

Section C

Holyoke Housing Authority



MOVING TO WORK ANNUAL PLAN

HHA FISCAL YEAR 2013
(JANUARY 1, 2013 TO DECEMBER 31, 2013)

Holyoke Housing Authority

Moving to Work Annual Plan—Year One

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I. Introduction and Overview

The Holyoke Housing Authority (“HHA”) has prepared this Annual Plan for Fiscal Year 2013 as part of its competitive application to the US Department of Housing and Urban Development (“HUD”) for designation as a Moving To Work (“MTW”) agency. Moving To Work is a demonstration program created by Congress in 1996 which permits a limited number of participating Public Housing Authorities to combine funding assistance into a single, agency-wide funding source and to design and test flexible, locally-tailored approaches to administering the Public Housing and Housing Choice Voucher programs.

Background

Subject to HUD approval, MTW agencies are allowed to waive some provisions of the US Housing Act of 1937 to promote one or more of the MTW statutory objectives, which can be summarized as follows:

- To reduce cost and achieve greater effectiveness in administering federally funded housing assistance programs;
- To provide incentives to families with children to obtain employment and become economically self-sufficient; and,
- To increase housing choices for eligible low-income families.

All of the MTW activities proposed by HHA in this Annual Plan are designed to address one or more of the MTW statutory objectives. If HHA receives designation as an MTW agency, it will enter into an MTW Agreement with HUD that defines HHA’s authority to administer the program and that will extend until the end of Fiscal Year 2018.

MTW designation provides an exciting opportunity for HHA to develop innovative local solutions to respond to Holyoke’s unique local needs and challenges while promoting MTW’s statutory objectives. HHA believes that MTW designation will provide regulatory flexibility and a critically important set of tools that will: leverage and increase the positive impact of limited federal funding; promote HHA’s long-term objectives to revitalize Holyoke’s public housing portfolio and surrounding neighborhoods including the City’s Arts and Innovation District; provide HHA residents with training and other supportive services so that they can obtain good-paying jobs and/or become first-time homebuyers; improve and streamline administration of both the Public Housing and Housing Choice Voucher programs; and, increase the range and quality of housing choices for low-income households.

In Chapter IV of this Annual Plan, HHA describes its long-term vision for the MTW program, including how it will be used to promote the MTW objectives defined by Congress and to benefit HHA residents and the broader community. Over the term of the MTW Agreement, HHA looks forward to working with residents, non-profit partners, the City and other community stakeholders to identify opportunities for using MTW flexibility to support its long-term vision.

Proposed First Year MTW Activities

For its first year as an MTW agency, i.e. the period from January 1-December 31, 2013, HHA has proposed an initial series of MTW activities, each of which requires MTW authority to implement. HHA anticipates that the list of MTW activities summarized below and more fully described in Chapter V will evolve over time in response to community needs and new opportunities. Major elements of the proposed first year MTW efforts to be undertaken by HHA include the following:

Provide training and jobs to residents through the Career Advancement Program (“CAP”) in partnership with Holyoke Works, Holyoke Community College, Nuestra Raices and other community partner agencies. Through the

CAP initiative, HHA proposes to provide up to 68 currently unemployed HHA residents with training and employment placement assistance through established HHA partner programs. Training and placement will focus on “green” jobs and other employment sectors for which there is documented demand for trained workers in the Holyoke area. This initiative includes a “rent reform” component, i.e. employment income received by participating residents will be fully excluded from income calculations for the entire first year, then will be gradually phased in over a five-year period. Only in the fifth year of employment will all employment income be included in the household’s income calculation for rent determination purposes.

Encourage employment and simplify program administration by implementing a Biennial Recertification and Streamlined Asset Certification Program for Public Housing and Housing Choice Voucher program households. To encourage adults to obtain employment and to simplify program administration, HHA proposes to modify its income recertification policy, moving from an annual process to a biennial process. Under the new policy, HHA residents will be recertified every two years; however, they will continue to be eligible for interim recertifications in the event that there is a decrease in household income. In tandem, HHA will streamline the recertification process by allowing residents to self-certify assets when the combined gross value of assets is less than \$50,000.

Reduce homelessness through a Sponsor-Based Transitional Housing Partnership in partnership with Valley Opportunity Council (“VOC”). MTW authority will be used to allow VOC to lease privately-owned housing units for occupancy by homeless individuals coming out of the shelter system. Up to 20 homeless individuals (four each year over a five-year period) will receive intensive case management, job training and other supportive services for a twelve-month period. Upon successful completion of the transitional housing program, HHA will provide a preference for a tenant-based voucher to these individuals.

Support neighborhood revitalization and Holyoke’s Center City Vision Plan through targeting of Project Based Vouchers. The Center City Vision Plan focuses on revitalizing the Arts and Innovation District through a comprehensive transit-oriented redevelopment strategy. The City envisions creating a vibrant, sustainable downtown with a thriving arts and culture component and easy access to regional transit. Construction of the regional transit hub is nearing completion, and planning is well underway for redevelopment of existing former manufacturing and office buildings for retail and housing uses. HHA proposes to target up to 30 Project Based Vouchers in order to encourage private investment and ensure the continued availability of affordable housing in this newly revitalized community.

