private rental housing.

Participants include more than 5,000 elderly individuals, 9,000 children, and 8,000 people with disabilities. At the end of 2012 85 percent of households had annual incomes below 30 percent of Area Median Income (AMI). Households' average income in 2012 was \$13,266.

In keeping with our mission, Seattle Housing supports a wide range of community services for residents, including employment services, case management, and youth activities.

Funding for the agency's activities comes from a wide range of sources including the HUD MTW Block Grant, special purpose HUD funds, other government grants, tenant rents, and revenues from other activities.

MTW Block Grant-funded housing

The majority of Seattle Housing's funding from HUD comes in the form of a block grant that combines the public housing operating fund, public housing capital fund, and MTW voucher funding into one funding source.

Housing Choice Vouchers

The Housing Choice Voucher program is also commonly known as HCV or Section 8. The program is a public/private partnership that provides vouchers (housing subsidies) to low-income families for use in the private rental housing market. Seattle Housing administers more than 8,000 vouchers, which are funded and regulated by HUD. Participants typically pay 30 to 40 percent of their household's monthly income for rent and utilities, depending on the unit that they choose. Voucher subsidies are provided through a variety of means including:

- Tenant-based (tenants can take their vouchers into the private rental market)
- Project-based (the subsidy stays with the unit, property, or defined set of properties)
- Program-based (MTW flexibility allows Seattle Housing to provide unit-based subsidies that float within a group of units or properties)
- Provider-based (Seattle Housing uses MTW flexibility to distribute subsidies through service providers so that they can master lease units and sublet to participants in need of highly-supportive housing)
- Agency-based (tenant-based vouchers distributed through selected partners)

Public Housing

The Low Income Public Housing program (also referred to as public housing, LIPH) is comprised of approximately 6,300 units in high-rises (large apartment buildings), scattered sites (small apartment buildings and single family homes), and in communities at NewHolly, Lake City Court, Rainier Vista, High Point, and Yesler Terrace. HUD’s MTW Block Grant provides funding to help pay for operating costs exceeding rental income. Households typically pay 30 percent of their monthly income for rent and utilities. About 130 of these public housing units are utilized by service providers who provide transitional housing or services to residents. About 900 public housing units are part of the Seattle Senior Housing Program (further described in the following Local Housing section). Forty units receiving public housing subsidy through the agency are units owned by nonprofits and operated as traditional public housing.

Other HUD-funded housing

Special Purpose Vouchers

Seattle Housing administers vouchers for special purposes such as housing veterans and reunited families. These vouchers are often awarded competitively and funding is provided outside of the MTW Block Grant.

Section 8 New Construction

The agency has 130 locally-owned units that receive Section 8 New Construction funding. They serve people with extremely low incomes.

Moderate Rehab

Seattle Housing administers HUD Section 8 Moderate Rehab funding for 759 units operated by partner nonprofits serving extremely low-income individuals.

Local housing

Local housing programs do not receive any MTW Block Grant fund operating subsidy. Some MTW Block Grant funds are used for capital improvements in local housing properties that serve low-income residents.

Senior Housing

The Seattle Senior Housing Program (SSHP) was established by a 1981 Seattle bond issue. It includes 23 apartment buildings throughout the city, totaling nearly 1,000 units affordable to low-income elderly and disabled residents. In 2011 the agency added public housing subsidy to 894 of these units in order to keep rents affordable while addressing needed capital repairs. The agency used MTW authority to maintain the SSHP program's unique rules and procedures despite the introduction of public housing subsidy.

Approximately 100 units in the Seattle Senior Housing Program remain in our local housing portfolio without public housing subsidy. An additional 65 senior housing units are located in two buildings that are operated by partner nonprofits that offer unique services to their residents.

Tax Credit and Other Affordable Housing

Seattle Housing operates approximately 1,500 units of unsubsidized housing in townhomes and small apartment complexes throughout Seattle, including low- and moderate-income rental housing in the agency's redeveloped family communities (NewHolly, Rainier Vista, and High Point). These units do not receive ongoing operating subsidy, with the exception of project-based housing choice vouchers in selected units.

Changes in housing inventory

Seattle Housing experienced the following changes in housing resources between January 1, 2012 and December 31, 2012. (See following page.)

Table 1: Changes in housing inventory

Housing Program	2011 year end (actual)	2012 year end (projected)	2012 year end (actual)
MTW Block Grant-funded housing			
Housing Choice Voucher	8,363	8,798	8,798
<i>Tenant-based</i>	5,545	5,838	5,871
<i>Project-based – partner-owned</i>	2,380	2,469	2,466
<i>Project-based – Seattle Housing-owned</i>	364	417	387
<i>Program-based – Seattle Housing-owned</i>	15	15	15
<i>Provider-based</i>	59	59	59
Public Housing	6,302	6,305	6,335
<i>Seattle Housing-owned *</i>	6,262	6,265	6,295
<i>Partner-owned</i>	40	40	40
MTW Block Grant-funded Housing Total	14,665	15,103	15,133
Other HUD-funded housing			
Housing Choice Vouchers - Special Purpose	912	477	871
<i>Family Unification Program</i>	200	200	200
<i>Mainstream Disability</i>	75	75	75
<i>Housing Conversion</i>	435	0	336
<i>Veterans Affairs Supportive Housing</i>	202	202	260
Section 8 New Construction	130	130	130
Section 8 Moderate Rehab	759	759	759
Other HUD-funded Housing Total	1,801	1,366	1,760
Local housing			
Seattle Senior Housing Program *	100	100	100
Seattle Senior Housing Program – operated by partners	97	65	65
Tax credit housing (without public housing subsidy)	720	769	739
Other affordable housing	818	810	811
Local Housing Total	1,735	1,744	1,715
Managed by Seattle Housing for other owners	14	6	8
Total Housing**	17,822	17,781	18,206

*Includes residential units leased to agencies that provide transitional housing or supportive services and units for live-in staff.

**Due to project-basing and program-basing of vouchers in Local Housing, Total Housing is the sum of all housing units minus vouchers-MTW: Project-based – Seattle Housing-owned and Program-based – Seattle Housing-owned. Managed by Seattle Housing for other owners is also not included in Total Housing.

Housing choice vouchers

In 2012 Seattle Housing was successful in obtaining funding for 394 additional vouchers from HUD, including:

- 58 Veterans Assistance Supportive Housing vouchers
- 336 conversion vouchers (tenant protection)

In addition, 435 conversion vouchers (tenant protection) moved from “Other HUD-funded housing” to “MTW Block Grant-funded housing” during the year.

Units receiving new project-based voucher assistance

In 2012 the agency project-based a total of 145 vouchers (described in Appendix B); however, only 115 were MTW. Ten of the project-based vouchers were located at Rainier Vista.

Through two separate competitive processes conducted in partnership with the City of Seattle, the agency issued 105 project-based vouchers to existing projects and to new construction projects that were ready for occupancy in 2012. Forty-two of these awarded vouchers were High Point replacement units. While the contracting process for 63 of these vouchers began at the end of 2012, the projects did not commence leasing until January 2013.

Seattle Housing received 30 enhanced vouchers for residents at Council House, a project undergoing conversion to market rate in 2012. Residents were provided the option of choosing to project-base their enhanced voucher, ensuring affordable units in this project for the foreseeable future. A total of 20 eligible families chose to project-base their voucher and Seattle Housing provided vouchers for 10 vacant units eligible for project-based subsidy.

Public housing

Seattle Housing ended the year with 33 more public housing units than at the beginning of the year, as 33 new public housing units came online at Rainier Vista Phase III (described in Appendix A).

Disposition and demolition activity

In 2012 Seattle Housing disposed of land at 22nd and Madison. No Seattle Housing units were demolished or disposed of in 2012.

Local housing

Seattle Housing developed 19 new tax credit units at Rainier Vista in 2012, 10 of which included project-based vouchers as described above. In addition, one unit at Main Street that was not accounted for in previous reports has now been added.

Major capital activities

MTW Block Grant funds

None of Seattle Housing's 2012 capital activities utilized 30 percent or more of the agency's capital budget under its MTW Block Grant, the threshold for reporting on capital activities in this report. While none of the agency's projects met this threshold, Seattle Housing made progress on a number of renovations and repairs during the year, including the first phase of work to retrofit the heating system at Jefferson Terrace, modernization of several UFAS/ADA units, exterior siding repairs, window and roof replacements, and numerous relatively small yet critical repair projects.

Reflecting the actual time needed to plan, design, procure contractors, and implement capital activities, public housing capital fund activities are typically used over several years. Seattle Housing continues to meet HUD's obligation and expenditure deadlines for these funds. Details of obligation and expenditure levels at year end for open capital fund grants are provided in Attachment D.

HOPE VI

The HOPE VI grant for Lake City Court was nearly complete by year end. All units have been developed.

Competitive federal development/redevelopment funding

Choice Neighborhoods: Seattle Housing won a Choice Neighborhoods grant of \$10.3 million to spark the transformation of the Yesler Terrace neighborhood in 2011 and in 2012 received an additional grant of \$19.7 million. The Choice Neighborhoods grants will fund the first phases of development, including creating low-income housing at the Baldwin Apartments and 1105 East Fir apartment buildings, as well as education and employment programs and support for economic development. Partners include Seattle University, Seattle Public Schools, and Historic Seattle.

Community Facilities Capital Fund: The agency also received a \$3.1 million grant from HUD to contribute to the development of early childhood education and adult training facilities at the Yesler Steam Plant. The new center will house a Head Start program, youth tutoring, an Express Credit Union for affordable financial services, and training and employment opportunity services.

Sustainable Communities: Seattle Housing has worked in partnership with other agencies on a transit-oriented affordable housing project led by King County Metro in the Northgate area, which in 2010 received a Sustainable Communities grant to fund the initial stages of planning. In 2012 community partners continued to study site options for development.

Section 202 or 811 funding: Seattle Housing had considered working with a development partner; however, the development partner did not pursue funding through HUD Section 202 or 811 in 2012.

Leasing information

The following table shows projected and actual utilization for vouchers and occupancy for Seattle Housing-operated housing.

Table 2: Actual and projected units leased

HOUSING PROGRAM	2011 year end (actual)	2012 year end (projected)	2012 year end (actual)
Housing Choice Vouchers-MTW	8,201	8,494	8,243
Housing Choice Vouchers-Non-MTW	688	464	571
Low Income Public Housing*	6,150	6,169	6,154
Section 8 Moderate Rehab	729	735	746
Section 8 New Construction	126	***	128
Local Housing**	1,513	1,617	1,620

*Includes residential units leased to agencies that provide transitional housing or supportive services and units for live-in staff.

**Does not include 65 local SSHP units operated by partners. Includes duplicates in other programs.

***A projection for this category was not provided separately in the 2012 Plan.

Leasing issues

Across Seattle Housing's portfolios, 2012 was a successful year in maintaining swift turnaround time and leasing of vacant units, due in large part to a management focus on this issue. We expect these trends to continue into the coming year.

Housing choice vouchers

There were fewer MTW vouchers leased at year end than originally projected. This was due in part to the year starting at a higher than projected utilization level, necessitating lower leasing levels later in the year to meet budget limitations. In addition, the 435 conversion vouchers that were added to the MTW pool were at lower than expected utilization rates. Project-based vouchers met leasing projections.

During 2012 the agency continued to focus on leasing special purpose vouchers. The agency actively partnered with the local Veterans Affairs office to identify and assist eligible veteran households to successfully lease units with voucher assistance. Progress was steady but slow. As of year end Seattle Housing was still working to achieve the full lease up goal, with a target date of April 2013. As in the past, leasing housing conversion (tenant protection) vouchers was challenging as lease up is at the discretion of each household. Many of the conversion vouchers received this year were in properties serving older adults who had stable incomes from pensions and retirement and many of these residents did not want the burden of working with the housing authority for what they perceived to be insignificant benefits. Many of these households felt that their incomes coupled with the lower unit rents made the voucher subsidy unnecessary.

The tenant-based voucher waitlist remained closed to new applicants in 2012; however, a lottery registration process to establish a new waitlist will occur in early 2013. Utilization of MTW vouchers remained stable due to low attrition rates.

Public housing

Public housing occupancy rates continued to be very high throughout 2012, at about 98.8 percent occupancy over the course of the year when including the Seattle Senior Housing Program. There was a slight drop in occupancy from 2011 levels of 99 percent due to certain properties experiencing high turnover. These particular properties would benefit from modernization and often see higher than average turnover rates annually.

Local housing

Concentrated management effort, combined with a tight rental market, resulted in high occupancy rates over the course of the year. Certain properties, such as NewHolly and Rainier Vista, had very low turnover throughout the 2012 year.

Waiting list information

Waiting list strategies

Seattle Housing's waiting list strategies vary to match the needs of different properties and housing programs. Applicants may be, and often are, on multiple waiting lists at the same time. For more information about the characteristics of households on the waiting lists, please see Appendix C.

Tenant-based housing choice vouchers

A single tenant-based voucher waiting list is maintained by Seattle Housing. A list of applicants was established through a lottery in 2008 and remained closed through 2012. During the year, the agency issued vouchers off the waiting list with and anticipated reaching the end of the 2008 waiting list by mid year 2013. As a result, a lottery registration process to establish a new waitlist will occur in early 2013.

Other housing choice vouchers

Each partner maintains a unique waiting list for voucher subsidy in the project-based, program-based, provider-based, and agency-based voucher programs.

Seattle Housing-operated housing

Site-specific waiting lists are offered for all of Seattle Housing's affordable housing properties. The waiting lists for senior housing and public housing in traditional communities are purged on an ongoing basis through the use of Save My Spot, a system that allows applicants to check in monthly by phone or computer to indicate their continued interest in housing opportunities with Seattle Housing. With the exception of some bedroom sizes at NewHolly, Seattle Housing's waiting lists remain open.

Waiting list changes

Housing choice vouchers

The tenant-based voucher waiting list has been closed since 2008. Vouchers were issued to households on the waiting list during the second half of 2012 after having suspended issuance since February 2011 due to low attrition. A waiting list purge was completed in July and August 2012 and as of December 2012 there were about 800 applicants on the waiting list for vouchers.

New project-based properties opened during 2012 and the agency was successful in obtaining additional special purpose vouchers, making more waiting list options available to potential tenants.

Seattle Housing-operated housing

Unsurprisingly, given the current economic climate and Seattle Housing's low vacancy rates, waiting list numbers for Seattle Housing-operated properties remained high in 2012. Waiting lists continued to increase in number and units available for leasing continued to decrease in number. Seattle Housing has received an average of more than 7,000 pre-applications each year over the last five years. (This number includes duplicate applications from households that apply for more than one program).

The following is a summary of the number of applicants on waiting lists for Seattle Housing-operated housing as of September 2012. Please note that there is overlap among lists as applicants are allowed to apply for multiple programs.

- Public housing (not including HOPE VI) - 6,700
- HOPE VI public housing – 3,870
- SSHP - 1,400
- Other affordable housing - 3,700

Seattle Housing continues to explore a number of potential improvements to improve efficiency in waiting list processes.

III. Non-MTW and MTW Related Housing Authority Information

This section is optional and intentionally left blank. For more information about the agency, please see: www.seattlehousing.org.

IV. Long-term MTW Plan

This section is optional and intentionally left blank. For more information about Seattle Housing's long-term plans, please see the 2011-2015 Strategic Plan at: <http://www.seattlehousing.org/news/strategic/>.

V. Proposed MTW Activities: HUD approval requested

This section provides information regarding activities that were proposed in the 2012 Plan.

2012: New MTW Strategies

2012 was a year of planning and policy and procedure development for the new strategies that Seattle Housing proposed in the 2012 MTW Plan. Implementation was slowed somewhat by the introduction of new program management software in Fall 2012, which occupied staff time and raised new questions regarding data management that needed to be explored and resolved. Implementation of each of the new strategies proposed in the 2012 Plan is anticipated for 2013. These newly proposed strategies were:

- **Asset income threshold:** Seattle Housing will increase the threshold for including asset income in rent contribution calculations to an amount up to \$50,000 for public housing program participants. (Strategy #10.P.19, formerly 10.P.17, of MTW Activity #10 Local Rent Policy) The implementation of this strategy in the public housing program was slowed in part by new software, which required further work to ensure that asset income under the \$50,000 threshold was properly counted toward eligibility for housing assistance without impacting the rent calculation.
- **End of Participation for higher income households in mixed-income communities:** In mixed-income communities, Seattle Housing will remove subsidy when household income exceeds the established limit for six months. (Strategy #13.P.01 of MTW Activity #13 Homeownership and Graduation from Subsidy) In 2012 Seattle Housing developed policies and procedures for this new policy, which will be implemented with the implementation of lease revisions in 2013.
- **Savings match incentive:** Seattle Housing will implement a new program that will match savings for public housing and HCV households leaving subsidized housing for homeownership or unsubsidized rental units. (Strategy #13.A.02 of MTW Activity #13 Homeownership and Graduation from Subsidy) This new program launched in January 2013.