Prevent foreclosures among low-income homeowners through implementation of time-limited homeowner assistance. Holyoke homeowners include a large number of low-income households, many of whom are at risk of foreclosure due to job loss and other short-term economic hardship. Foreclosures have a devastating impact on individual families and their neighborhoods. Over a five-year period, HHA proposes to assist up to 15 homeowners who have experienced a short-term economic hardship and are at risk of losing their homes. Eligible homeowners will be provided with job training/search assistance and short-term financial support at levels comparable to that provided to Housing Choice Voucher Program homebuyers.

Expand affordable first-time homebuyer opportunities by allowing purchase of two-unit homes. HHA proposes to modify its Public Housing and HCV first-time homeownership programs to allow for purchase of two-unit homes. Holyoke’s housing market includes a substantial supply of two-unit homes. By allowing this flexibility, HHA will expand the range of housing choices available to first-time homebuyers, while also helping to create rental income cash flow to support mortgage payments.

Establish a risk-based inspection system for the Housing Choice Voucher Program. HHA is committed to ensuring that all units leased under the HCV Program comply with Housing Quality Standards and provide decent, safe and sanitary housing. Based on agency experience, it is clear that a portion of the HCV portfolio consists of well-managed, good quality housing for which annual inspections are not required. HHA proposes to implement new policies which will assess the characteristics and risks associated with HCV units. For those units with low risk and high standards, HQS inspections will be conducted every two years (unless either the resident or owner requests a

more frequent inspection). For all other units, annual inspections will be conducted. HHA projects that this initiative will result in administrative efficiencies and streamlining of HCV program operations.

Design and implement an MTW Block Grant Evaluation program in partnership with the University of Massachusetts. Under the MTW Agreement, HHA will be allowed to combine and flexibly utilize HUD Operating Subsidy, Capital Funds and Housing Choice Voucher funds for authorized purposes. Over the life of the MTW program, HHA intends to measure and evaluate cost savings, additional families served and other quantifiable outcomes in order to document the impact of the Block Grant and inform the national dialogue on this issue.

MTW Annual Plan and Report

This document is organized according to HUD's requirements for submission of an MTW Annual Plan. If HHA is designated by HUD as an MTW agency, on an annual basis HHA will prepare an MTW Annual Plan and provide an opportunity for public review and comment prior to HHA Board review and approval.

At the end of each fiscal year, HUD also requires MTW agencies to submit an MTW Annual Report to describe the actual activities undertaken over the course of the year. HHA will prepare and submit the Annual Reports in accordance with HUD requirements.

II. General Housing Authority Operating Information

A. Housing Stock Information

(1) Number of Public Housing Units at the Beginning of the Year

Holyoke Housing Authority’s inventory of federal public housing is summarized on the chart below. HHA currently administers a portfolio of 921 federal public housing units located in eleven (11) developments. Upon designation as an MTW agency, all of these federal public housing units will be considered “MTW Public Housing units”.

Federal Public Housing Developments	Number of Units
Beaudoin Village, 40 Leary Drive	217
Beaudry-Boucher Apartments, 68 Cabot Street	34
Churchill Homes I, 334 Elm Street	50
Churchill Homes II, 334 Elm Street	50
Coughlin Apartments, 300 Walnut Street	54
Falcetti Towers Apartments, 475 Maple Street	85
Lyman Terrace, 5 Hampden Street	167
Ramos Units, Scattered Site	9
Rosary Towers, 21 Bowers Street	100
Toepfert Apartments, 22 North Summer Street	93
Zielinski Apartments, 70 Walnut Street	62
Total:	921

HHA also administers 80 state-assisted public housing units in four (4) developments, which are summarized below. This information is presented for informational purposes only. Note that the state-assisted public housing will not be subject to MTW policies and initiatives.

State-Assisted Public Housing Developments	Number of Units
Congregate Housing, 43 Lower Westfield Road	20
Siebel Apartments, 121 Nonotuck Street	40
705 Family Housing Scattered Site	12
Beech Street Special Needs	8
Total:	80

(2) General Description of Planned Capital Expenditures

The following chart provides a summary of planned capital expenditures for HHA’s federal public housing developments during FY 2013. As some activities take place over multiple years, separate estimates are shown for FY 2013 projected expenditures and total planned expenditures. Actual expenditures may vary.

Public Housing Development	Planned Improvements	Timeframe for Improvements	Projected Expenditures for FY 2013	Total Projected Expenditures
Beaudoin Village	Masonry repairs	1/2013-6/2013	\$25,000	\$25,000
Beaudry-Boucher Apartments	Concrete patios	9/2012-2/2013	\$85,000	\$170,000
Churchill Homes	N/A	N/A	N/A	N/A
Coughlin Apartments	Masonry repairs	9/2012-12/2012	\$0	\$30,000
Falcetti Towers Apartments	Masonry Repairs	9/2012-12/2012	\$0	\$30,000
	Renovations for ADA Compliance—Phase I (3 Units)	9/2012-3/2013	\$81,500	\$163,000
	Renovations for ADA Compliance—Phase II (3 Units)	3/2013-9/2013	\$163,000	\$163,000
Lyman Terrace	N/A	N/A	N/A	N/A
Ramos Units Scattered Site	N/A	N/A	N/A	N/A
Rosary Towers	Roof repairs	7/2012-12/2012	\$0	\$230,000
	Masonry repairs	9/2012-12/2012	\$0	\$30,000
Toepfert Apartments	Sidewalk repairs	1/2013-6/2013	\$20,000	\$20,000
	Masonry repairs	1/2013-6/2013	\$25,000	\$25,000
	Window Replacement	1/2013-9/2013	\$265,811	\$265,811
Zielinski Apartments	Masonry repairs	9/2012-12/2012	\$0	\$30,000

(3) Description of New Public Housing Units to be Added During the Plan Year

HHA does not plan to add any additional public housing units during FY 2013.