Further information about these activities is provided in Section VI.

VI. Ongoing MTW Activities: HUD approval previously granted

This section provides HUD-required information detailing previously HUD-approved uses of MTW authority, including evaluation criteria and specific waivers used.

Background

Every effort has been made to include all previously approved MTW activities. Any omissions are unintentional and should be considered continuously approved. If additional previously approved activities are discovered, the agency will add them to subsequent plans or reports.

It should be noted that throughout the first ten years of the MTW program, HUD requirements regarding how and when to seek approval for MTW activities fluctuated. Some MTW flexibilities were requested outside of the annual Plan (e.g. streamlined acquisition process) or were considered implicit (e.g. using MTW Block Grant funds to allow residents in local housing programs to participate in agency-sponsored social services). In other cases, Seattle Housing needed only to state in very broad terms its intention to implement an MTW activity.

In many cases, MTW activities appeared in multiple plans. The dates included in this section are the first year the activity was mentioned in an approved plan and the first year it was implemented.

Each MTW activity represents an authorization previously approved by HUD. The implementation of these activities may vary over time as Seattle Housing strives to continuously improve its practices and respond to a changing environment. For the sake of the demonstration, we attempt to specify the strategies that are utilized. However, these strategies are part of a whole and cannot always be viewed as distinct parts.

Some MTW activities include strategies that Seattle Housing has implemented in the past but did not need to use in 2012, such as alternative investment policies. Other strategies are still under development, with implementation planned for 2013, such as the End of Participation policy for higher income households in mixed-income communities. Others are on hold until Seattle Housing has the capacity to pursue them, and are currently listed as inactive. For each activity, we define which strategies are active, inactive, or under development. Activities under the sub-heading of “Not needed in 2012” are still active, but circumstances did not require their use during the year.

MTW Activity #1 – Development Simplification

Status

Active - First included in the 1999 MTW Agreement and 1999 MTW Annual Plan

Description

Development simplification helps Seattle Housing to move quickly to acquire, finance, develop, and remove public housing properties from its stock in an efficient, market-driven manner. MTW flexibilities allow the agency to respond to local market conditions and avoid time delays and associated costs incurred as a consequence of HUD requirements and approval processes. While of greatest impact when the housing market is highly competitive, these strategies present opportunities at all times for Seattle Housing to avoid costs and increase housing options as circumstances arise.

Authorization

MTW Agreement - Attachment C (C)(12), (C)(13), (C)(16); Attachment D (C)(2). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Public Housing Development Simplification Strategies

- Streamlined public housing demo/dispo process: Utilize a streamlined demolition/disposition protocol negotiated with the Special Applications Center for various public housing dispositions (including those for vacant land at HOPE VI sites and scattered sites property sales). (MTW Strategy #1.P.05. Implemented in 2004, however, most of the streamlined features are now available to all housing authorities.)

Not Needed in 2012

- Streamlined public housing acquisitions: Acquire properties for public housing without prior HUD approval, provided that HUD site selection criteria are met. (MTW Strategy #1.P.02. Implemented in 2004.)
- Design guidelines: Seattle Housing may establish reasonable, modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities. (MTW Strategy #1.P.01. The agency has not yet needed to exercise this flexibility.)
- Total development cost limits: Replaces HUD's Total Development Cost limits with reasonable limits that reflect the local market place for quality construction. (MTW Strategy #1.P.03. The agency has not yet needed to exercise this flexibility.)
- Streamlined mixed-finance closings: Utilize a streamlined process for mixed-finance closings. (MTW Strategy #1.P.04. Implemented in 2005.)

Impact

Development simplification strategies are intended to increase cost effectiveness and promote housing choice by allowing Seattle Housing to acquire, finance, develop, and remove property in a manner that maximizes our ability to take advantage of market conditions and avoids unnecessary costs.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase housing choice in cost-effective manner	Public housing units acquired through expedited process	0	200 by 2018	0 units in 2012; 1,031 units using expedited process to date
	Public housing units developed/financed through streamlined mixed-finance closings	0	100% of units in mixed finance closings (0 in 2012)	Not applicable – 0 mixed finance closings in 2012

Data collection methods

Seattle Housing closely tracks details regarding all public housing acquisitions and mixed-finance closings.

No changes were made to data collection methods in 2012.

MTW Activity #2 – Family Self-Sufficiency Program

Status

Under development - First included in the 1999 MTW Annual Plan

Description

Seattle Housing's Family Self-Sufficiency Program supports residents with services and financial incentives that help them to pursue self sufficiency in multiple arenas, including employment, education, and moves to market-rate housing. MTW strategies have been designed to help the Family Self-Sufficiency Program to expand its impact by partnering with other agencies, providing incentives for participation, and using local selection criteria, contract terms, and escrow calculation methods.

Authorization

MTW Agreement- Attachment C (C)(5), (C)(11), (E). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Family Self-Sufficiency Program Strategies

Inactive

- Partner with city: Partner with the City of Seattle to share responsibilities and resources for a new integrated FSS program. (MTW Strategy #2.A.01. Implemented in 1998; discontinued in 2000.)
- SJI preference + time limits: Preference for Seattle Jobs Initiative participants coupled with time limits. (MTW Strategy #2.A.02. Implemented in 1998; discontinued in 2000.)
- FSS escrow accounts: Use local policies for determining escrow calculation, deposits, and withdrawals. (MTW Strategy #2.A.03. Not yet implemented.)
- FSS participation contract: Locally designed contract terms including length, extensions, interim goals, and graduation requirements. (MTW Strategy #2.A.04. Not yet implemented.)
- FSS Program Coordinating Committee: Restructure Program Coordinating Committee (PCC) to better align with program goals and local resources. (MTW Strategy #2.A.05. Not yet implemented.)
- FSS program incentives: Provide incentives to FSS participants who do not receive escrow deposits. (MTW Strategy #2.A.06. Not yet implemented.)
- FSS selection preferences: Up to 100 percent of FSS enrollments may be selected by local preferences. (MTW Strategy #2.A.07. Not yet implemented.)

Impact

Seattle Housing's active MTW strategies related to the Family Self-Sufficiency Program are intended to promote self sufficiency by increasing assets, increasing graduation from the FSS program, and increasing access to self sufficiency services through referrals to other agencies.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase graduation from FSS program	Percentage of participants graduating from FSS program within three years of enrollment	In 2010, 14 percent graduated within three years of enrollment	Four years following implementation, 20 percent of new enrollees will graduate within three years of enrollment	Not applicable – MTW FSS strategies not yet implemented
Increase participants' assets	Percentage of participants with escrow deposits within two years of enrollment in the FSS program	In 2010 39 percent of active participants had escrow deposits within two years of enrollment	Three years following implementation, 42 percent of new enrollees will have escrow deposits within two years of enrollment	Not applicable – MTW FSS strategies not yet implemented
Increase access to self sufficiency services	Number of service providers that participants are referred to	Participants were referred to a total of 78 different service providers throughout 2010	Referrals to 70 service providers/year	Not applicable – MTW FSS strategies not yet implemented

Challenges

Seattle Housing has delayed implementation of FSS MTW strategies because of limitations imposed by HUD funding requirements. While the standard MTW agreement is intended to provide the opportunity to use local strategies in the implementation of FSS goals, previous Notices of Funding Availability (NOFAs) did not allow MTW agencies to implement approved MTW activities while continuing to receive funding for FSS staff. Seattle Housing is encouraged by the recently released HCV FSS NOFA, which will allow agencies to exercise their MTW authority while continuing to receive FSS funding. However, the public housing FSS NOFA regulations continue to present a barrier to implementing our MTW FSS strategies, as we would prefer not to design two separate FSS programs for the voucher and public housing programs, one using MTW activities to build an innovative program and the other non-MTW and traditional. As a result, none of our MTW FSS strategies were implemented in 2012.

Data collection methods

Referrals are tracked in client case notes. Participant data related to enrollment and graduation are tracked in Seattle Housing's property management and voucher management software.

No changes were made to data collection methods in 2012.

MTW Activity #3 - Inspection Protocol

Status

Active - First included in the 1999 MTW Annual Plan

Description

Seattle Housing uses a cost-benefit approach to unit and property inspections. Current strategies in this approach include using Seattle Housing's own staff to complete HQS inspection of its properties with vouchers, inspecting residences less frequently, and allowing landlords to certify their own corrections of minor items.

Authorization

MTW Agreement- Attachment C (C)(9)(a), (D)(5), (D)(7)(a); Attachment D (D)(1); specific regulations waived include 24 CFR 982.405 (a), 982.352(b)(iv)(A), 983.59, 983.103(f). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Inspection Protocol Strategies

Active

- Reduced frequency of inspections: Cost-benefit approach to housing inspections allows Seattle Housing to establish local inspection protocol, including inspections every other year for residents who have not moved and interchangeable use of HQS and UPCS. (MTW Strategy #3.A.03. Formerly mislabeled #3.H.03, 3.P.01. Implemented in 2003 for public housing; implementation planned for 2013 for vouchers.)

Under development

- Private sector cost benefit and risk management approaches to inspections such as avoiding duplicative inspections by using other recent inspections for agencies such as the Washington State Housing Finance Commission. (MTW Strategy #3.A.01. Implementation planned for 2013.)

Voucher Inspection Protocol Strategies

- Inspect Seattle Housing-owned properties: Seattle Housing staff, rather than a third party entity, complete HQS inspection of Seattle Housing owned properties with vouchers. (MTW Strategy #3.H.01. Implemented in 2001.)

Inspection strategies that are unique to the project-based program are listed under MTW Activity #9 – Project-Based Program.

Inactive

- Fines for no-shows at inspections (MTW Strategy #3.H.02. Not yet implemented.)
- MTW Strategy #3.H.04: Self-certification for minor fails: Self-certification by landlords of correction of minor failed inspection items. (Implemented in 2010. This policy remains active, however we believe that MTW authority is not required and it is therefore listed as inactive from a MTW perspective. If HUD rules change and MTW authority becomes necessary to continue to implement this policy, we will reactivate this strategy.)

Impact

Active MTW inspection protocol strategies are intended to increase cost effectiveness by saving staff time through less frequent inspections and by inspecting Seattle Housing’s own units rather than contracting this work out, with a goal of no negative impact on the quality of housing.

Impact	Metric	Baseline	Benchmark	2012 Results
Decrease staff time	Staff time saved from avoided inspections	0	500 hours saved annually	472 hours saved (944 public housing inspections avoided)
Money saved	Money saved by using Seattle Housing staff instead of third party to inspect Seattle Housing units with vouchers	0	\$40,000 saved	\$61,475 saved (65 move-in inspections and 850 annual inspections conducted by SHA staff rather than third party)
Maintain housing quality	Voucher participant-requested inspections per leased vouchers	1.8 percent in 2009 (128 inspections were requested out of 6,997 households)	No increase in complaint inspection requests	<1 percent (25 inspections were requested)

Impact	Metric	Baseline	Benchmark	2012 Results
Maintain housing quality	Percent of units that fail regularly scheduled inspections	In 2009, 29 percent of voucher units failed their regularly scheduled inspections	No more than 33 percent fail regularly scheduled inspections	31 percent of voucher units failed their regularly scheduled inspections (2,326 failed inspections)
Maintain housing quality	Average REAC scores for public housing high rises	90.3 (2000 – 2002)	No decline in average REAC scores	86.5 (average of inspections that were conducted in 2012)

Challenges

Full implementation of biennial inspections in the voucher program, where we expect to see most of the time savings, will not begin until 2013 as the necessary modifications to software are currently underway. An additional ongoing challenge is that the streamlined inspection protocol cannot be used for tax credit units, which account for about 55 percent of Seattle Housing’s public housing units. This reduces the total amount of staff time that the agency is able to save.

While the agency did not achieve the benchmark of no decline in average REAC scores, the average score for the baseline (90.3) is quite close to the average score for inspections completed during 2012 (86.5). As the average scores remain close, we do not believe that this small discrepancy is cause for concern.

Similarly, while Seattle Housing fell short of the benchmark for avoided public housing inspections (472 hours saved, rather than 500 hours) the two numbers are quite close. Hours saved annually are influenced by random variations in scheduling cycles, as each building has a different number of total units and because new move-ins vary from year to year, and as a result we are not currently concerned about the trajectory of this activity.

Data collection methods

The voucher management system records the results of all inspections by type and inspection requests.

Hours saved from avoiding annual inspections for public housing units is based on the total number of units that did not receive a full inspection during the year multiplied by the 30 minutes averaged per inspection in 2012.

Costs avoided by not using a third party to inspect Seattle Housing units with vouchers are estimated based on the costs previously incurred by the Tacoma Housing Authority in hiring a third party. It costs Seattle Housing staff \$135 less per move-in inspection and \$62 less for each annual inspection.

No changes were made to data collection methods in 2012.

MTW Activity #4 – Investment Policies

Status

Active - First included in the 1999 MTW Annual Plan

Description

Seattle Housing's MTW investment policies give the agency greater freedom to pursue additional opportunities to build revenue by making investments allowable under Washington State's investment policies in addition to HUD's investment policies. Each year, Seattle Housing assesses potential investments and make a decision about whether this MTW flexibility will be needed. In 2012 investment flexibility was not needed and all Seattle Housing investments followed HUD policies.

Authorization

MTW Agreement - Attachment C (B)(5). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Investment Policy Strategies

Not Needed in 2012

- Investment policies: Seattle Housing may use Washington State investment policies in lieu of HUD investment policies. (MTW Strategy #4.A.01. Implemented in 1999.)

Impact

Investment policy strategies are intended to increase cost effectiveness by increasing investment revenue.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase investment revenue	Return rate from investments made using Washington State policies rather than HUD investment policies	Return on investments made under HUD guidelines for same time period - 0.19% in 2012	Percent return on investments made outside of HUD guidelines is better than baseline	No investments were made using this flexibility in 2012

Challenges

None of Seattle Housing's 2012 investments utilized this MTW flexibility. However, Seattle Housing continues to monitor the performance of its investments and may use this flexibility in the future.

Data collection methods

Seattle Housing's financial records track return on investments.

No changes were made to data collection methods in 2012.

MTW Activity #5 – Local Leases

Status

Active - First included in the 1999 MTW Annual Plan

Description

Seattle Housing utilizes local lease strategies to incorporate best practices from the private market and encourage self-sufficiency.

Authorization

MTW Agreement - Attachment C (C)(9)(b), (C)(10), (E). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Local Leases Strategies

- Self-sufficiency requirement: All households receiving subsidy from Seattle Housing (public housing or voucher) living in HOPE VI communities must participate in self-sufficiency activities or be working. (MTW Strategy #5.A.01. Implemented in 1999.)

Not Needed in 2012

- Local lease: Seattle Housing may implement its own lease, incorporating industry best practices. (MTW Strategy #5.P.01. Not yet implemented beyond the strategies previously enumerated.)

Inactive

- Grievance procedures: Modify grievance policies to require tenants to remedy lease violations and be up to date in their rent payments before granting a grievance hearing for proposed tenancy terminations. (MTW Strategy #5.P.02. Not yet implemented.)

Public Housing Local Lease Strategies

- Lease term of less than one year for public housing units: Seattle Housing may offer lease renewals for six months or month-to-month time periods. (MTW Strategy #5.P.03. Implemented in 2010.)
- Property-specific pet policies: Seattle Housing may establish pet policies, which may include the continuation or establishment of pet-free communities or limits on the types of pets allowed, on a building by building basis. (MTW Strategy #5.P.04. Implemented in 2011.)

Impact

Active local lease strategies are intended to promote self sufficiency by encouraging work-able adults to participate in self-sufficiency activities and to simplify property management by not having different lease renewals by housing program.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase work-able adults who earn income through employment	Percent of work-able public housing and voucher households whose primary source of income is wages	Percent of households without self-sufficiency requirement for the same time period with wages as primary source of income – 57% in 2012	Percent is higher for HOPE VI households (with self-sufficiency requirement) than baseline (57%)	12% higher (64% of work-able households in HOPE VI earned income through employment in 2012 - 500 out of 785 total work-able HOPE VI households)
Decreased administrative burden of managing different lease renewal terms	Number of public housing units for which lease renewals of less than one year are available	0	826	1,846

Impact	Metric	Baseline	Benchmark	2012 Results
Housing choice for seniors who prefer pet-free environment	Number of units in pet-limited communities	0 – without MTW authority, SHA could not limit pets in this manner	933	894
Housing choice for seniors who prefer pet-free environment	Resident satisfaction with living environment	To be developed in survey	SSHP residents responding to the survey will be at least equally satisfied with their living environment compared to general public housing residents	N/A - Survey has not yet been implemented due to cost

Challenges

The difficult current economic climate continues to challenge the ability of Seattle Housing’s staff and partners to engage all non-working household members in self-sufficiency activities and help them obtain living wage employment.

In addition we did not achieve the benchmark of 933 units in pet-limited environments because 894 SSHP units are receiving public housing subsidy, rather than the 933 SSHP units that were originally projected to transition to public housing. In actuality, there has been no change in pet policies at any of the communities.

Data collection methods

Income and student status is maintained for all household members in a database. Implementation of Yardi software should in the future allow the agency to electronically track exemptions from the self sufficiency requirement and compliance information for each household member.

No changes were made to data collection methods in 2012.

MTW Activities #6 and #7

These activities are intentionally excluded as they are no longer reported on as MTW activities.

MTW Activity #8 – Special Purpose Housing Use

Status

Active - First implemented prior to MTW participation in 1999 and continued throughout MTW participation

Description

Seattle Housing utilizes public housing units to provide special purpose housing and to improve quality of services or features for targeted populations. In partnership with agencies that provide social services, Seattle Housing is able to make affordable housing available to households that would not likely be admitted in traditional public housing units. With this program Seattle Housing allows partner agencies to use residential units both for service-enriched transitional/short-term housing and for office space for community activities and service delivery. The ability to designate public housing units for specific purposes and populations facilitates this work, by allowing units to target populations with specific service and housing needs, and specific purposes such as pet-free housing.

Authorization

MTW Agreement- Attachment C (B)(2), (B)(3), (B)(4), (C)(1), (C)(2), (C)(4), (C)(5), (C)(6), (C)(9)(a), (C)(9)(b), (C)(10), (C)(11), (C)(15); Attachment D (Uses of MTW Funds), (B). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Public Housing Special Purpose Strategies

- Agency units for housing and related supportive services: Seattle Housing makes residential units available for service-enriched housing by partner agencies. (MTW Strategy #8.P.01. Implemented prior to MTW participation in 1999.)
- Agency units for services: Make residential units available as space for community activities, management use, and partner agencies providing services in and around the community. (MTW Strategy #8.P.02. Implemented prior to MTW participation in 1999.)
- Designate public housing units for special purposes/populations: Seattle Housing may designate properties/units for specific purposes to more effectively serve diverse populations. (MTW Strategy #8.P.03. Implemented in 2000.)
- Program-specific waiting lists: Seattle Housing or agencies operate separate waiting lists for specific programs such as service enriched units. (MTW Strategy #8.A.02. Implemented prior to MTW participation.)

- Service enriched housing: With the help of key partners, Seattle Housing may develop supportive housing communities. (MTW Strategy #8.A.03. Implemented in 2001.)

Inactive

- Conditional Housing: Housing program for those who do not currently meet Seattle Housing's minimum qualifications. (MTW Strategy #8.A.01. Not yet implemented.)
- Definition of elderly: Changes definition of elderly for HUD-designated elderly preference public housing from 62 to 55. (MTW Strategy #8.P.04. Not yet implemented.)
- Pet-free environments: Establish pet-free environments in connection with selected service enriched housing. (MTW Strategy #8.P.05. Not yet implemented.)

Impact

Active Special Purpose Housing Use strategies are intended to increase housing choice by providing service-enriched housing for households that would otherwise be difficult to serve in traditional housing authority units and by enabling services to be available in the community.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase access to service-enriched units	Number of households served in service-enriched units annually	81 units (as of 1998)	2 households served for every unit used for transitional housing or related services	2.6 households per service-enriched transitional housing unit (based on 191 households served in 73 units) and 15.8 individuals per medical respite unit (based on 332 individuals served in 21 respite units)
Maintain availability of services	Number of on-site agencies in Seattle Housing's residential units	5	5	7

Impact	Metric	Baseline	Benchmark	2012 Results
Maintain and increase stability for households in service-enriched units	Percent of exiting households that leave service-enriched units for stable housing destinations (transitional, permanent, or unsubsidized market-rate housing)	0%	70%	74% of households exiting service-enriched units (89 out of 120 households exiting service-enriched units in 2012); 17% of individuals leaving medical respite care (52 out of 307)

Revisions to benchmarks or metrics

Seattle Housing is reporting separately on the new medical respite program at Jefferson Terrace, due to the fundamentally different nature of the program, compared to the other service-enriched units, which provide traditional transitional supportive housing. The medical respite beds serve individuals in need of short-term medical care for a far shorter period of time than transitional housing and, unlike transitional housing, have a primary focus on immediate health and shelter outcomes rather than long-term housing outcomes. As a result, we cannot combine the metrics on households served per unit and housing destination at exit for the Jefferson Terrace medical respite program with the other transitional housing programs without skewing the numbers for all of the programs.

Data collection methods

Unit use is tracked by staff in Seattle Housing’s property management software. Outcome measures, including households served, are reported by partner agencies according to their lease terms or contract for services

No changes were made to data collection methods in 2012.

MTW Activity #9 - Project-based Program

Status

Active - First included in the 1999 MTW Annual Plan

Description

Seattle Housing uses MTW to develop and implement a local project-based program, providing vouchers to subsidize units in Seattle Housing-owned and privately owned properties throughout Seattle. Seattle Housing's project-based activities include a large number of MTW strategies to reduce costs, make project-based programs financially feasible for owners, and to provide housing choice in the City. The project-based program promotes housing choice through strategies such as offering site-specific waiting lists maintained by providers (and, therefore, does not issue exit vouchers), expanding the definition of eligible unit types, allowing more project-based units per development and overall, admitting certain types of felons, allocating vouchers to programs and providers (not just units), allowing payment standards that promote services and the financial viability of projects, and coupling housing assistance with services by working with partners. The project-based program reduces Seattle Housing's costs through strategies allowing project-based owners to self-certify selected inspections and maintain their own waiting list, reducing the frequency of inspections by Seattle Housing staff, streamlining admissions, and non-competitively allocating subsidies to Seattle Housing units. Project-based program strategies also make contract terms consistent with requirements for other leveraged funding sources.

Authorization

MTW Agreement- Attachment C (B)(1)(b)(vi),(vii), (B)(2), (B)(4),(D)(1)(a),(b),(c),(e)(f), (D)(2), (D)(3)(b), (D)(4), (D)(5), (D)(6), (D)(7); Attachment D (B)(ix),(x),(D)(1), (D)(2); specific regulations waived include 24 CFR 982.204(a), 982.401, 982.405(a), 982.451, 983.103(c), 983.20, 983.202(a), 983.251(c), 983.260(b), 983.30, 983.51, 983.53(a)(7), 982.553(a), 983.51(e), 983.56(a), 983.59(a), 983.59(b)(1), 983.6(a), 5.609(b)(3). Our MTW authority is used for the strategies described below.

24 CFR 982.401 was added to the list of specific regulations waived due to the inclusion of the COPES housing assistance payment calculation policy in this year's MTW Report. This waived regulation was previously cited in the 2012 MTW Plan, where this MTW strategy was first described.

Voucher Project-based Program Strategies

- Cost-benefit inspection approach: Cost-benefit approach to housing inspections allows Seattle Housing to establish local inspection protocol, including allowing project-based building management to self-certify that HQS is met at the time of move in for mid-year turnover project-based units. (MTW Strategy #9.H.01. Implemented in 2004.)

- Choice offered at beginning (no exit vouchers): Because housing choice is provided at the beginning of the project-based admissions process through site-specific waiting lists, exit vouchers are not offered. (MTW Strategy #9.H.03. Implemented in 2000.)
- Contract term: Project-based commitments are renewable up to 40 years. (MTW Strategy #9.H.04. Implemented in 2000)
- Eligible unit types: Seattle Housing allows shared housing and transitional housing under project-based contracts. (MTW Strategy #9.H.05. Implemented in 2002.)
- HAP contracts: HAP contract are modified to ensure consistency with MTW changes and add tenancy addendum. (MTW Strategy #9.H.06. Implemented in 2000.)
- Non-competitive allocation of assistance: Seattle Housing allocates project-based subsidy non-competitively to Seattle Housing controlled units. (MTW Strategy #9.H.07. Implemented in 2000.)
- Owners conduct new construction inspections: Seattle Housing may allow project-based owners to conduct their own new construction/rehab inspections and to complete unit turnover inspections. (MTW Strategy #9.H.08. Implemented in 2005.)
- Percent of vouchers that may be project-based: Seattle Housing allows a greater percentage of vouchers that are project-based than non-MTW HUD limits. (MTW Strategy #9.H.09. Modified in the 2008 MTW Annual Plan.)
- Unit cap per development: Waives the 25 percent cap on the number of units that can be project-based in a multi-family building without supportive services or elderly/disabled designation. (MTW Strategy #9.H.10. Implemented in 2008.)
- Streamlined admissions: The applications process is streamlined for project-based voucher units. (MTW Strategy #9.H.12. Implemented in 2000.)
- Competitive allocation process: Commit vouchers to the City's competitive process for housing funding. (MTW Strategy #9.H.13. Implemented in 2005.)
- Payment standards for Seattle Housing units: Allows higher than Voucher Payment Standard for Seattle Housing-operated project-based units if needed to support the project budget (while still taking into account rent reasonableness). (MTW Strategy #9.H.14. Implemented in 2004.)
- Admissions - admit felons under certain conditions: Allows for the admission into Project-based Voucher units of Class B and Class C felons subject to time-limited sex offender registration requirements who do not, in the opinion of the owner of the subsidized units, constitute a threat to others. (MTW Strategy #9.H.16. Implemented in 2005.)
- Program-based vouchers: Seattle Housing allocates a floating voucher subsidy to a defined group of units or properties. (MTW Strategy #9.H.17. Implemented in 2007 in Seattle Housing's Seattle Senior Housing Program.)

- Provider-based vouchers: Provide vouchers to selected agencies to couple with intensive supportive services. The agency master leases units and subleases to tenants. (MTW Strategy #9.H.18. Implemented in 2007.)
- Partners maintain own waiting lists: Allow partners to maintain waiting lists for partner-owned and/or operated units/vouchers and use own eligibility and suitability criteria. (MTW Strategy #9.H.20. Formerly 12.H.01. Implemented in 2000.)
- COPEs housing assistance payment calculations: Count as zero income for residents who are living in project-based units at assisted living properties where Medicaid payments are made on their behalf through the COPEs system (MTW Strategy 9.H.21. Formerly mislabeled 9.H.20 Implemented prior to MTW status.)

Inactive

- Assets in rent calculation: Only calculate income on assets declared as valuing \$5,000 or more. (MTW Strategy #9.H.02. Implemented in 2005, superseded by MTW Strategy #10.H.12, which increased the threshold for calculating asset income to an amount up to \$50,000.)
- Rent cap-30 percent of income: Project-based participants can not pay more than 30% of their adjusted income for rent and utilities. (MTW Strategy #9.H.11. Implemented in 2000.)
- Subsidy cap in replacement units: Cap subsidy at levels affordable to households at 30% AMI in project-based HOPE VI replacement units where Seattle Housing also contributed capital to write-down the unit's affordability to that level. (MTW Strategy #9.H.15. Included in the 2004 MTW Annual Plan and currently active as a policy; however, we believe that MTW authority is not required for this policy at this time. If HUD policies change, we will reactivate this MTW activity.)
- Streamlined admissions and recertifications: Seattle Housing may streamline admissions and recertification processes for provider-based, project-based and mod rehab programs. (MTW Strategy #9.H.19. Not yet implemented.)

Impact

The project-based program is intended to promote cost effectiveness by reducing staff time and leveraging funding, as well as expanding housing choice by increasing access to service-enriched affordable housing.

Impact	Metric	Baseline	Benchmark	2012 Results
Decrease staff time	Seattle Housing hours saved by allowing partners to maintain their own waiting lists and not conducting new and turnover inspections	0	1,400 hours	1,050 hours saved (725 hours saved by allowing partners to maintain their own waiting lists; 325 hours saved due to unit turnover inspections avoided)
Maintain cost effectiveness of HAP	HAP costs	Average HAP for tenant-based vouchers	HAP for project-based is equal to or less than HAP for tenant-based	\$76 less per month (\$642 for project-based compared to \$718 for tenant-based)
	Cost of the COPES program to SHA	\$26,100 (for 145 households)	\$0 increase (\$26,100 for 145 households)	\$0 increase (\$26,100 for 145 households)
Increase access to service-enriched units for hard to house populations	Number of service enriched units	0	2,406	2,942
	Number of low-income households housed in assisted living units with 100 percent exempted income	0 households	145 households	197 households
Leverage funding	Number of units with leveraged service funding	0	600	996

Challenges

The number of Seattle Housing hours saved by allowing partners to maintain their own waiting lists and not conducting new and turnover inspections in 2012 was considerably lower than the benchmark and previous years. However, this is not due to incomplete or faulty implementation of the policy, but instead reflects low turnover rates throughout the project-based portfolio.

Data collection methods

Seattle Housing maintains detailed tenant, inspection, landlord, and voucher allocation information in its voucher management system. Partner agencies maintain waiting list information and commit to service levels in their application for project-based vouchers. Time savings are based on an estimated one hour of time saved processing a new tenant application for each household on a partner's waiting list and one half hour per turnover inspection avoided.

No changes were made to data collection methods in 2012.

MTW Activity #10 – Local Rent Policy

Status

Active - First included in the 2000 MTW Annual Plan

Description

Seattle Housing's rent policy tackles a number of objectives, including increasing housing choice by increasing flexibility in calculations determining the eligibility of units and payment standards. Rent policies also promote cost effectiveness and self sufficiency through a minimum rent and asset income threshold and through streamlined rent review processes.

Authorization

MTW Agreement - Attachment C (C)(11), (D)(1)(c), (D)(2)(a),(c); Specific regulations waived include 24 CFR 982.352(b)(iv), 982.508, 24 CFR 982.517, 982.604(a), and 5.609. Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Public Housing Rent Policy Program Strategies

- Absolute minimum rent: The minimum rent for all residents will be established annually by Seattle Housing. No rent will be reduced below the minimum rent amount by a utility allowance. (MTW Strategy #10.P.01. Implemented in 2001.)

- Earned Income Disregard: HUD's Earned income Disregard is not offered to public housing residents. (MTW Strategy #10.P.02. Implemented in 2001.)
- Rent reviews for fixed-income households every three years: Rent reviews conducted for fixed income households on a triennial basis with rent increases by Social Security Cost of Living Adjustment in intervening years. (MTW Strategy #10.P.03. Implemented in 2004.)
- Imputed income from public benefits: Seattle Housing may impute income in rent calculation for tenants declaring no income who are eligible for but decline to collect cash benefits. (MTW Strategy #10.P.08. Implemented in 2005.)
- SSHP rent policy: Rents in Seattle Senior Housing Program (SSHP) units are one of four flat rents based on the tenant's percentage of Area Median Income, with annual adjustments and income reviews only every three years. (MTW Strategy #10.P.17. Implemented in 2011.)
- No HUD-defined flat rents: Seattle Housing does not offer tenants the choice of “flat rents” as required of non-MTW agencies. (MTW Strategy #10.P.18. Implemented in 2001).

Under Development

- Asset income threshold: Seattle Housing will increase the threshold for including asset income in rent contribution calculations to an amount up to \$50,000 for public housing program participants. (Strategy #10.P.19. Formerly 10.P.17. Implementation is planned for 2013.)