(4) Public Housing Units to Be Removed During the Plan Year

HHA intends to submit a demo/dispo application for Lyman Terrace, as part of a long-planned revitalization project. This application may be submitted prior to the FY 2013; however, it is referenced here for informational purposes.

Development	Number of Units to be Removed	Explanation for Removal
MA005000001 Lyman Terrace	167	As part of the planned restoration of the site, HHA intends to submit a demo/dispo application to HUD for 167 units at Lyman Terrace.

(5) Number of MTW Housing Choice Vouchers Authorized

HHA currently administers a portfolio of 1,180 tenant-based Housing Choice Vouchers. If HHA is designated by HUD as an MTW agency, the current inventory of 1180 tenant-based HCV vouchers will be designated as “MTW vouchers”. HHA also intends to apply for 166 additional tenant-based HCV vouchers as part of the Lyman Terrace demo/dispo initiative in order to accommodate resident relocation needs.

(6) Number of Non-MTW Housing Choice Vouchers Authorized

If HHA is designated by HUD as an MTW agency, the inventory of Non-MTW vouchers will include 100 Section 8 Mod Rehab and 14 Mod Rehab/SRO vouchers.

In addition, the 158 Massachusetts Rental Voucher Program vouchers administered by HHA will continue to be part of the Non-MTW portfolio.

(7) Number of HCV Units to be Project-Based During the Plan Year

HHA does not have any project-based units. Although HHA does not currently have plans to add project based-units, HHA may choose to do so as part of the redevelopment activities at Lyman Terrace. Additionally, HHA has proposed an MTW activity - Neighborhood Revitalization – which will result in Project Based Vouchers; however, no leasing is projected during FY 2013.

B. Leasing Information—Planned

(1) Anticipated Number of MTW Public Housing Units to be Leased in Plan Year

HHA expects the proposed demolition of all 167 units located at Lyman Terrace to be complete prior to the end of Fiscal Year 2013. This will reduce HHA's public housing stock from a total 921 units to 754 units. Of the 754 units in the HHA public housing portfolio at the end of FY 2013, 752 are projected to be leased as of 12/31/13.

(2) Anticipated Number of Non-MTW Public Housing Units to be Leased in Plan Year

Subject to HUD approval, all HHA federal public housing units will be considered as MTW Public Housing Units; therefore, there will be no Non-MTW federal Public Housing units leased in the Plan year.

(3) Anticipated Number of MTW Housing Choice Voucher Units to be Leased in Plan Year

As described above, HHA intends to apply for 166 replacement vouchers for the relocation of residents currently residing at Lyman Terrace. HHA anticipates all such vouchers to be leased by the end of the first quarter of 2013. Of the projected authorized inventory of 1,294 MTW Housing Choice Vouchers, HHA projects leasing 98% or greater during the Plan year, i.e. leasing of at least 1,268 units.

(4) Anticipated Number of Non-MTW HCV Units to be Leased in Plan Year

Of the 114 Non-MTW HCV units, HHA projects leasing 98% or greater during the Plan year, i.e. leasing of at least 112 units.

(5) Description of Anticipated Leasing Issues

The timing of HUD approval of the Lyman Terrace demo/dispo application and related tenant relocation vouchers may impact the leasing projected above, i.e. a delay in the HUD approval process may cause delays in the tenant relocation process.

(6) Number of Project-Based Vouchers In-Use at the Start of the Plan Year

HHA does not currently have any Project-Based Vouchers in use and does not anticipate that there will be any in use as of the start of the Plan year.

C. Waiting List Information

(1) Waiting List Information

A summary of HHA’s current waiting list is shown on the chart below. For the public housing program, HHA uses a central waiting list except for Churchill Homes, which has a site-based waiting list. For the Housing Choice Voucher program, note that HHA uses a statewide waiting list maintained through an interagency NAHRO collaborative effort. HHA has its own resident preference for this list as defined in the HCV Administrative Plan. The HCV waiting list figures below are organized to reflect both the size of the entire statewide waiting list and the number of households on that list that live or work in Holyoke

Housing Program	Waiting List Type	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Are There Plans to Open the Waiting List During the Fiscal Year
Housing Choice Voucher	Statewide	120,750	Open	N/A
Housing Choice Voucher	Statewide with Holyoke Residency	3,529	Open	N/A
Federal Public Housing	Merged (excluding Churchill Homes)	1,674	Closed	Yes
Churchill Homes	Site Based	60	Partially Open	Yes

(2) Description of Anticipated Changes in Waiting Lists

In light of ongoing strong demand for housing, HHA anticipates that the number of households on its open waiting lists will grow by 5% or more during the plan year. The federal public housing site-based waiting list at Churchill Homes is currently open only to one income tier; however, it is projected to be opened to all income tiers prior to the start of the plan year. The merged federal public housing is currently closed; however, it is projected to be completely opened prior to the start of the plan year.