Not Needed in 2012

- Utility allowance-schedule: Seattle Housing may change utility allowances on a schedule different for current residents and new move-ins. (MTW Strategy #10.P.12. Implemented in 2008.)
- Utility allowance-frequency of utility allowance updates: Seattle Housing may revise the schedule for reviewing and updating utility allowances due to fluctuations in utility rates no more than annually. (MTW Strategy #10.P.15. Implemented in 2010 for selected mixed-finance communities.)

Inactive

- Rent freezes: Voluntary rent policy freezes rent in two year intervals. (MTW Strategy #10.P.04. Implemented in 2001, inactive since 2005.)
- TANF rent calculation: Calculate TANF participant rent on 25% of gross income. (MTW Strategy #10.P.05. Implemented in 2000, inactive since 2005.)
- Tenant Trust Accounts (TTA): A portion of working public housing residents' income may be deposited in an escrow account for use toward self-sufficiency purposes. (MTW Strategy #10.P.06. Implemented in 2001; inactive since Fall 2012.)
- Ceiling rent two year time limit: When a tenant's calculated rent reaches the ceiling rent for their unit, the rent will not be increased beyond the rent ceiling for 24 months. (MTW Strategy #10.P.07. Implemented in 2005; inactive since Fall 2012.)

- Partners develop separate rent policies: Allow partner providers and HOPE VI communities to develop separate rent policies that are in line with program goals and/or to streamline. (MTW Strategy #10.P.09. Not yet implemented.)
- Studio vs. 1 bedroom: Differentiate rents for studios vs. 1 bedroom units. (MTW Strategy #10.P.10. Not yet implemented.)
- Utility allowance-self-sufficiency and resource conservation: Change utility allowance where metering permits to encourage self-sufficiency and resource conservation. (MTW Strategy #10.P.11. Not yet implemented.)
- Streamlined for fixed income: Further streamline rent policy and certification process for fixed income households. (MTW Strategy#10.P.13. Not yet implemented.)
- Streamlined rent policy for partnership units: Allow non-profit partners operating public housing units to implement simplified rent policies. (MTW Strategy #10.P.14. Not yet implemented.)
- Utility allowance-local benchmark: Seattle Housing may develop new benchmarks for "a reasonable use of utilities by an energy conservative household" - the standard by which utility allowance are calculated. (MTW Strategy #10.P.16. Not yet implemented.)

Voucher Rent Policy Program Strategies

- Rent burden-include exempt income: Exempt income included for purposes of determining affordability of a unit in relation to 40 percent of household income. (MTW Strategy #10.H.01. Implemented in 2005.)
- Rent cap-use gross income: Rent burden calculated on 30 percent of Gross Income, up from HUD's standard 30 percent of Adjusted Income. (MTW Strategy #10.H.02. Implemented in 2005.)
- Rent reasonableness at Seattle Housing owned units: Allows Seattle Housing staff to perform rent reasonableness determination for Seattle Housing owned units. (MTW Strategy #10.H.03. Implemented in 2000.)
- Payment standard-SROs: Seattle Housing may use the studio payment standard for SRO units. (MTW Strategy #10.H.06. Implemented in 2003.)
- Rent reviews for fixed-income households every three years: Rent reviews for fixed income households conducted triennially. (MTW Strategy #10.H.10. Implemented in 2010.)
- 180-day EOP clock (Previous MTW Strategy #10.H.11 has been renumbered 13.H.02 and moved to the following section on Homeownership and Graduation from Subsidy.)
- Asset income threshold: Increased threshold for calculating asset income to an amount up to \$50,000. (MTW Strategy #10.H.12. Implemented in 2010.)

- Simplified utility allowance schedule: HCV participants' rent is adjusted for a Utility Estimate based on the number of bedrooms (defined as the lower of voucher size or actual unit size) and tenant responsibility for payment of energy, heat, and sewer/water under their lease, with a proration for energy-efficient units. (MTW Strategy #10.H.14. Implemented in 2011.)

Under Development

- Rent reasonableness streamlining: Allows Seattle Housing to streamline rent reasonable determinations. (MTW Strategy #10.H.09. Implementation is planned for 2013.)
- Absolute minimum rent: The minimum rent for all residents will be established annually by Seattle Housing. No rent will be reduced below the minimum rent amount by a utility allowance. (MTW Strategy #10.H.05. Implementation is currently on hold while additional rent policy options are being considered.)

Not Needed in 2012

- Payment standard: If certain market triggers or other guidelines are met, payment standard may exceed 120% of Fair Market Rent. (MTW Strategy #10.H.04. Not yet implemented.)

Inactive

- Tenant-based self-sufficiency incentives: Rent policies to foster self-sufficiency among employable households, including income disregards proportional to payroll tax; allowances for employment-related expenses; intensive employment services coupled with time limits; locally-defined hardship waivers. (MTW Strategy #10.H.07. Not yet implemented.)
- Imputed income from TANF: Impute TANF income if household appears eligible and has not documented ineligibility. TANF not counted toward income if family is sanctioned. (MTW Strategy #10.H.08. Not yet implemented.)
- Streamlined medical deduction: Seattle Housing provides medical deductions based on a standardized schedule. (MTW Strategy #10.H.13. Not yet implemented. MTW authority is not needed for the current approach of allowing self certification of medical expenses under \$5000.)

Impact

Active local rent policy strategies are intended to promote cost effectiveness by saving staff time, housing choice by making additional units eligible, and self sufficiency by encouraging households to build assets and move to housing in the private market.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase eligible units	Annual number of households who move into units that would have otherwise been ineligible without using exempt income, gross income, or 120 percent FMR	0	20 households	15 households (5 households at 120 percent FMR and 10 households using gross or exempt income)
Decrease staff time	Seattle Housing staff time saved by not calculating asset income below \$50,000, three-year schedule for rent reviews for fixed income (including SSHP) households, and streamlined utility allowance	0	1,173 hours	1,239 hours saved (96 hours from avoided voucher asset income calculation and 1143 hours from avoided fixed-income household voucher rent reviews)
Maintain affordable rents for senior housing residents in the SSHP program	Percentage of senior housing residents whose rent remains stable	0%- maintaining the current rent structure would not be possible without MTW authority	100%	100% (894 households in SSHP units receiving public housing subsidy)
Maintain affordable rents for senior housing residents in the SSHP program	Number of (one bedroom) senior housing residents paying more than 40% of their income for rent	37	Less than 47 (5%)	58
Achieve efficiency without increasing hardship	Hardship requests concerning the simplified utility allowance resolved	0	20 or fewer requests received and resolved in the first year of implementation	0 requests received and resolved

Rent Reform Hardship Requests

There were no hardship requests under the public housing and voucher program rent policies in 2012.

Challenges

Implementation of the \$50,000 asset income threshold in public housing was delayed in part by new program management software, which required further work to ensure that asset income under the \$50,000 threshold was properly counted toward eligibility for housing assistance without impacting the rent calculation. Further work on this issue will continue in 2013.

Results for the Tenant Trust Account program have not been as successful as anticipated. We therefore ended the program in late 2012 and will implement a new savings incentive program to begin in 2013.

Fewer households moved into units that would have otherwise been ineligible without using exempt income, gross income, or 120 percent FMR than the benchmark. Two factors contributed to this: fewer vouchers issued to new households overall during the year and a recent increase in the agency's Voucher Payment Standards in response to increased Fair Market Rents. As a result, fewer households needed exceptions.

The number of SSHP households paying more than 40 percent of their income for rent was higher than projected, exceeding the benchmark by 11 households. The reason for this discrepancy was the out of date information that the agency had available when creating the benchmark. Prior to conducting certifications in 2011 in order to introduce public housing subsidy to the SSHP program, many households had lived in SSHP units for years without a review and information regarding their income had subsequently become out of date. We do not believe the current number of households paying more than 40 percent is a cause for concern at this time as many SSHP households receive regular contributions from family members and the agency received no hardship requests in 2012; however, we will continue to closely monitor this measure.

Revisions to benchmarks or metrics

A change was made to the staff time savings benchmark, in order to reflect the impact of newly approved activities and changes in housing portfolio stock. Seattle Housing added an additional 673 hours to the projected staff time savings benchmark beginning in 2012, for a total benchmark of 1,373 hours saved. There are two reasons for this adjustment. First, we added 599 hours to the benchmark in order to reflect the greater opportunity for time savings from triennial rent reviews due to the addition of SSHP units to the total public housing portfolio. Second, we subtracted 260 hours of projected time savings from the streamlined medical adjustment because MTW authority was not required for this activity (self-certification of medical expenses under \$5,000). In 2013, we will add 200 hours of projected time savings from the simplified utility allowance in the voucher program; however, these time savings were not

available in 2012 because during the implementation year each utility allowance had to be rebuilt individually, which negated any potential time savings until 2013.

Seattle Housing also retired the metric regarding the Tenant Trust Account program, which is no longer active.

Data collection methods

Number of annual reviews avoided in the voucher program was calculated by counting the number of annual updates keyed in the voucher management system. The voucher program conducted a time study in 2011, which found that on average annual reviews for fixed income households required 51 minutes, while on average annual updates required 11 minutes, resulting in an average time savings of 40 minutes per avoided annual review. We use this average for our calculation of time savings.

The definition of “stable rent” in the SSHP program includes adjustment for inflation, which has historically been applied annually based on the Consumer Price Index and Social Security Cost of Living Adjustment. We continue to implement this adjustment for inflation annually.

No changes were made to data collection methods in 2012.

MTW Activity #11 – Resource Conservation

Status

Active - First included in the 2000 MTW Annual Plan

Description

Seattle Housing’s resource conservation strategies take advantage of the agency’s existing relationships with the City of Seattle and local utility providers, which continuously identify opportunities to increase resource conservation and reduce costs, rather than conducting a HUD-prescribed energy audit every five years. Conservation strategies have already achieved significant energy and cost savings to the agency, including conversion to more efficient toilets and electrical upgrades.

Authorization

MTW Agreement - Attachment D (C)(1). Our MTW authority is used for the strategy described below.

No changes were made to authorizations in 2012.

Public Housing Resource Conservation Strategies

- Energy protocol: Seattle Housing employs a cost-benefit approach for resource conservation in lieu of HUD-required energy audits every five years. (MTW Strategy #11.P.01. Implemented in 2000.)

Impact

Resource conservation strategies are intended to increase cost effectiveness by working continuously with local utility providers and the City of Seattle to identify conservation measures in a timely manner and avoiding the cost of hiring a third party to conduct energy audits every five years.

Impact	Metric	Baseline	Benchmark	2012 Results
Avoided costs	Cost savings from not paying a third party to conduct energy audits	0	\$72,443 in 2014 (\$13.77 per unit * 5,261 units)	N/A – next audit would not occur until 2014
Savings in utility costs	Savings from water conservation measures (primarily toilet replacement)	0	\$900,000/year	\$1.2 million in 2012; \$8.5 million since implementation
	Savings from electricity conservation measures (homeWorks renovations 2004-2009)	0	\$147,000/year	\$155,000 in 2012; \$700,000 since implementation

Data collection methods

Seattle Housing maintains detailed utility consumption and rate data supplied by utility providers and Seattle Housing's own water billing system. Cost savings measures look solely at the impact of conservation initiatives and are not an agency-wide measure of utility usage. For example, portfolios that were not included in the conservation initiatives are not included in the analysis. Cost savings represent the total amount of energy saved through conservation initiatives and do not distinguish between resulting decreases in expenses for the agency and for tenants.

Avoided costs from not hiring a third party auditor are based on an informal poll of nearby housing authorities. The median per unit cost of an energy audit was \$13.77 per unit, calculated based on the Renton Housing Authority's 2011 reported cost of \$5,000 for an audit of 363 units.

No changes were made to data collection methods in 2012.

MTW Activity #12 – Waiting Lists, Preferences, and Admission

Status

Active - First included in the 2000 MTW Annual Plan

Description

Seattle Housing's waiting list, preferences, and admission strategies have two primary objectives: to decrease costs and to facilitate partnerships with agencies that provide supportive services. Seattle Housing's MTW flexibilities in this area allow the agency to provide a greater percentage of vouchers to service providers and make special decisions if needed to prevent homelessness. These strategies also expedite admission into the program for partner agencies' clients by allowing agencies to maintain their own waiting lists and allowing applicants referred by selected providers to receive the next available unit.

Authorization

MTW Agreement - Attachment C (B)(1)(b)(vi), (C)(1), (C)(2), (D)(4); Specific regulations waived include 24 CFR 982.204(a),(f). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Public Housing Waiting Lists, Preferences, and Admission Strategies:

- Partners maintain own waiting lists: Seattle Housing allows partners to maintain waiting lists for partner-owned and/or operated units (traditional LIPH units; service provider units, etc.) and use their own eligibility and suitability criteria. (MTW Strategy #12.P.02. Implemented in 2000.)
- Expedited waiting list: Seattle Housing allows applicants referred by selected partners (primarily transitional housing providers) to receive expedited processing and receive the "next available unit." (MTW Strategy #12.P.03. Implemented in 2004.)
- Eligibility criteria: Unique eligibility criteria for specific units or properties, such as service enriched units. (MTW Strategy #12.P.05. First implemented in 2008.)

Inactive

- Site-based waiting lists: Applicants can choose from several site-specific and/or next available waiting lists. (MTW Strategy #12.P.01. First approved in 1999, but MTW flexibility is no longer required.)
- No waiting list: Allows for filling units without a waiting list. (MTW Strategy #12.P.04. Has not yet been implemented.)

Voucher Waiting Lists, Preferences, and Admission Strategies:

- Voucher distribution through service provider agencies: Up to 30 percent of Seattle Housing's tenant-based vouchers may be made available to local nonprofits, transitional housing providers, and divisions of local government that provide direct services for use by their clients without regard to their client's position on Seattle Housing's waiting list. (MTW Strategy #12.H.02. Implemented in 2002.)
- Special issuance vouchers: Seattle Housing has established a "special issuance" category of vouchers to address circumstances where timely issuance of vouchers can prevent homelessness or rent burden. (MTW Strategy #12.H.03. Implemented in 2003.)
- Limit eligibility for applicants in subsidized housing: Implements limits or conditions for tenants living in subsidized housing to participate in the HCV program. For example, before issuing a public housing resident a voucher, they must fulfill the initial term of their public housing lease. (MTW Strategy #12.H.05. Implemented in 2012.)

Inactive

- Local preferences: Seattle Housing may establish local preferences for federal housing programs. (MTW Strategy #12.A.01. Included in the 2002 MTW Annual Plan; however, this policy is available to all PHAs.)
- Admit applicants owing SHA money: Provide voucher assistance to households owing SHA money from prior tenancy under specific circumstances, for example if they enter into a repayment agreement. (MTW Strategy #12.H.04. First implemented in 2008 and still in place; however MTW authority is no longer needed.)
- Streamlined eligibility verification: Streamline eligibility verification standards and processes, including allowing income verifications to be valid for up to 180 days. (MTW Strategy #12.H.06. Not yet implemented.)

Impact

Active waiting list, preferences, and admission strategies are intended to increase cost effectiveness by reducing avoidable turnover and avoiding costs for tasks that can be fulfilled by service providers. They also promote housing choice by increasing the availability of service-enriched housing for populations that would be difficult to serve in traditional housing authority units.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase availability of affordable housing in combination with supportive services	Number of applicants newly receiving housing through agency referrals or waiting lists	0	75	60 in 2012 (50 through the expedited waiting list and 10 through agency vouchers)
Decrease costs	Staff time savings from agencies maintaining their own waiting lists	0	\$24,960	\$84,435

Challenges

The number of applicants newly receiving housing through agency referrals or waiting lists fell below the benchmark due to low turnover rates.

Data collection methods

Avoided costs from agencies maintaining their own waiting lists is calculated based on savings of \$195 per newly occupied unit for partnership and service-provider operated housing units in (433 in 2012). The \$195 per unit is derived from the agency's real cost in 2010 of \$879,050 to conduct regular admissions for 4,500 units.

Due to software conversion and continuing work on reporting capacity, Seattle Housing is temporarily unable to report the exact number of applicants housed through the public housing expedited waiting list during 2012. An estimate of 50 applicants served in this manner during 2012 was provided by SHA's Admissions Manager for this year's report. This glitch in reporting capacity is temporary and SHA will resume reporting real numbers regarding the expedited waiting list next year.

MTW Activity #13 – Homeownership and Graduation from Subsidy

Status

Active - First included in the 2004 MTW Annual Plan

Description

Seattle Housing strives to support participants in the multiple ways that households can successfully move away from housing subsidy – not only through homeownership, but also through unsubsidized rental units in the private market. These strategies include a savings match program and end of participation policies for higher income households. The agency aims to support residents who wish to purchase their own homes and obtain private market rentals, while balancing the need to tailor strategies to serve the households that are most likely to succeed in private market housing and maintain their housing long-term.

Authorization

MTW Agreement - Attachment C (B)(1),(D)(8); Attachment D (B). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Homeownership and Graduation from Subsidy Strategies

Under Development

- Savings match incentive: Seattle Housing will implement a new program that will match savings for public housing and HCV households leaving subsidized housing for homeownership or unsubsidized rental units. (Strategy #13.A.02. Implementation planned for 2013.)

Inactive

- Down payment assistance (DPA): allocates MTW Block Grant funds to offer a local down payment assistance program. (MTW Strategy #13.A.01. Implemented in 2004.)
- Monthly mortgage assistance (MTW Strategy #13.H.01. Not yet implemented.)

Public Housing Homeownership and Graduation from Subsidy Strategies

Under Development

- End of Participation for higher income households in mixed-income communities: In mixed-income communities, Seattle Housing will remove subsidy when household income exceeds the established limit for six months. (MTW Strategy #13.P.01. Implementation planned for 2013.)

Voucher Homeownership and Graduation from Subsidy Strategies

- The 180-day End of Participation “clock” due to income will start when a family’s Housing Assistance Payment (HAP) reaches \$50 or less. (MTW Strategy #13.H.02. Formerly #10.H.11. Implemented in 2010.)

Impact

Homeownership and graduation from subsidy strategies promote housing choice by helping participants purchase homes and self sufficiency by helping households make prudent decisions that ensure that those who do purchase homes are able to maintain them over time.

Impact	Metric	Baseline	Benchmark	2012 Results
Increase housing choice through homeownership	Number of DPA participants who purchase homes	0	30 Down Payment Assistance (DPA) program participants purchase homes by 2014	0 in 2012 25 participants have purchased homes to date
	Number of Savings Match participants that purchase homes	0	0 in first year; 2 by the end of the second year; 5 annually thereafter	Not yet implemented
Avoid assisting participants in purchasing homes they cannot afford long-term	Number of DPA participants experiencing foreclosure in first three years of homeownership	0	0	0
Encourage households that can afford the private market to graduate from subsidy (and increase available units for waiting list households)	Number of subsidized units made available due to End of Participation policy in mixed income communities	0 households	10 households per year	Not yet implemented
	Number of savings match participating households that leave subsidized housing	0 households	0 in first year of implementation; 10 by the end of the second year; 20 annually thereafter	Not yet implemented

Impact	Metric	Baseline	Benchmark	2012 Results
	Number of households leaving the HCV program due to 180 day EOP clock at a HAP between \$1 - \$50	0	10 households	0
	Number of mixed income community EOP households that request to return to subsidy within 1 year	0	0	Not yet implemented

Revisions to benchmarks or metrics

The previous metric and benchmark for “Number of households leaving the HCV program due to 180 day EOP clock at a HAP between \$1 - \$50 and households leaving public housing after or within six months of reaching the time limit for the rent ceiling” was revised to reflect the elimination of the rent ceiling policy.

Challenges

No homes were purchased through the DPA program in 2012 due to agency budget constraints.

Fewer households left the HCV program due to the EOP clock than projected in the benchmark. This is in large part due to the poor current state of the economy, which has resulted in fewer households reporting increased income, as well as contributing to households’ fears about losing their subsidy as a potential safety net should they lose their job. At this point we do not believe that a change in the EOP strategy is needed, but we plan to review this policy in greater detail to more fully understand why results are not as expected.

Data collection methods

DPA program participation is tracked through spreadsheets maintained by Seattle Housing staff. Foreclosure information is obtained through County records.

No changes were made to data collection methods in 2012.

MTW Activity #14 – Related Nonprofits

Status

Inactive - First included in the 2004 MTW Annual Plan

Description

Seattle Housing is able to partner with related nonprofits to implement or develop MTW demonstration activities.

Authorization

MTW Agreement - Attachment C (B)(2). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Inactive

- Related Nonprofit Contracts: Seattle Housing may enter into contracts with any related nonprofit. (MTW Strategy #14.A.01. Not yet implemented.)

No metrics are reported because this activity is currently inactive.

MTW Activity #15 – Combined Program Management

Status

Active - First included in the 2008 MTW Annual Plan

Description

In some of its communities, Seattle Housing co-locates units funded through project-based vouchers and low income public housing. Combining program management and policies for both of these types of units within the same community makes sense and reduces costs by eliminating redundancies, including duplicative rent reviews and inspections. It also avoids unnecessary disparities between tenants of the two different types of units. Seattle Housing's current implementation of this activity calls for all units subsidized by project-based housing choice vouchers to be operated just like public housing subsidized units.

Authorization

MTW Agreement, Attachment C (C)(1), (C)(2), (C)(4), (C)(9), (C)(10), (C)(11), (D)(1), (D)(2), (D)(3), (D)(4), (D)(5), (D)(7); specific regulations waived include 24 CFR 983.51(b)(2). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Combined Program Management Strategies

- Combined program management: Combined program management for project-based vouchers and public housing in communities operating both subsidy types. (MTW Strategy #15.A.01. Implemented in 2008.)

Impact

Combined program management strategies are intended to increase cost effectiveness by decreasing staff time through the elimination of duplicated activities, such as inspections and waiting lists, and the streamlining of rent and other policies that would otherwise be similar, but different, if the units were operated under the separate subsidy programs.

Impact	Metric	Baseline	Benchmark	2012 Results
Decrease staff time	Staff time saved by not duplicating rent reviews and inspections	0	388 hours	386 hours saved from avoided rent reviews

Challenges

While 2012 results fell slightly below the benchmark, the numbers were quite close and time savings were still substantial. As a result we are not concerned about the viability of this activity at this time. Additional time savings should be realized in future years with the implementation of the streamlined inspection protocol for annual and new move-in inspections for these units.

Data collection methods

Avoided staff time from streamlined rent reviews is based on 193 avoided reviews for new admissions, annual review, special review, and end of participation, which require an average of 2 hours each for these family units.

No changes were made to data collection methods in 2012.

MTW Activity #16 – Local Asset Management Program

Status

Active - First included in the 2000 MTW Annual Plan

Description

Each year Seattle Housing submits to HUD a Local Asset Management Program (LAMP) plan, which outlines how it will allocate its funds, including the agency's approach to project-based budgeting and accounting, cost allocation, and classifications of costs and cost objectives. While there are many areas in which Seattle Housing's LAMP is consistent with HUD's asset management model, there are distinctions as well, including the ability to apply indirect service fees to all housing and rental assistance programs; expecting all properties, regardless of fund source, to be accountable for property-based management, budgeting, and financial reporting; creating management and operational efficiencies across programs; using MTW block grant flexibility to balance resources with local priorities; and maintaining selected central services, including procurement and specialty maintenance capacities, to most cost effectively serve the needs of the agency and its programs as a whole.

Authorization

MTW Agreement - Section II (F) as amended by the First Amendment

No changes were made to authorizations in 2012.

Agency-wide Local Asset Management Program Strategies

- Local Asset Management Program: Use asset management principles to optimize housing and services. (MTW Strategy #16. Implemented in 2010.)

Metrics are not required by HUD for this activity.

MTW Activity #17 – Performance Standards

Status

Active - First included in the 1999 MTW Annual Plan

Description

Seattle Housing has used alternative performance measurements since becoming a Moving to Work agency in 1999. Because Moving to Work agencies are allowed to try out new strategies that fall outside of regular HUD activities, some of the standard measures that HUD uses to measure housing authorities' accomplishments may not apply to Moving to Work agencies. Seattle Housing has continued to work with other MTW agencies to develop HUD-approved measures for MTW housing authorities that can

serve as an alternative to HUD's Public Housing Assessment System (PHAS), including the development in 2012 of proposed measures set forth in the "Chicago Report."

Authorization

MTW Agreement - Attachment D (A)(1). Our MTW authority is used for the strategies described below.

No changes were made to authorizations in 2012.

Agency-wide Local Asset Management Program Strategies

- Local performance standards in lieu of HUD measures: Develop locally relevant performance standards and benchmarks to evaluate the agency performance in lieu of HUD's Public Housing Assessment System (PHAS). (MTW Strategy #17. Implemented in 1999.)

Evaluation of this activity is not required by HUD.

VII. Sources and Uses of Funding

This section describes Seattle Housing Authority's unaudited revenues and expenditures for 2012, local asset management program, and use of MTW single fund authority.

Sources and uses of MTW funds

The table below summarizes the MTW sources of funds in the original and revised budgets and actual expenditures for Calendar Year (CY) 2012. The CY 2012 budget was revised from the budget submitted in Seattle Housing's 2012 Plan to reflect technical changes that occurred during 2012.

Table 3: Sources - MTW Funds

	CY 2012 Plan Budget	CY 2012 Revised Budget	CY 2012 Actual	Percent Variance ²
Dwelling Rental Income	\$ 11,425,000	\$ 15,344,000	\$ 15,364,000	0.1%
Investment and Interest Income	48,000	57,000	29,000	(49.1%)
Other Income	1,775,000	1,959,000	2,053,000	4.8%
MTW Block Grant ¹	114,145,000	121,064,000	120,950,000	(0.1%)
<i>LIPH Operating MTW Block Grant</i>				
<i>Grant</i>	16,507,000	18,172,000	18,108,000	(0.4%)
<i>HCV MTW Block Grant</i>	86,371,000	91,131,000	91,131,000	0.0%
<i>Capital Block Grant</i>	11,267,000	9,077,000	9,027,000	(0.6%)
<i>Replacement Housing Factor Grant</i>		2,684,000	2,684,000	0.0%
Subtotal: Existing MTW Programs	\$ 127,393,000	\$ 138,424,000	\$ 138,396,000	<1%
New MTW Programs				
<i>Seattle Senior Housing Program (SSHP)</i>	4,199,000		*	*
<i>SSHP MTW Block Grant</i>	3,563,000		*	*
<i>New Vouchers Converted to MTW</i>	2,136,000		*	*
Total Sources-MTW	\$ 137,291,000	\$ 138,424,000	\$ 138,396,000	0.0%

¹ The MTW Capital Grant budget amount reflects 50% of HUD's FY 2011 awarded capital allocation to Seattle Housing plus 50% of the 2012-estimated allocation. No funds from prior year capital grants are included in the budgeted amount but they are included in the 2012 actual.

² Percent Variance is calculated on the difference between the CY 2012 Revised Budget and CY 2012 Actual.

*Actuals are reported against the revised budget rather than the plan budget and are therefore included in the preceding categories.

Overall, **Dwelling Rental Income** came close to budget. A slight increase in dwelling rents at the homeWorks portfolios is offset by the decline in dwelling rental income at Yesler Terrace and the Seattle Senior Housing Program communities. The decline at Yesler Terrace is mainly due to the redevelopment of this site. The relocation process for the Choice Neighborhood Initiative project has begun and we

expect construction at 1105 E. Fir and the Baldwin Apartments to be well underway in 2013 despite delays.

Investment and Interest Income was lower than budgeted due to interest rates. We anticipated that this market would make a slight recovery, but in actuality rates continued to decline.

Other Income includes laundry, portability fees, non-dwelling income attributed to agency units, rooftop antenna, and other miscellaneous income. The increase in other income primarily resulted from higher than anticipated revenue from rooftop antennas at the Low Income High Rise and Seattle Senior Housing properties.

The total **MTW Block Grant** funding amount for 2012 Subsidy was marginally lower than budget.

The 2012 **LIPH Operating Block Grant** subsidy was less than expected. HUD denied operating subsidy for the low income senior housing units added in late 2011 to the MTW program. Seattle Housing is in conversations with HUD to reach a positive outcome to remedy the denial of operating subsidy for these additional units. Partially offsetting the lower unit count funding level was a better than expected 95percent proration. In comparison to 2011, the operating subsidy was down by \$2.8 million – a reduction of about 13 percent from eligibility – as a reserve offset, despite the fact that Seattle Housing did not have four month of reserves, let alone excess reserves.

The **Housing Choice Voucher Block Grant** matched the revised budget and was higher than the original budget. The final Annual Adjustment Factor (AAF) was higher than anticipated and we received more tenant protection vouchers, which were awarded and then converted to MTW earlier than originally expected.

The **Capital Block Grant** budget is the annual estimate of the capital grant award, while the actual amount shown represents draws from any of three open capital grants and does not reflect a single grant source.

Table 4: Expenses - MTW Funds

	CY 2012 Plan Budget	CY 2012 Revised Budget	CY 2012 Actual	Percent Variance
Program Operations and Administration	\$ 20,989,000	\$ 23,653,000	\$ 21,977,000	(7.1%)
Utilities	6,428,000	7,171,000	6,452,000	(10.0%)
Maintenance and Contracts	9,991,000	11,372,000	10,319,000	(9.3%)
Subtotal Operations	\$ 37,408,000	\$ 42,196,000	\$ 38,748,000	(8.2%)
Housing Assistance				
Payments	\$ 70,313,000	\$ 71,648,000	\$ 70,783,000	(1.2%)
Development and Capital Projects	9,554,000	8,129,000	7,484,000	(7.9%)
Seattle Senior Housing Program Operations	4,848,000			
Seattle Senior Housing Capital Projects	1,982,000	1,982,000	1,272,000	(35.8%)
Replacement Housing Factor Projects		1,425,000	1,482,000	4.0%
Management Improvements through Technology	643,000	643,000	516,000	(19.8%)
Subtotal: All MTW Capital	\$ 17,027,000	\$ 12,179,000	\$ 10,754,000	(11.7%)
Total Uses-Existing MTW Programs¹	\$ 124,748,000	\$ 126,023,000	\$ 120,285,000	(4.6%)
New Vouchers Converted to MTW	1,335,000			
Total Expenses-MTW	\$ 126,083,000	\$ 126,023,000	\$ 120,285,000	(4.6%)
Transfers to Local Low-Income Housing and Development Activities ²	8,893,000	8,983,000	15,066,000	67.7%
Contribution to Reserves ³	2,225,000	2,918,000	3,045,000	4.4%
Total Expenses and Transfers-MTW	\$ 137,291,000	\$ 137,924,000	\$ 138,396,000	0.3%

¹In order not to double count expenditures in deriving agency-wide 2012 expenditures, use the Total Expenses-MTW line and add the Total Expenses-Other line from the Expenses –Other Programs table. In addition, to better reflect FDS reporting, the 2012 Budget was revised to transfer the Community Service budget from the MTW Programs to the Other Programs table.

²Transfers are from MTW Block Grant to local low-income housing and related activities.

³The reserve contribution will be used for our operating reserve and other designated activities.

MTW Program Operations and Administrative expenses are below projections as a result of departmental cost controls and a hiring freeze implemented by the agency. The departments continued reviewing their needs for essential administrative expenses and were able to reduce cost without

significant disruption to the critical services delivered to residents. The Housing Operations department continued to evaluate major cost drivers in an effort to increase efficiency and service responsiveness. The department started a demonstration of enhanced site based property management and will continue the pilot project in 2013 at selected communities. The Housing Choice Voucher program saw savings associated with keeping the wait list closed for the first part of the year such as lower postage, and service contracts. Additionally, a large portion of the savings seen in this department includes a lower than budgeted portability administration fee. HUD allowed agencies to prorate their port-out administrative payments by 80%, which resulted in additional savings to the agency since SHA has more port outs than port ins. Other savings include lower than expected insurance and unemployment expenses agency wide.

Utilities expense is under budget as a result of lower than expected in-house solid waste and lower sewer costs. The decrease for in-house solid waste expense is due to the continued effort and expansion of the recycling and organic program, particularly at public housing high rise communities. This resulted in reduced tonnage and has contributed to keeping rates low for solid waste customers. Sewer charges were lower based on reduced usage.

Maintenance and Contract expenses were favorable mainly as a result of the full implementation of the agency's vacate strategy. Through continued review of the re-engineered vacate process, the Housing Operations Department was able to reduce per unit vacate cost, shorten turnaround time, and achieve favorable cost savings. Lower vacancy rates, particularly at public housing communities, also contributed for the favorable budget variance. Security service expense was lower than anticipated. Housing Operations started the process to realign security service with greater flexibility in deployment of Community Police Teams. This change will continue into 2013 and it should produce a savings by lowering the need for private security.