III. Non-MTW Related Housing Authority Information

A. Planned Sources and Uses of other HUD or other Federal Funds

The below table summarizes projected sources and uses for federal funds for purposes outside the MTW demonstration:

PROJECTED REVENUE (SOURCES)	AMOUNT
ROSS Service Coordinator	\$240,000.00
ROSS PH FSS	\$47,744.00
Housing Choice Voucher FSS	\$48,680.00
First Time Homebuyer Education	\$2,000.00
TOTAL REVENUE	\$338,424.00
PROJECTED EXPENSES (USES)	AMOUNT
Administrative	\$32,000.00
Salary	\$223,000.00
Benefits	\$77,424.00
Training	\$6,000.00
TOTAL EXPENSE	\$338,424.00

*spans 3 years

B. Description of Non-MTW Activities

Non-MTW activities are defined by HUD as those activities that do not require MTW authority or flexibility to implement. In addition to the capital activities noted above and the proposed MTW initiatives described in Chapter V, HHA will continue to implement a broad array of housing management, maintenance and supportive services efforts in the Public Housing program.

HHA may apply for HUD and other competitive funding opportunities and/or take other necessary actions consistent with the table below:

Name and Location	Development Activities	Demolition/Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Beaudoin Village 40 Leary Drive	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open	Possible homeownership component in connection with potential modernization and revitalization

Name and Location	Development Activities	Demolition/Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
				space	
Beaudry-Boucher Apartments 68 Cabot Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Churchill Homes I 349 Walnut Street	None	None	None	None	None
Churchill Homes II 334 Elm Street	None	None	None	None	None
Coughlin Apartments 334 Elm Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Falcetti Towers Apartments 475 Maple Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA intends renew the elderly only designated housing plan.	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and	Possible homeownership component in connection with potential modernization and revitalization

Name and Location	Development Activities	Demolition/Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
				supportive services offices, and/or open space	
Lyman Terrace 5 Hampden Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	Demolition and disposition application submitted in connection with neighborhood revitalization submitted to HUD in FY 2012.	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Ramos Units Scattered Site	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Rosary Towers 21 Bowers Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space.	Possible homeownership component in connection with potential modernization and revitalization

Name and Location	Development Activities	Demolition/Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Toepfert Apartments 22 North Summer Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Zielinski Apartments 70 Walnut Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization

In addition to the above, HHA may apply for one or more of the following funding opportunities:

- **Resident Opportunity and Supportive Services (ROSS)** - HHA intends to apply for additional funding awards through the ROSS program and reapply for ROSS funding currently utilized by HHA.
- **Family Self-Sufficiency (FSS)** - HHA intends to reapply for funding under both the Public Housing and Housing Choice Voucher Programs. HHA may request increased funding amounts in order to expand both programs.
- **Other-** HHA will continue to monitor federal, state, municipal, and private funding opportunities and may apply for awards to support the goals of the MTW Demonstration, to support self-sufficiency for Holyoke residents, and as otherwise needed.

IV. Long-term MTW Plan

Holyoke Housing Authority believes that participation in the Moving To Work demonstration program will provide an important opportunity and a valuable set of tools to develop and implement locally-tailored solutions to Holyoke's unique needs and challenges, while also providing an opportunity to test out approaches which may be applicable to other Public Housing Authorities around the country. The senior staff and Board of HHA embrace this opportunity and are committed to implementing the MTW demonstration in a manner that promotes the MTW statutory objectives, provides for ongoing evaluation of outcomes and supports our community's goals and objectives.

Key elements of HHA's long-term vision for the MTW program include:

Increasing the number of HHA residents who are working or actively engaged in educational or job training programs - Through creative partnerships with experienced educational and job training partners, HHA plans to expand the range and quality of training, education and job placement services provided to HCV and Public Housing residents. Programs such as the proposed Career Advancement Program (CAP) described in the Proposed MTW Activities chapter represent a first step towards achieving this vision.

Implementing incentives for resident economic self-sufficiency – HHA recognizes that the current HUD rent system does not provide sufficient incentives for residents to seek out and obtain employment. Therefore, HHA's vision is to streamline the rent system and to build in additional incentives so that the rent system itself does not present an obstacle to self-sufficiency. The proposed CAP mentioned above, as well as the proposed Biennial Recertification and Asset Self Certification initiatives, are designed to support this goal. In the implementation of rent reform initiatives, HHA is committed to working with HUD and our evaluation partner to test out whether in fact these programs will generate positive outcomes.

Increasing High School Graduation Rates and Improving Educational Attainment – Holyoke has one of the lowest high school graduation rates in the state. In the coming months, HHA intends to collaborate with the Public School system and others to identify strategies that can be adopted with MTW flexibility to encourage higher graduation rates, support early childhood learning and improve educational attainment among HHA youth. HHA has also begun discussions with Holyoke Community College regarding potential scholarship programs and/or other programs that may reward high school graduation. HHA intends to incorporate such activities in future MTW Plans.