Housing Assistance Payments were lower than anticipated. The primary reason was due to low utilization in the tenant protection vouchers that converted to MTW near year end. In the final quarter, vouchers started to be issued off the wait list but it will take some time to reach budgeted utilization. The waitlist will be opened in 2013 to increase utilization but it is expected to take more time than originally planned.

More than half of the spending for **Development and Capital Projects** was debt service on homeWorks bonds, project planning, and other administrative costs. The Jefferson Terrace steam heating system project was redefined mid-year and a new solution was implemented at substantially less than budget while other, smaller projects were added to the work plan. During the year, two senior projects with commitments of Capital funds and local City levy monies were completed; these projects were both building envelope and window replacement major rehabilitations.

Seattle Senior Housing Capital Projects consisted mostly of the building envelope rehabilitation work at Nelson and Olmsted. Larger projects, such as Fremont elevator rehabilitation and the windows and siding at Phinney Terrace, are just starting and will finish in 2013 or later. Some projects planned for 2012 were deferred due to HUD funding constraints surrounding SSHP.

Replacement Housing Factor Projects relate to the Yesler Terrace project which is gaining momentum on site and within the community. Seattle Housing selected and is currently negotiating with a development partner for this project. This expenditure includes predevelopment costs at Yesler and

construction at two sites -- 1105 East Fir and the Baldwin Apartments -- that include 98 replacement units.

The **Management Improvements through Technology** budget for 2012 was higher than the actual expenditures. Infrastructure projects, like the additional shared server space and the upgrade of equipment to the WYSE thin client standard were completed during the year. Several applications projects were deferred until 2013, due to the dedication of staff resources to the conversion of our property management system. Others will proceed once the planned upgrade in 2013 of our enterprise system is completed.

Sources and Uses of Other Funds

Seattle Housing operates a number of housing programs that are part of Seattle Housing's Primary Government budget, but not part of the Consolidated MTW Budget, including the Local Housing Fund Special Portfolio, Non-MTW Section 8, HOPE VI revitalization, Parks, Facilities, For Sale, and Community Services. Seattle Housing also operates Impact Property Management (IPM) and Impact Property Services (IPS), which manage and maintain housing for Seattle Housing, tax credit partnerships, and other property owners.

The following table summarizes the sources of funds for these activities..

Table 5: Sources – Other Programs

	CY 2012 Plan Budget	CY 2012 Revised Budget	CY 2012 Actual	Percent Variance
Dwelling Rental Income	\$ 10,314,000	\$ 10,401,000	\$ 10,632,000	2.2%
Investment and Interest Income	1,124,000	1,124,000	430,000	(61.7%)
Other Income	12,127,000	12,401,000	12,526,000	1.0%
Special Purpose Vouchers and Misc.				
Subsidy	10,896,000	10,896,000	9,842,000	(9.7%)
Service Grants	4,430,000	984,000	1,016,000	3.3%
Capital Sources:				
Reserves and Other Funds	2,425,000	2,425,000	4,205,000	73.4%
Other Revenues for New Projects	18,237,000	18,237,000	405,000	(97.8%)
Redevelopment Grants		3,446,000	211,000	(93.9%)
Prior Year Capital Sources - Mixed-Finance Redevelopments	9,755,000	9,755,000	8,763,000	(10.2%)
Total Sources-Other Programs	\$ 69,308,000	\$ 69,669,000	\$ 48,030,000	(31.0%)

The favorable **Dwelling Rental Income** in Other Programs is mainly a result of lower vacancy rates. Most of the properties within Special Portfolio and NewHolly had lower vacancy rates than anticipated in the budget.

Investment and Interest Income was significantly less than budget due to the refinance of Wedgewood Estates at the beginning of the year. The original bond had an associated restricted investment that was used to pay off the debt. When refinancing happened earlier in the year that investment was also terminated.

Other Income was higher than anticipated. Unbudgeted preliminary administrative fees associated with tenant protection vouchers were received. The moderate rehabilitation program had higher utilization and administrative fees than expected. Despite low utilization in the other special purpose programs, administrative fees exceeded budget targets due to higher than expected rates.

The **Special Purpose Vouchers and Misc. Subsidy** provided for 2012 were lower than budget. The Seattle Housing Authority was awarded a significant number of tenant protection vouchers that had lower utilization rates than budgeted and many vouchers in the Family Unification Program (FUP) and Veteran's Affairs Supporting Housing (VASH) programs are still in a lease up stage.

Service Grants typically approximated budget, but some results were mixed. The greatest variance was in the Communities Putting Prevention to Work grant. Under spending in 2011 allowed the program to run longer in 2012 than planned.

Reserves and Other Funds constitute budget authority from various reserves. Most of the budgeted reserve balance comes from Limited Partnership projects. While only \$647,000 of the originally budgeted \$2,425,000 in reserves was drawn as intended, other events created a net impact of reserve income significantly higher than budgeted.. This includes \$2,831,000 drawn for 1105 E. Fir and the Baldwin Apartments. These projects are part of the Choice Neighborhood Initiative I budget. The grant funds for Choice Neighborhoods have been significantly delayed at HUD. In order to meet grant deadlines, Seattle Housing had to use reserves to float expenses for architecture and engineering work. Reserves funds were also increased due to the sale of the Central Office and PorchLight buildings.

Other Revenues for New Projects typically represented sources from mixed finance projects and was only a small fraction of budget. Leschi House financing of \$17.6 million was delayed until 2013. Wedgewood Estates financing was closed in 2012 and draws were about half of the 2012 projection.

Redevelopment Grants are typically HUD funds and for 2012 was the Choice Neighborhood Initiative grant for Yesler Terrace. The grant was awarded in 2011, but the HUD funds only recently become available to Seattle Housing. The funding delay has slowed rehabilitation work at 1105 E. Fir and construction at Baldwin Apartments. The projects have been supported by Seattle Housing reserves and other sources.

Prior Year Mixed-Finance/ Redevelopment revenues represent financing secured in prior years for specific projects. While the funds are available, they are only drawn when needed. The Steam Plant at Yesler Terrace did not draw funds as projected due to a delay in construction from the fourth quarter of 2012 to second quarter 2013. Rainier Vista Rental Housing was completed in 2012 and the draw total was less than projected because it was ahead of schedule in 2011. Similarly, Bitter Lake Manor and Blakeley Manor were completed in 2012. These projects drew more City levy funds than projected because the projects were behind schedule in 2011. Finally, modest finish work was necessary at Lake City Court. In

short, the variance between years has to do with the actual timeline of the projects' progress compared to the planned timeline of the projects.

Table 6: Expenses – Other Programs

	CY 2012 Plan Budget	CY 2012 Revised Budget	CY 2012 Actual	Percent Variance
Program Operations and Administration	\$ 19,977,000	\$ 20,019,000	\$ 18,688,000	(6.6%)
Utilities	1,901,000	2,181,000	2,212,000	1.4%
Maintenance and Contracts	5,952,000	5,964,000	6,163,000	3.3%
Subtotal Operations	\$ 27,830,000	\$ 28,164,000	\$ 27,063,000	(3.9%)
Community and Supportive Services Grants	984,000	984,000	1,016,000	3.3%
Special Purpose Vouchers-Housing				
Assistance Payments	9,833,000	9,833,000	8,695,000	(11.6%)
Capital and Non-Routine Projects	2,389,000	2,951,000	1,592,000	(46.0%)
Development Budget	21,783,000	21,221,000	11,960,000	(43.6%)
New Projects	12,028,000	11,466,000	3,746,000	(67.3%)
Prior Year Finance Redevelopments	9,755,000	9,755,000	8,214,000	(15.8%)
Total Expenses-Other	\$ 62,819,000	\$ 63,153,000	\$ 50,326,000	(20.3%)

Program Operations and Administration: In the Development Fund, there was under spending for salaries and benefits. Like several other funds, there were vacancies that were kept open during the year, plus one position had a reduction in hours. Due to a refinance, Wedgewood Estates had significant savings in interest expense. Additionally, both insurance costs and condominium fees ended the year significantly under the budgeted amount.

Utilities expense slightly increased due to an increase in water consumption and higher sewer costs at some properties within Special Portfolio communities.

The positive result in **Maintenance and Contracts** expenses is predominantly due to lower vacate and routine maintenance expenses. The decrease is mainly a result of lower vacancy rates at the Special Portfolio communities. For-sale housing did not spend the total budget for miscellaneous contracts with a position variance of \$102,000.

Community and Supportive Services Grants typically met budget expectations. The largest variance was in the Communities Putting Prevention to work program, which was able to be extended longer than once thought. Expenses in other grant programs such as the Family Self Sufficiency Program and Robert Wood Johnson were slightly below budget due to short term staff vacancies.

Special Purpose Vouchers - Housing Assistance Payments are below budget expectations at year-end. Fewer tenants qualified for or accepted the new Tenant Protection Vouchers than expected. Additionally, vouchers did not start issuing off the wait list until the final quarter of the year. This resulted in lower utilization rates and lower HAP payments. Veterans Affairs Supportive Housing (VAASH) and Family

Unification Program (FUP) utilization rates started low in 2012 due to the new awards in these programs but steadily increased throughout 2012. We are still working to meet leasing targets in this program but were restricted by HUD's cash management policy set in place for 2012. MTW flexibility was used to fund these programs in the final months of the year. The Mod Rehab program had lower vacancy rates than anticipated and had higher HAPs than budgeted. However, this was directly offset by subsidy reductions.

The Capital and Non-Routine expenses were significantly below budget due to the delay of many projects. Some projects at HOPE VI sites were delayed due to the emergent need to replace water metering systems at most of the communities. Other capital projects were deferred to ensure sufficient reserves for the water metering system. Costs associated with the sale and move of the Central Office and PorchLight facilities were not budgeted and constitute about one-half of the expenditures.

New Projects expenditures represent work on Choice Neighborhood Initiative grant projects and Leschi House rehabilitation. The Choice Neighborhood projects at 1105 E Fir, the Baldwin Apartments and relocation of the YWCA approximated budget. Leschi House did not close on its financing package in 2012 and, therefore, construction was delayed until 2013.

Prior Year Financed Redevelopments represent construction at the Steam Plant at Yesler Terrace, Rainier Vista Northeast, Bitter Lake Manor and Blakeley Manor, and finish work at Lake City Court. The Steam Plant construction start was delayed until spring 2013. Rainier Vista rental housing was completed in 2012; it was ahead of schedule in 2011 and created a favorable \$1.0 million variance for 2012. Bitter Lake Manor and Blakeley Manor expenditures were higher than estimated by about \$1.1 million.

Local Asset Management Plan (LAMP)

Seattle Housing continued to operate under its approved Local Asset Management Plan (LAMP) in 2012. Seattle Housing's LAMP was submitted with our 2012 MTW Plan and approved by HUD in its letter dated May 2012. No significant changes were made to Seattle Housing's LAMP during 2012.

Sources and uses of the CSOC

In compliance with the First Amendment to the MTW Agreement and the Office of Management and Budget (OMB) Circular A-87 requirements, Seattle Housing set up an indirect services fee. The indirect cost plan is described in more detail in Seattle Housing's LAMP, Attachment 2 of Appendix A in the 2012 MTW Plan. Similar to HUD's COCC and consistent with A-87, Seattle Housing created a Central Services Operating Center ("CSOC") to represent the fee charges and expenses for overhead costs.

Cost allocation or fee-for-service approach

As described above, Seattle Housing has developed an indirect services fee (ISF) in compliance with OMB Circular A-87 requirements. Seattle Housing's CSOC is more comprehensive than HUD's asset management system. HUD's asset management system and fee for service focuses only on fees for services for public housing properties. Seattle Housing's work is much broader than public housing and therefore Seattle Housing's LAMP is much broader. The LAMP includes local housing, for sale activities, limited partnership properties and other activities not found in traditional HUD programs. Seattle Housing's ISF is based on anticipated indirect costs serving all direct service programs. In accordance with OMB

Circular A-87 requirements, the ISF is determined in a reasonable and consistent manner based on total units and leased vouchers. The ISF is a standard fee calculated per-housing-unit or per-leased-voucher charged each month to each program. Please see the Local Asset Management Program in Appendix A to review Seattle Housing's Indirect Cost Plan, submitted with the 2012 MTW Plan.

Single-fund flexibility

Seattle Housing established a MTW Block Grant Fund under the original MTW Agreement in 1999. SHA continues to use single-fund flexibility under the First Amendment to the MTW Agreement. The Authority's flexibility to use MTW Block grant resources to support its array of low-income housing services and programs is central to the agency's LAMP. Seattle Housing's LAMP includes the whole of Seattle Housing operations and MTW Block Grant funds. During 2012, Seattle Housing exercised its authority and MTW flexibility to allocate MTW Block Grant revenues among the Authority's housing and administrative programs. This enabled Seattle Housing to further its mission and strategic plan by balancing the mix of housing types, services, capital investments, and administrative support to different low-income housing programs and different groups of low-income residents and voucher participants.

In 2012, Seattle Housing used its Block Grant flexibility to support the following local programs:

- Local low income housing operations and capital repairs;
- Community services for tenants, including employment opportunity programs, recreation and youth educational programs; translation services; and, self-sufficiency programs;
- Maintenance of parks in mixed income housing developments;
- Support of affordable homeownership opportunities at mixed income communities;
- Management efficiencies and improvements through technology, and;
- Local low-income housing development.

Seattle Housing remains in compliance with the guidance regarding use of funds described in PIH Notice 2011-45.

VIII. Administrative Information

This section provides documentation of Board of Commissioners action regarding this plan and certification of compliance with regulations.

Seattle Housing Board of Commissioners Resolutions

The Seattle Housing Authority Board of Commissioners approved the 2012 MTW Annual Report with Board Resolution No. 5033.

Certification of Compliance with Regulations

- At least 75 percent of families assisted by Seattle Housing are very low-income.
 - At the end of 2012, 96 percent of households served by Seattle Housing were very low-income (as detailed in Attachment C).
- Seattle Housing continues to assist substantially the same number of eligible low-income families as would have been served had the amounts (MTW funds) not been combined.
 - Seattle Housing continues to exceed this requirement and served approximately 111 percent of the number of households we would have served in 2012 had the amounts not combined. Supporting details in HUD's prescribed format will be submitted separate from this report.
- Seattle Housing has maintained a comparable mix of families (by family size as would have been served absent the demonstration).
 - The distribution of households has shifted toward studio/one bedroom units (as detailed in Appendix C); however, these changes are due predominately to acquisitions, redevelopment, and asset repositioning rather than MTW.

Correction of Observed Deficiencies

Seattle Housing did not receive any significant findings or observed deficiencies from HUD audits or monitoring visits in 2012.

Agency-Directed Evaluations

Seattle Housing is not currently engaged in any agency-wide evaluations of its MTW program.

Performance and Evaluation Report for Capital Fund Activities

Please see Appendix D.

Appendices

The appendices of this report include:

- Appendix A: New Public Housing Units
- Appendix B: New Project-based Voucher Units
- Appendix C: Housing and Applicant Demographics
- Appendix D: Capital Performance and Evaluation Report

Appendix A – New Public Housing Units

The following is a description of new public housing units added during 2012. Seattle Housing added 33 public housing units at Rainier Vista.

Rainier Vista Northeast (Phase III)										
	Public Housing					Straight Tax Credit / Other Affordable				
Structure Type	1 BR	2 BR	3 BR	4 BR	5 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Row	0	6	11	3	2	0	4	4	2	1
Semi-Detached	0	1	5	4	0	1	0	2	3	0
Single Family	0	1	0	0	0	2	0	0	0	0
Subtotal	0	8	16	7	2	3	4	6	5	1
Total	33					19* *10 of these units include project-based subsidy (described in Appendix B)				
Accessible Features	There will be seven fully accessible units in the project. A number of the units will have entrances that are without steps or at a minimal grade. There will be bathrooms on the ground level in many units. Exterior doors will be 36 inches wide.									

Appendix B – New Project-based Voucher Units

In the 2012 Plan, Seattle Housing anticipated project-basing 120 MTW vouchers. In actuality, 123 MTW project-based vouchers were committed during the year. However, one project with eight committed vouchers was delayed until the end of the first quarter in 2013. This project will be described in the 2013 MTW Report. Additionally, two projects with a total of 63 vouchers started contracting and leasing processes in 2012 but did not begin moving residents into units until January 2013.

Please note that not all of the vouchers project-based in 2012 and described below are MTW. When also including conversion vouchers, the number of new project-based vouchers in 2012 totals 145. Seattle Housing received 30 enhanced vouchers for residents at Council House, a project undergoing conversion to market rate in 2012. A total of 20 eligible families chose to project-base their voucher and SHA provided vouchers for 10 vacant units eligible for project-based subsidy.

Bergan Place						
Project description	Bergan Place, owned by Compass Housing Alliance, is a 38 unit building in Seattle's Greenwood neighborhood. The building targets families at or below 50% of the Area Median Income with project-based units reserved for families at or below 30% AMI. The building includes a community room with a community computer, as well as an outdoor community space and play area. A live-in site coordinator organizes community building events and activities with the residents. Residents are also connected to community resources as needed.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
38	0	0	8	0	0	8

Dekko Place

Project description	Dekko Place, owned by Compass Housing Alliance, is a 50 unit building in Seattle's Downtown neighborhood. This newly constructed project serves people with disabilities and people who were previously homeless. Residents referred by the Washington State Division of Developmental Disabilities (DDD) receive ongoing case management support to help the residents live independently in the community. The units are accessible to people of all abilities. The building includes several community areas such as a green roof with seating and garden areas, a community room with kitchen, and lobby area seating. All residents receive free internet service.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
50	0	0	5	0	0	5

Mercer Court

Project description	Mercer Court, owned by Bellwether Housing, is a small 24-unit property in the heart of Seattle's Capitol Hill neighborhood. The neighborhood has an excellent range of amenities including a large local park, restaurants, shopping, a Seattle Public Library branch, an elementary school, and access to a wide range of bus routes. The building targets people at or below 50% of the Area Median Income with project-based units reserved for those at or below 30% AMI. An on-site resident manager provides assistance to tenants as needed. The project-based units are targeted towards families with at least one child.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
24	0	0	3	0	0	3

Nhon's House

Project description	Nhon's House, privately owned, is a small property of 7 townhouse style apartments located in Seattle's Rainier Valley neighborhood. The building serves families with children and incomes at or below 30% of the Area Median Income. First Place School will provide intensive case management to the families and many of the children will be enrolled in First Place School's rigorous education program.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
7	0	0	0	5	0	5

Lakeview Apartments

Project description	Lakeview Apartments, owned by the Low Income Housing Institute (LIHI), is a 59 unit mixed-income community in Seattle's South Lake Union neighborhood. The building has a large common area with a computer lab, community room, and kitchen. The units are aimed at families who are moving out of transitional housing and ready for permanent housing.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
59	0	0	5	0	0	5

Cascade Court

Project description	Cascade Court, owned by Bellwether Housing, is a 100-unit complex in Seattle's First Hill neighborhood. The building serves families at or below 50% of the Area Median Income with project-based units reserved for those at or below 30% AMI. The building includes an outdoor courtyard and children's play area. A live-in Resident Manager assists tenants as necessary.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
100	0	0	3	2	0	5

Casa Pacifica

Project description	Casa Pacifica, owned by Bellwether Housing, is a 65-unit complex in Seattle’s South Lake Union neighborhood. The building serves families with children at or below 60% of the Area Median Income with project-based units reserved for those at or below 30% AMI. The building includes two outdoor courtyards. A live-in Resident Manager assists tenants as necessary.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
65	0	0	5	0	0	5

Crestwood Place

Project description	The Crestwood Place Apartments, owned by Mount Baker Housing Association, is a 26-unit building located in the upper Rainier Beach neighborhood of Seattle. The neighborhood offers accessibility to numerous amenities. The project-based units serve those at or below 30% AMI.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
26	0	0	6	0	0	6

Council House

Project description	Council House, owned by Council House, Inc., is a 163 unit property in Seattle's Capitol Hill neighborhood. The project provides independent living for tenants 62 years and older. The building offers a number of amenities including a library, media room, meeting room, public dining room, as well as a clinic room with health and beauty services. There is also a rooftop garden and free internet and computers provided. Additionally, Council House offers a variety of programs and events including field trips and art, exercise, and poetry classes. On-site staff includes a social worker/service coordinator, an activities and intake director, and an environmental services director.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
163	25	5	0	0	0	30

Aurora House

Project description	Aurora House, owned and operated by Downtown Emergency Service Center (DESC), is an 87-unit Housing First project in the North Seattle area that will provide permanent supportive housing for chronically homeless, single adults with disabilities. The project includes 24-hour on-site staffing and on-site case management, including common areas for recreation and gardening. Regular congregate meals will be provided daily. Residential Counselors will assist and support residents with challenges of daily living and help prevent unsafe situations.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
87	30	0	0	0	0	30

Ernestine Anderson Place

Project description	Ernestine Anderson Place, owned by the Low Income Housing Institute (LIHI), is a 61-unit service enriched project in Seattle's Central District neighborhood. The building serves low income seniors, homeless, and high utilizers. LIHI has partnered with Sound Mental Health (SMH) to provide case management and housing support services to building residents. The building includes an exercise facility and an educational/employment resource and library center and 24-hour crisis response will be available to residents.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
61	32	1	0	0	0	33

Rainier Vista Northeast (Phase III)

Project description	Rainier Vista Northeast has 118 units of various types located in Rainier Vista Phase II. All units are part of a tax credit limited partnership, of which Seattle Housing is the general partner. The project based units are floating and are a mix of bedroom sizes.					
Total units in property	Project-based units					
	Studios	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total
118	0	2	1	4	3	10

Appendix C – Household and Applicant Demographics

This appendix provides specific data on changes in the number and characteristics of households housed in Seattle and applicants. Unless otherwise noted, data represents year-end information (December 31, 2012). Slight variations in totals from table to table indicate detailed data is missing for a few households. The agency underwent a property management software conversion in late 2012 resulting in more anomalies than usual. Additional data notes are provided at the end of this appendix.

Existing Households

Race of head of household

Low-Income Public Housing Residents as of 12/31/2012

Community Type	Caucasian	African / African American	Native American	Asian / Asian American	Native Hawaiian & Pacific Islander	Multi-Race	Total
Garden Communities ¹	133	742	23	502	6	0	1,406
High-Rises ²	1,544	805	75	450	5	9	2,888
Mixed Income	25	27	1	3	0	0	56
Partnership Units	16	30	-	4	0	0	50
Scattered Sites	174	347	17	96	3	11	648
SSHP-LIPH	658	91	6	108	3	0	866
Townhouses	17	33	1	9	0	0	60
LIPH Total	2,567	2,075	123	1,172	17	20	5,974
Percent of Total	43.0%	34.7%	2.1%	19.6%	0.3%		
2011 Year-end	2,670	2,030	116	1,172	18	N/A	6,006
Percent of Total	44.5%	33.8%	1.9%	19.5%	0.3%	N/A	
Percent Change from Prior Year	-3.9%	2.2%	6.0%	0.0%	-5.6%	N/A	-0.5%
Difference in Ratios	-1.5%	0.9%	0.1%	0.1%	0.0%	N/A	

¹Excludes 1 household whose race is unknown. ²Excludes 25 households whose race is unknown.

Section 8 Program Participants as of 12/31/2012

Program	Caucasian	African / African American	Native American	Asian / Asian American	Native Hawaiian & Pacific Islander	Multi-Race	Total
HCV Tenant-	1,846	2,242	122	594	31	0	4,835
HCV Project-	1,255	1,129	70	254	32	0	2,740
S8 Mod	375	171	38	146	3	0	733
S8 New	65	24	3	4	0	0	96
Section 8	3,541	3,566	233	998	66	0	8,404
Percent of	42.1%	42.4%	2.8%	11.9%	0.8%	0%	
2011 Year-	3,528	3,593	229	980	65	N/A	8,395
Percent of	42.0%	42.8%	2.7%	11.7%	0.8%	N/A	
Percent	0.4%	-0.8%	1.7%	1.8%	1.5%	N/A	0.1%
Difference in	0.1%	-0.4%	0.0%	0.2%	0.0%	N/A	

³Excludes households that have left SHA's jurisdiction (1,687 households, a.k.a. port-outs) and those who live in SSHP and are counted in those tables (16 households), and includes households that have entered SHA's jurisdiction (471 households, a.k.a. port-ins). ⁴Excludes 1 household whose race is unknown.

SSHP Residents as of 12/31/2012

Program	Caucasian	African / African American	Native American	Asian/ Asian American	Native Hawaiian & Pacific Islander	Multi-Race	Total
SSHP Total⁵	46	11	3	36	0	0	96
Percent of	47.9%	11.5%	3.1%	37.5%	0%	0%	
2011 Year-	61	6	0	29	0	0	96
Percent of	63.5%	6.3%	0.0%	30.2%	0%	0%	
Percent	-24.6%	83.3%	0.0%	24.1%	0	0	0.0%
Difference in	-15.6%	5.2%	3.1%	7.3%	0%	0%	

⁵Excludes 1 household whose race is unknown.

Other Non-Federal Program Residents as of 12/31/2012

Program⁶	Caucasian	African / African American	Native American	Asian/ Asian American	Native Hawaiian & Pacific Islander	Multi-Race	Total
HOPE VI	42	159	1	37	3	1	240
Special	114	77	1	4	0	0	196
Special Portfol	209	22	0	33	6	0	264
Other Non-	365	258	2	74	9	1	700
Percent of	52.1%	36.9%	0.3%	10.6%	1.3%	0.1%	
2011 Year-	269	237	0	81	0	N/A	587
Percent of	45.8%	40.4%	0.0%	13.8%	0.0%	N/A	
Percent	35.7%	8.9%	0.0%	-8.6%	0.0%	N/A	25.4%
Difference in	6.3%	-3.5%	0.3%	-3.2%	1.3%	N/A	

⁶Excludes households represented in other housing programs, such as those with Housing Choice Vouchers or in Low Income Public Housing units. ⁷Excludes 19 households in Special Portfolio - SHA Managed properties whose race is unknown. ⁸Excludes 6 Special Portfolio - Privately Managed households whose race is unknown.

Ethnicity of head of household`

Ethnicity – Hispanic / Non-Hispanic as of 12/31/2012

Program	Hispanic	Non-Hispanic	Total
Low Income Public Housing ⁹	242	4866	5,108
SSHP-LIPH	45	821	866
HCV Tenant-Based ¹⁰	216	4619	4,835
HCV Project-Based	126	2614	2,740
Section 8 Mod Rehab	47	686	733
Section 8 New Construction	4	93	97
Seattle Senior Housing Program ¹¹	4	92	96
Other Non-Federal Programs ¹²	36	673	709
Total Households	720	14,464	15,184
Percent of Total	4.7%	95.3%	
2011 Year-end	673	14,415	15,088
Percent of Total	4.5%	95.5%	
Percent Change from Prior Year	7.0%	0.3%	-4.1%
Difference in Ratios	0.3%	-0.3%	

⁹Excludes 26 households whose ethnicity is unknown. ¹⁰Excludes port-outs and SSHP voucher holders; includes port-ins.

¹¹Excludes 1 household whose ethnicity is unknown. ¹²Excludes 16 households whose ethnicity is unknown.

Income distribution as a percent of median income

Median Incomes Levels for the Seattle-Bellevue Area -Effective 12/1/2012

Family Size	30% Median	50% Median	80% Median
Single Individual	\$18,500	\$30,800	\$45,500
Family of Two	\$21,150	\$35,200	\$52,000
Family of Three	\$23,800	\$39,600	\$58,500
Family of Four	\$26,400	\$44,000	\$65,000
Family of Five	\$28,550	\$47,550	\$70,200
Family of Six	\$30,650	\$51,050	\$75,400
Family of Seven	\$32,750	\$54,600	\$80,600
Family of Eight	\$34,850	\$58,100	\$85,800

Distribution of Household Annual Income as of 12/31/2012

Program	Below 30% Median Income	30% - 50% Median Income	50% - 80% Median Income	Over 80% Median Income	Total
Low Income Public Housing ¹³	4,503	518	97	15	5,133
SSHP-LIPH ¹⁴	683	147	34	1	865
HCV Tenant-Based ¹⁵	4,145	614	75	1	4,835
HCV Project-Based	2,565	160	13	2	2,740
Section 8 Mod Rehab	697	25	5	6	733
Section 8 New Construction	92	5	-	-	97
Seattle Senior Housing Program ¹⁶	85	8	2	1	96
Other Non-Federal Programs	219	154	181	171	725
Total Households	12,989	1,631	407	197	15,224
Percent of Total	85.3%	10.7%	2.7%	1.3%	
2011 Year-end	12,960	1,587	385	139	15,071
Percent of Total	86.0%	10.5%	2.6%	0.9%	
Percent Change from Prior Year	0.2%	2.8%	5.7%	41.7%	1.0%
Difference in Ratios	-0.7%	0.2%	0.1%	0.4%	

¹³ Excludes 1 household whose income is unavailable. ¹⁴ Excludes 1 household whose income is unavailable. ¹⁵ Excludes port-outs and SSHP voucher holders; includes port-ins. ¹⁶ Exclude 1 household whose income is unavailable.

Total population by age group (minors, adults and elderly)

Low-Income Public Housing Residents as of 9/30/2012

Development ¹⁷	Non-Elderly		Elderly	Total	Elderly >70
	Minors	Adults	Adults	Individuals	
Garden Communities	1,863	1,982	524	4,369	269
High-Rises	66	1,838	1,305	3,209	702
Mixed Income	54	58	8	120	2
Partnership Units	113	131	13	257	4
Scattered Sites	1,037	1,000	113	2,150	47
SSHP-LIPH	-	96	848	944	627
Townhouses	184	131	7	322	1
LIPH Total	3,317	5,236	2,818	11,371	1,652
Percent: Actual	29.2%	46.0%	24.8%		14.5%
2011 Year-end	3,180	5,127	2,756	11,063	1,597
Percent of Total	28.7%	46.3%	24.9%		14.4%
Percent Change from Prior Year	4.3%	2.1%	2.2%	2.8%	3.4%
Difference in Ratios	0.4%	-0.3%	-0.1%		0.1%

¹⁷ Excludes occupants of employee and agency units.

Section 8 Participants as of 12/31/2012

Program	Non-Elderly		Elderly	Total	Elderly >70
	Minors	Adults	Adults	Individuals	
HCV Tenant-based	4,079	5,240	1,570	10,889	808
HCV Project-based	1,781	2,702	661	5,144	328
Section 8 Mod Rehab	78	645	211	934	94
Section 8 New Construction ¹⁸	-	67	35	102	16
Section 8 Total	5,938	8,654	2,477	17,069	1,246
Percent of Total	34.8%	50.7%	14.5%		7.3%
2011 Year-end	5,949	8,694	2,307	16,950	1,166
Percent of Total	35.1%	51.3%	13.6%		6.9%
Percent Change from Prior Year	-0.2%	-0.5%	7.4%	0.7%	6.9%
Difference in Ratios	-0.3%	-0.6%	0.9%		0.4%

¹⁸Section 8 New Construction population by age group retrieved from 9/30/2012 data tables.