Reducing homelessness in Holyoke – HHA has been working for decades to reduce homelessness in Holyoke. While much progress has been made, continuous and ongoing efforts are needed. HHA's vision for MTW includes adopting flexible programs and policies that, in tandem with our partnership with mission-oriented local agencies, will secure permanent housing solutions and reduce chronic homelessness. The proposed Sponsor Based Transitional Housing Partnership reflects initial efforts towards addressing an ongoing obstacle, i.e. how to effectively transition needy individuals from the streets or shelter systems into permanent housing. From a different perspective, the proposed Foreclosure Prevention initiative is designed to prevent homelessness among low-income homeowners who have experienced a serious and hopefully short-term economic hardship.

Supporting sustainable development and community-wide neighborhood revitalization efforts – HHA believes that MTW flexibility can help to support and energize the City's ongoing revitalization objectives with an emphasis on the new Arts and Innovation District. This area includes a newly constructed transit hub, and the City has engaged developers and the community in a plan designed to transform the downtown consistent with transit-oriented development and sustainability principles. HHA's Lyman Terrace public housing development is proximate to the district, and its proposed revitalization will reinforce and provide synergy to the activities planned for the Arts and Innovation neighborhood. The specific vision related to MTW is to ensure that as the Arts and Innovation area is revitalized, affordable housing resources remain available for low-income households, and that newly generated jobs and small business opportunities benefit HHA residents. A proposed MTW activity will allow HHA to target a limited number of Project Based Vouchers to the Arts and Innovation District as a catalyst for

mixed income housing development. HHA also intends to evaluate the feasibility of implementing MTW TDC/HCC limits in order to ensure the successful revitalization of Lyman Terrace.

Streamlining and reducing the cost of HHA operations - In light of ongoing and severe restrictions on federal funding, it is more important than ever to focus efforts on streamlining administration and reducing transaction costs. HHA's MTW vision includes identifying more flexible and cost-effective methods to administer federal housing programs. HHA intends to do this in a manner that is not just less expensive, but that actually results in a better, more transparent and predictable customer experience for our residents and the general public. Examples of how this vision may be implemented are reflected in the proposed initiatives to reduce the frequency of recertifications and to establish a limited, risk-based inspection system for HCV units. HHA has also committed to conducting a rigorous study of the MTW Block Grant to measure MTW's impact on cost, households served and other quantifiable outcomes.

Leveraging non-HUD resources to respond to the housing and related service needs of Holyoke's low-income households - HHA's vision for MTW includes a commitment to securing additional non-HUD funding sources to address housing and related service needs. Project-basing of vouchers in the Arts and Innovation District provides one example of how HUD funding can be used to leverage private equity and other development resources. Also, over the near term, HHA intends to explore how MTW can support implementation of enhanced assisted living services for seniors and people with disabilities living in HHA developments. Specifically, HHA will continue to reapply for designated housing at Falcetti Towers, and intends to design programs that will provide a continuum of care for residents at these facilities.

The nine (9) MTW activities proposed in this Annual Plan describe the initial steps to be taken towards implementing HHA's long-term MTW vision. Over the six year term of the MTW Agreement (i.e. through the end of HHA's Fiscal Year 2018), HHA looks forward to collaborating with HUD, HHA residents, our non-profit partners and other community stakeholders to identify and test out other approaches in support of the long-term vision. HHA expects that the content of its MTW Annual Plans will evolve in the future to reflect new thinking and ideas about how to respond to the opportunities presented through the MTW program.

V. Proposed MTW Activities: HUD Approval Requested

Holyoke Housing Authority has developed a series of nine major MTW activities that are proposed for implementation beginning in FY 2013. Each of the activities is described below using the format required by HUD.

ACTIVITY ONE: CAREER ADVANCEMENT PROGRAM

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to partner with local non-profit and educational institutions to develop the Career Advancement Program (CAP). The goal of this activity is to encourage HHA clients to improve their long-term employment prospects, to increase the number of HHA clients with earned income, and to increase the savings of program participants. HHA will accomplish this by offering an incremental income disregard for all clients who have graduated from an approved professional development program and who have obtained employment.

This disregard will be open to any HHA Public Housing or HCV client who has not had earned income for a period greater than one year and who is interested in entering the workforce. Clients who are currently employed will also be eligible for this program; however, for currently employed clients, HHA will only disregard the *increases* in earned income rather than all earned income. All clients must meet eligibility requirements of the partner program they choose, which in some cases may limit participation to clients who are currently unemployed. Additionally, HHA will randomly assign clients into control and treatment groups for the purposes of the agency's rent reform study. Clients in the control group will not be eligible for this disregard program.

The program will be implemented in partnership with local agencies that agree to provide a commitment of slots to HHA clients, that have a structured career training program, and that will assist HHA clients in job placement. HHA has received commitments from three partner agencies that have set aside a total of 68 slots in their respective programs for HHA participants. Although HHA intends to expand this program, the initial group of approved partners will include:

- **Holyoke Works** has committed 50 slots in its program for HHA clients free of charge. Holyoke Works places clients with local employers with a "green" focus, while at the same time providing free training and education courses. The goal of the program is to develop the client's employment skills to a point where the client can obtain permanent, unsubsidized employment.
- **Holyoke Community College (HCC)** has committed up to 8 slots in its program to HHA clients. Through its Jump Start Program, HCC offers a 4-8 week job skills training program followed up a structured job search program which successfully places over 80% of its clients.
- **Nuestra Raices** has committed up to 10 slots for HHA clients in its program. Nuestra Raices offers an intensive career training program with a focus in "green" jobs. Upon graduation, Nuestra Raices employs the clients through their for-profit subsidiary, Energia, which provides energy efficient retrofitting services for commercial and residential buildings.

Upon graduation from an approved program, the individual's income disregard will be structured as follows:

- As with HUD's standard income disregard program, HHA will establish the client's "prequalifying income" which will be accounted for when determining the amount of income excluded.
- 100% of the individual's earned income less the client's prequalifying income will be disregarded for the first twelve months following graduation from the program.
- 75% of the individual's earned income less the client's prequalifying income will be disregarded for the second twelve months following graduation from the program.
- 50% of the individual's earned income less the client's prequalifying income will be disregarded for the third twelve months following graduation from the program.

- 25% of the individual's earned income less the client's prequalifying income will be disregarded for the fourth twelve months following graduation from the program.
- At the end of each phase of the disregard, an interim reexamination will be conducted to reflect the revised disregard level.

HHA will develop outreach material informing clients of the earned income disregard, and intends to implement CAP beginning in January 2013.

B. MTW Statutory Objective

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

C. Anticipated Impact

HHA anticipates participants in this program will benefit greatly from participation in CAP and the phased inclusion of their earned income. In particular, clients who graduate from one of the approved programs will demonstrate significant increases in earned income and will also see an increase in their savings.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Increase in average earned income of individuals as a result of the activity.	HHA anticipates that the vast majority of individuals utilizing this program will have \$0 earned income. HHA will reestablish this baseline to reflect the actual income of those who become enrolled in the program.	The starting salary for the average Nuestra Raices graduate is \$20,800. After accounting for those who do not graduate or subsequently lose employment, HHA anticipates an average increase of \$15,000 in earned income for those utilizing the program.	HHA anticipates enrolling clients in this program beginning in January 2013.
Number of households receiving services aimed to increase self-sufficiency.	0	HHA anticipates that approximately fifty clients will utilize this program in the next five years.	HHA anticipates enrolling clients in this program beginning in January 2013.

E. Data Collection Processes

HHA will continue to collect earned income information from clients receiving the disregard as it would any other tenant. HHA will use internally generated data and reports to assess the program. Additionally, as needed, HHA will work with its evaluation partner to evaluate the effectiveness of this program in increasing tenant income and to develop and track additional metrics that measure the impact of this activity. For the purposes of the rent reform study, HHA will randomly assign clients into control and treatment groups. Clients in the control group will not be eligible for this disregard program. HHA will measure the impact of this activity on participating tenants and will compare the results to a control group. Alternatively, upon further discussions with HUD, HHA is open to conducting a controlled study on the Biennial Recertifications rent reform initiative discussed below.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph C(11)- The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations.

Standard MTW Agreement, Attachment C, Paragraph D(2)a- The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations.

G. Rent Reform

(1) Agency’s Board Approval of Policy

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. The HHA Board of Commissioners approved this policy as part of the resolution adopting the MTW application and the MTW Annual Plan.

(2) Impact Analysis

HHA anticipates that participants in CAP will reap substantial economic benefits from the income disregard. Although the agency will not be able to conduct a definitive impact analysis until enrollment has begun, the below analysis demonstrates the anticipated impact on rent this program will have for the average client expected to participate in this program.

HHA believes that the individuals most likely to participate in this program will be zero-income individuals or individuals who receive public assistance. Based on a sample of Public Housing tenants meeting these criteria, HHA expects the average income prior to participation will be approximately \$3,647 (“prequalifying income”). Additionally, using information from partner agencies, HHA estimates that the average annual earned income of a graduate will be approximately \$15,000.

	Year One	Year Two	Year Three	Year Four
Prequalifying Income	\$3,647	\$3,647	\$3,647	\$3,647
Actual Income	\$15,000	\$15,000	\$15,000	\$15,000
Amount of Income Disregarded	\$11,353	\$8,485	\$5,677	\$2,838
Income Used for Rent Determination	\$3,647	\$6,485	\$9,324	\$12,162
Rent with Income Disregard	\$91	\$162	\$233	\$304

	Year One	Year Two	Year Three	Year Four
Rent without Income Disregard	\$375	\$375	\$375	\$375

(3) Annual Reevaluation

HHA will conduct the required annual reevaluation of this activity to ensure it continues to meet the statutory objectives of the MTW Program and will include this information in subsequent Annual Reports. Additionally, HHA will work with its evaluation partner to develop and track additional metrics that measure the impact of this activity.

(4) Hardship Case Criteria

This activity is a voluntary program and will not present a hardship on any clients.

(5) Transition Period

Upon approval of the MTW Plan, HHA will begin distributing outreach materials to inform clients of this opportunity. HHA anticipates that clients will begin enrolling in this program in January 2013.