SSHP Residents as of 9/30/2012

	Non-Elderly		Elderly	Total	Elderly >70
	Minors	Adults	Adults	Individuals	
SSHP Total	0	10	106	116	75
Percent of Total	0.0%	8.6%	91.4%		64.7%
2011 Year-end	0	9	109	118	81
Percent of Total	0.0%	7.6%	92.4%		68.6%
Percent Change from Prior Year	0.0%	11.1%	-2.8%	-1.7%	-7.4%
Difference in Ratios	0.0%	1.0%	-1.0%		-4.0%

Other Non-Federal Program Residents as of 9/30/2012

Program	Non-Elderly		Elderly	Total	Elderly >70
	Minors	Adults	Adults	Individuals	
HOPE VI Tax Credit	277	393	33	703	12
Special Portfolio – Seattle Housing	54	157	8	219	1
Special Portfolio – Privately Mngd	103	367	47	517	20
Other Non-Federal Total	434	917	88	1,439	12
Percent of Total	30.2%	63.7%	6.1%		0.8%
2011 Year-end	426	887	83	1,396	12
Percent of Total	30.5%	63.5%	5.9%		0.9%
Percent Change from Prior Year	1.9%	3.4%	6.0%	3.1%	0.0%
Difference in Ratios	-0.4%	0.2%	0.2%		0.0%

People with disabilities

Low-Income Public Housing Residents as of 9/30/2012

Development	Disabled	Non-Elderly	Elderly	Total	Total
	Minors	Disabled	Disabled	Disabled	Individuals
Garden Community	6	190	241	437	4,369
High-Rises	-	1,378	643	2,021	3,209
Mixed Income	-	12	3	15	120
Partnership Units	-	8	1	9	257
Scattered Sites	16	178	49	243	2,150
SSHP-LIPH	-	76	96	172	944
Townhouse	2	8	1	11	322
LIPH Totals	24	1,850	1,034	2,908	11,371
Percent of Total	0.2%	16.3%	9.1%	25.6%	
2011 Year-end	25	1,861	1005	2,891	11,063
Percent of Total	0.2%	16.8%	9.1%	26.1%	
Percent Change from Prior Year	-4.0%	-0.6%	2.9%	0.6%	2.8%
Difference in Ratios	0.0%	-0.6%	0.0%	-0.6%	

Section 8 Participants as of 12/31/2012

Program	Disabled	Non-Elderly	Elderly	Total	Total
	Minors	Disabled	Disabled	Disabled	Individuals
HCV Tenant-based	266	1,892	1,179	3,337	10,889
HCV Project-based	66	1,220	415	1,701	5,144
Section 8 Mod Rehab	3	361	166	530	934
Section 8 New Construction	-	37	18	55	102
Section 8 Total	335	3,510	1,778	5,623	17,069
Percent of Total	2.0%	20.6%	10.4%	32.9%	
2011 Year-end	343	3,520	1,680	5,543	16,950
Percent of Total	2.0%	20.8%	9.9%	32.7%	
Percent Change from Prior Year	-2.3%	-0.3%	5.8%	1.4%	0.7%
Difference in Ratios	-0.1%	-0.2%	0.5%	0.2%	

SSHP Residents as of 9/30/2012

	Disabled Minors	Non-Elderly Disabled	Elderly Disabled	Total Disabled	Total Individuals
SSHP Totals	0	4	16	20	116
Percent of Total	0.0%	3.4%	13.8%	17.2%	
2011 Year-end	0	5	17	22	118
Percent of Total	0.0%	4.2%	14.4%	18.6%	
Percent Change from Prior Year	0.0%	-20.0%	-5.9%	-9.1%	-1.7%
Difference in Ratios	0.0%	-0.8%	-0.6%	-1.4%	

Other Non-Federal Program Residents as of 12/31/2012

Program	Disabled Minors	Non-Elderly Disabled	Elderly Disabled	Total Disabled	Total Individuals
HOPE VI Tax Credit	2	9	7	18	703
Special Portfolio – Seattle Housing	-	1	-	1	219
Special Portfolio – Privately Managed	N/A	20	N/A	20	517
Section 8 Total	2	30	7	39	1,439
Percent of Total	0.1%	2.1%	0.5%	2.7%	
2011 Year-end	-	27	4	31	1,396
Percent: Projected	N/A	1.9%	0.3%	2.2%	
Percent Change from Prior Year	0.0%	11.1%	75.0%	25.8%	3.1%
Difference in Ratios	0.0%	0.2%	0.2%	0.5%	

Households served in Seattle by unit size at year end – comparing Seattle Housing’s first year of MTW (1999), the prior year (2011), and the current year (2012)

Program	Year	0-Br	1-Br	2-Br	3-Br	4-Br	5+-Br	Total
Low Income Public Housing	1999	257	3,158	1,470	935	231	36	6,087
	2011	819	2,422	988	688	186	36	5,139
	2012	814	2,369	988	729	196	38	5,134
Seattle Senior Housing Low-Income Public Housing	2011	0	788	79	0	0	0	867
	2012	1	782	83	0	0	0	866
Housing Choice Voucher Tenant- & Project-based Assistance ⁵	1999	250	1,117	1,079	872	279	82	3,679
	2011	1788	2,126	1,874	1,236	399	147	7,570
	2012	1,848	2,111	1,843	1,220	405	148	7,575
Section 8 New Construction	1999	10	141	0	0	0	0	151
	2011	0	96	0	0	0	0	96
	2012	0	97	0	0	0	0	97
Seattle Senior Housing Program	1999	161	913	85	0	0	0	1,159
	2011	0	86	10	0	0	0	96
	2012	0	87	10	0	0	0	97
Other Non-Federal	1999	0	0	0	0	0	0	0
	2011	44	151	252	124	20	2	593
	2012	50	188	317	143	21	6	725
Total	1999	678	5,329	2,634	1,807	510	118	11,076
	2011	2651	5669	3203	2048	605	185	14361
	2012	2,713	5,634	3,241	2,092	622	192	14,494
Distribution of Unit sizes	1999	6.1%	48.1%	23.8%	16.3%	4.6%	1.1%	100.0%
	2011	18.5%	39.5%	22.3%	14.3%	4.2%	1.3%	100.0%
	2012	18.7%	38.9%	22.4%	14.4%	4.5%	1.3%	100.0%

¹⁹Excludes Mod Rehab units. Not all units include MTW funds.

Average Length of Participation by Housing and Household Type

Elderly/Disabled Households (elderly or disabled head of household) as of 12/31/2012

Program	Households	Average Number of Years	2 Years or Less	2-5 Years	5-10 Years	10-20 Years	20 Years or More
Public Housing	4164	10	22%	14%	24%	27%	14%
HCV Tenant-Based	2976	8	24%	24%	24%	24%	24%
HCV Project-Based	1784	2	61%	16%	20%	3%	0%
Section 8 Mod-Rehab	537	5	49%	9%	17%	20%	5%
S8 New Construction	70	11	11%	10%	26%	43%	10%
Seattle Senior Housing Program	91	8	31%	11%	20%	32%	7%
Other Non-Federal	121	6	34%	9%	43%	9%	5%
Total Elderly/Disabled	9743	7	31%	13%	26%	21%	8%

²⁰Seattle Senior Housing Program length of participation retrieved from 9/30/2012 data tables.

Family Households (non-elderly, non-disabled head of household, including single individuals) as of 12/31/2012

Program	Households	Average Number of Years	2 Year or Less	2-5 Years	5-10 Years	10-20 Years	20 Years or More
Public Housing	1832	6	31%	21%	28%	15%	6%
HCV Tenant-Based	1859	6	32%	19%	29%	18%	2%
HCV Project-Based	956	1	77%	13%	9%	1%	0%
Section 8 Mod-Rehab	196	3	62%	10%	15%	10%	3%
S8 New Construction	27	3	52%	26%	15%	7%	0%
Seattle Senior Housing Program	5	2	60%	20%	20%	0%	0%
Other Non-Federal	585	3	59%	14%	20%	5%	1%
Total Family	5460	5	43%	18%	24%	12%	3%

²¹Seattle Senior Housing Program length of participation retrieved from 9/30/2012 data tables.

All Households as of 12/31/2012

Program	Households	Average Number of Years	2 Year or Less	2-5 Years	5-10 Years	10-20 Years	20 Years or More
Public Housing	5996	8	25%	16%	25%	23%	11%
HCV Tenant-Based	4835	7	27%	15%	31%	22%	5%
HCV Project-Based	2740	3	67%	15%	16%	2%	0%
Section 8 Mod-Rehab	733	6	52%	9%	17%	18%	4%
S8 New Construction	97	8	23%	14%	23%	33%	7%
Seattle Senior Housing Program	96	8	32%	11%	20%	30%	6%
Other Non-Federal	706	4	55%	13%	24%	6%	2%
Total Combined	15203	6	36%	15%	25%	18%	6%

²²Seattle Senior Housing Program length of participation retrieved from 9/30/2012 data tables.

Applicant Demographics

Low-Income Public Housing Applicants as of 9/30/2012

Unit Size	Caucasian	African / African American	Native American	Asian & Pacific Islander	Total
0/1 bedroom	1,966	1,752	135	726	4,579
2 bedroom	385	770	38	340	1,533
3 bedroom	114	226	6	99	445
4 bedroom	13	61	2	14	90
5 bedroom	1	18	1	0	20
LIPH Total	2,479	2,827	182	1,179	6,667
Percent of Total	37.2%	42.4%	2.7%	17.7%	
2011 Year End	2,284	2,662	176	1,140	6,262
Percent of Total	36.5%	42.5%	2.8%	18.2%	
Percent Change from Prior Year	8.5%	6.2%	3.4%	3.4%	6.5%
Difference in Ratios	0.7%	-0.1%	-0.1%	-0.5%	

²³ Applicants to HOPE VI communities are not included in this analysis.

SSHP-LIPH Applicants as of 9/30/2012

Unit Size	Caucasian	African / African American	Native American	Asian & Pacific Islander	Total
0/1 bedroom	731	238	21	117	1107
2 bedroom	12	5	0	7	24
SSHP Total	743	243	21	124	1131
Percent of Total	65.7%	21.5%	1.9%	11.0%	
2011 Year End	546	157	17	82	802
Percent of Total	68.1%	19.6%	2.1%	10.2%	
Percent Change from Prior Year	36.1%	54.8%	23.5%	51.2%	41.0%
Difference in Ratios	-2.4%	1.9%	-0.3%	0.7%	

Housing Choice Voucher Applicants as of 9/30/2012

Unit Size	Caucasian	African / African American	Native American	Asian & Pacific Islander	Total
All bedroom sizes⁷	148	282	13	60	5
Percent of Total	29.1%	55.5%	2.6%	11.8%	1.0%
2011 Year End	273	544	25	116	116
Percent of Total	25.4%	50.7%	2.3%	10.8%	10.8%
Percent Change from Prior Year	-45.8%	-48.2%	-48.0%	-48.3%	-95.7%
Difference in Ratios	3.7%	4.9%	0.2%	1.0%	-9.8%

²⁴ Seattle Housing no longer tracks Housing Choice Voucher applicants by bedroom size.

Section 8 New Construction Applicants as of 9/30/2012

Unit Size	Caucasian	African / African American	Native American	Asian & Pacific Islander	Total
0/1 bedroom	135	100	12	15	262
Section 8 New Construction Total	135	100	12	15	262
Percent of Total	51.5%	38.2%	4.6%	5.7%	
2011 Year End	138	88	10	24	260
Percent of Total	53.1%	33.8%	3.8%	9.2%	
Percent Change from Prior Year	-2.2%	13.6%	20.0%	-37.5%	0.8%
Difference in Ratios	-1.6%	4.3%	0.7%	-3.5%	

SSHP Applicants as of 9/30/2012

Unit Size	Caucasian	African / African American	Native American	Asian & Pacific Islander	Total
0/1 bedroom	126	62	4	84	276
2 bedroom	3	2		2	7
SSHP Total	129	64	4	86	283
Percent of Total	45.6%	22.6%	1.4%	30.4%	
2011 Year End	96	43	7	65	211
Percent of Total	45.5%	20.4%	3.3%	30.8%	
Percent Change from Prior Year	34.4%	48.8%	-42.9%	32.3%	34.1%
Difference in Ratios	0.1%	2.2%	-1.9%	-0.4%	

Income distribution as a percent of median income

Applicant Household Annual Incomes as of 9/30/2012

Program	Below 30% Median Income	30% - 50% Median Income	50% - 80% Median Income	Over 80% Median Income	Total
Low Income Public Housing	6,294	320	34	19	6,667
SSHP - LIPH	945	139	43	4	1,131
HCV Tenant-based	425	69	13	1	508
Section 8 New Construction	257	4	1	0	262
Seattle Senior Housing Program ⁸	251	27	3	2	283
Unique Households⁹	7,003	479	82	22	7,586
Percent of Total	92.3%	6.3%	1.1%	0.3%	
2011 Year End	7,049	396	59	19	7,523
Percent of Total	93.7%	5.3%	0.8%	0.3%	
Percent Change from Prior Year	-0.7%	21.0%	39.0%	15.8%	0.8%
Difference in Ratios	-1.4%	1.1%	0.3%	0.0%	

²⁵Applicant households may appear on more than one wait list; therefore the unique households row does not equal the sum of the program rows.

Additional data notes – the following notes apply to all tables within this appendix:

- Low Income Public Housing excludes occupants of employee and agency units.
- Housing Choice Vouchers excludes households that have left Seattle Housing’s jurisdiction (1,687 port-out households); excludes households using vouchers in the SSHP program (16 households accounted for in the SSHP demographics); and includes households that have entered Seattle Housing’s jurisdiction (471 port-ins households).

-
- Other Non-Federal excludes occupants of units managed by Seattle Housing for other owners and excludes households in these properties that are represented in other data tables (such as tenant-based Housing Choice Vouchers).
 - Length of Participation data excludes households in properties managed by SHA but not SHA owned and households whose original move-in date is temporarily unavailable due to software conversion. Family households are defined as a head of household adult who is under age 62 and not disabled; Elderly and Disabled households are defined as a head of household who is 62 or over and/or is disabled.

Appendix D – Capital Performance and Evaluation Report

Please see the following pages for Seattle Housing’s Capital Performance and Evaluation Report.

Part I: Summary

PHA Name: Seattle Housing 120 Sixth Avenue North Seattle WA, 98109	Grant Type and Number: Capital Fund Program Grant No: WA00100003909G Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009
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Type of Grant

Original Amendment Revised Amendment (revision no.)

2012 ARRA LAKE CITY CAPITAL REPORT and FINAL AMENDMENT

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	\$381,618.00		\$381,618.00	\$381,618.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$2,440,183.00	\$1,150,909.51	\$1,150,909.51	\$1,150,909.51
8	1440 Site Acquisition	\$0.00	\$1,075,000.00	\$1,075,000.00	\$1,075,000.00
9	1450 Site Improvement				
10	1460 Dwelling Structures	\$5,180,709.00	\$5,405,560.49	\$5,405,560.49	\$5,405,560.49
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition	\$11,462.00		\$884.00	\$884.00
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

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

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

⁴ RHF funds shall be included here.

Part I: Summary

PHA Name: Seattle Housing
 120 Sixth Avenue North
 Seattle
 WA, 98109

Grant Type and Number: American Recovery and Reinvestment Act (ARRA)
 Capital Fund Program Grant No: WA00100003909G
 Replacement Housing Factor Grant No:
 Date of CFFP:

FFY of Grant: 2009
 FFY of Grant Approval: 2009

Type of Grant

Original Amendment Revised Amendment (revision no.)

2012 ARRA LAKE CITY CAPITAL REPORT and FINAL AMENDMENT

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 8,013,972		\$ 8,013,972	\$ 8,013,972
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation				

Signature of Executive Director *[Signature]* Date *2/14/13*

Signature of Public Housing Director _____ Date _____

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

Part I: Summary		Grant Type and Number		FFY of Grant: 2010	
PHA Name: Seattle Housing 120 Sixth Avenue North Seattle WA, 98109		Capital Fund Program Grant No: WA19C001501-10 Replacement Housing Factor Grant No: Date of CFFP: 6/8/2011		FFY of Grant Approval: 2011	
Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no:)	
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/>		<input type="checkbox"/>	
<input checked="" type="checkbox"/> 2012 CAPITAL FUND REPORT- YESLER STEAM PLANT		<input type="checkbox"/>		<input type="checkbox"/>	
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds	1,874,729	1,874,729	130,781.45	130,781.45
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	74,862	120,000	8,683.13	8,683.13
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	296,330	389,000	356,360.25	356,360.25
8	1440 Site Acquisition				
9	1450 Site Improvement	88,587	0		
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures	1,817,900	1,375,269		
13	1475 Non-dwelling Equipment				
14	1485 Demolition	531,521	1,225,002	181,354.66	181,354.66
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs	62,385	0		
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

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

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

⁴ RHF funds shall be included here

Part I: Summary		Grant Type and Number		FFY of Grant: 2010	
PHA Name: Seattle Housing		Capital Fund Program Grant No: WA19C001501-10		FFY of Grant Approval: 2011	
120 Sixth Avenue North		Replacement Housing Factor Grant No:			
Seattle		Date of CFFP:			
WA, 98109					
Type of Grant		<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> 2012 CAPITAL FUND REPORT -YESLER STEAM PLANT		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Final Performance Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost¹	
		Original	Revised²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)	237,686	0		
20	Amount of Annual Grant: (sum of lines 2 - 19)	3,109,271	3,109,271	8,843	8,843
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation				
Signature of Executive Director		Signature of Public Housing Director		Date	
				2/14/13	

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