(6) Documentation of Public Hearing

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. Included in this section are the following items:

- Public notice for HHA’s public hearing
- Sign-In sheets from HHA’s public hearing and Board Meetings
- Minutes for each public hearing or board meeting

ACTIVITY TWO: BIENNIAL RECERTIFICATIONS

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to begin recertifying clients in both the Housing Choice Voucher Program and the Public Housing Program on a biennial schedule. The documentation requirements for the recertification process are time consuming and burdensome, and generally, tenant rents do not vary greatly from year to year. By moving to a biennial recertification schedule, HHA will be able to reallocate staff resources to other program areas and staff will have more time to ensure income reviews are accurate and thorough.

Zero-income households and households on minimum rent will continue to be subject to annual or more frequent recertification requirements. Additionally, there will be no changes to current interim recertification policies. All HHA clients will continue to allow clients to request interim rent decreases when income changes, and clients will not be required to report income increases between regular recertifications. Dependent upon the results of future impact analyses for this activity, HHA will consider additional revisions to the regular recertification schedule targeted at specific populations.

In the first three quarters of HHA FY 2013, HHA will develop a transition schedule and will work with the agency's software provider to ensure a smooth transition to a biennial schedule. HHA will begin phasing clients onto a biennial recertification schedule in September 2013.

B. MTW Statutory Objective

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

C. Anticipated Impact

HHA anticipates that this initiative will result in time and cost savings for both HHA staff and participants. Once the anticipated time and cost savings are realized, HHA will be able to reallocate staff resources towards activities promoting family self-sufficiency. HHA will test the theory that there will be a measureable increase in the number of residents who choose to seek employment knowing that their new income will not be included for up to two years.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Staff hours saved as a result of this activity	HHA estimates that each recertification takes 105 minutes of staff time. This equal 3,677 hours in staff time across all public housing and HCV clients.	HHA expects a 30% reduction in staff hours spent annually, which will amount to a total of 1,051 hours in time savings which can be reallocated to other productive uses.	The biennial recertification schedule is projected to start September 2013. FY2014 will be the first full year in which savings will be realized.
Dollars saved as a result of this activity	The average hourly wage for an HHA employee is \$23.87. Therefore, HHA	HHA expects a 30% decrease in the amount of staff hours spent	The biennial recertification schedule is projected to start

Metric	Baseline	Benchmark	Implementation Schedule
	spends \$87,770 each year to provide staffing for the recertification process.	annually, which will amount to a total of \$26,331 saved which can be reallocated to other productive uses.	September 2013. FY2014 will be the first full year in which savings will be realized.
Increase in the number of residents with earned income	Current data demonstrates that 27% of clients have employment income.	HHA expects the number of clients with employment income to increase marginally to 30%.	The biennial recertification schedule is projected to start September 2013. FY2014 will be the first full year in which impacts will be realized.

E. Data Collection Processes

HHA will use data collected in the agency’s software system, along with resident and staff surveys, to evaluate the expected reduction in staff and resident time being allocated to the recertification process. Additionally, HHA will work with its evaluation partner to evaluate the effectiveness of the biennial recertification schedule in meeting the objectives cited above, and to develop and track additional metrics that measure the impact of this activity. As noted in the CAP initiative discussion, HHA intends to use the CAP as the rent reform controlled study; however, based on further discussions with HUD, HHA is open to conducting a controlled study on the Biennial Recertifications rent reform initiative as an alternative.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph C(4)- The agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided.

Standard MTW Agreement, Attachment D, Paragraph D(4)b- The agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementation regulations.

G. Rent Reform

(1) Agency’s Board Approval of Policy

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. The HHA Board of Commissioners approved this policy as part of the resolution adopting the MTW application and the MTW Annual Plan.

(2) Impact Analysis

- Under this rent reform initiative, no public housing or HCV tenant will pay a higher percentage of his/her income towards rent than the client would have absent this initiative.
- HHA anticipates that by reducing the frequency of recertification, there will be an additional incentive for clients to obtain employment.
- Over the near term, HHA will likely have slightly lower public housing rent rolls and slightly higher HCV HAP responsibilities than it would absent this policy. This is due primarily to the fact that HHA will only be able to capture increases in tenant income biannually, rather than annually. Upon review of the

number of clients whose income increased between regular reexaminations, HHA determined that this will have a marginal, short-term impact that will be more than offset by savings in staff resources.

(3) Annual Reevaluation

HHA will conduct the required annual reevaluation of this activity to ensure it continues to meet the statutory objectives of the MTW Program and will include this information in subsequent Annual Reports. Additionally, HHA will work with its evaluation partner to develop and track additional metrics that measure the impact of this activity.

(4) Hardship Case Criteria

This activity will not present a hardship on any HHA clients.

(5) Transition Period

HHA projects that beginning September 2013, HHA will begin phasing clients onto biennial recertification schedules. To avoid an “on-year” and “off-year” cycle, HHA will randomly divide clients into two equal groups. One group will be recertified between September 2013 and August 2014, and the other group will not begin being recertified until September 2014.

(6) Documentation of Public Hearing

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. Included in this section are the following items:

- Public notice for HHA’s public hearing
- Sign-In sheets from HHA’s public hearing and Board Meetings
- Minutes for each public hearing or board meeting

ACTIVITY THREE: REVISED ASSET POLICIES

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to revise requirements for the verification, calculation, and inclusion of asset income. Verifying and calculating assets is a time consuming process, and clients rarely have an enough assets to impact the final rent determination.

In order to streamline the recertification process, HHA will make three revisions to the existing asset policy:

- **Self-Certification of Assets-** Clients will be permitted to self-certify all assets, when the family’s combined gross asset value is less than \$50,000. For families with assets above \$50,000, asset verification will be subject to standard HUD verification requirements. HHA will determine asset value using gross, rather than net asset value.
- **Calculation of Asset Income-** When determining asset income, HHA will always use the imputed asset income using HUD’s Passbook Savings Rate.
- **Exclusion of Asset Income-** All asset income below \$500 will be excluded.

Prior to implementation, HHA will educate both clients and staff on the new asset requirements and the revised asset policies will become effective January 1, 2013.

B. MTW Statutory Objective

Reduce cost and achieve greater cost effectiveness in federal expenditures.

C. Anticipated Impact

HHA anticipates the revised asset policies will reduce the time HHA spends verifying and calculating asset income. Additionally, HHA anticipates that the exclusion of assets under \$500 and the mandated use of imputed income will result in a reduction in the number of rent calculation errors. HHA does not anticipate that this activity will have a significant effect on tenant rent, as very few clients have significant asset amounts.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Hours saved in fully executing the calculation of asset income as a result of the activity.	There are currently 588 HHA clients with assets, which take on average twenty minutes to verify and calculate. This equals 196 hours in staff time across all public housing and HCV clients.	HHA expects a 90% reduction in staff hours spent annually, which will amount to a total of 176 hours in time savings which can be relocated to other productive uses.	The revised asset policies are expected to become effective January 1, 2013.
Dollars saved as a result of this activity.	The average hourly wage for an HHA employee is \$23.87. Therefore, HHA estimates spending \$4,678 each year to verify assets.	HHA expects a 90% decrease in the amount of staff hours spent annually, which will amount to a total of \$4,210 saved, which can	The revised asset policies are expected to become effective January 1, 2013.

Metric	Baseline	Benchmark	Implementation Schedule
		be relocated to other productive uses.	

E. Data Collection Processes

HHA maintains a database of all current and former participants in the program, and is able to track asset income through this system. Additionally, HHA will work with its evaluation partner to evaluate the effectiveness of the revised asset policies in increasing cost effectiveness and to develop and track additional metrics that measure the impact of this activity.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph C(4)- The agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of reviews and the methods and process used to establish the integrity of the income information provided. In addition, the agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system.

Standard MTW Agreement, Attachment C, Paragraph C(11)- The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations.

G. Rent Reform

(1) Agency's Board Approval of Policy

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. The HHA Board of Commissioners approved this policy as part of the resolution adopting the MTW application and the MTW Annual Plan.

(2) Impact Analysis

HHA anticipates this activity will have very little impact on the tenant rent responsibilities. Where the revised policy will affect tenant rent, the change will always benefit the tenant. As the below table indicates, HHA has very few clients with asset income in both Public Housing and the HCV Program. Furthermore, there were no instances where the asset income accounted for more than \$8 of the tenant's rent calculation.

Table 1: Asset Impact on Tenant Rent—Public Housing

Number of Clients with Assets	Number of Clients with Asset Income Currently Included	Range of Asset Income Currently Included	Number of Clients with Asset Income under MTW	Range of Rent Impact	Average Asset Rent Impact
442	37	\$1-\$252	0	Decrease of \$0-\$6	<\$1

Table 2: Asset Impact on Tenant Rent—Housing Choice Voucher Program

Number of Clients with Assets	Number of Clients with Asset Income Currently Included	Range of Asset Income Currently Included	Number of Clients with Asset Income under MTW	Range of Rent Impact	Average Asset Rent Impact
146	41	\$1-\$302	0	\$0-\$8	<\$1

Table 3: Impact on HHA Assistance Payments

Total Decrease in Tenant Rent Rolls	Total Increase in HCV Housing Assistance Payment
\$22	\$14

(3) Annual Reevaluation

HHA will conduct the required annual reevaluation of this activity to ensure it continues to meet the statutory objectives of the MTW Program and will include this information in subsequent Annual Reports. Additionally, HHA will work with its evaluation partner to develop and track additional metrics that measure the impact of this activity.

(4) Hardship Case Criteria

As the above impact analysis demonstrates, all current clients will benefit from the revised asset policy. However, if a client believes he/she is negatively impacted by the revised policies, HHA will consider a waiver on a case by case basis.

(5) Transition Period

HHA will work with the agency’s software provider to make the applicable changes to the software system. HHA anticipates this should be completed prior to January 1, 2013. Once all software issues have been resolved, the revised asset policy will become effective at the time of each client’s first interim or regular reexamination.

(6) Documentation of Public Hearing

See Section D—Evidence of Community Support and Involvement of the Moving to Work Application. Included in this section are the following items:

- Public notice for HHA’s public hearing
- Sign-In sheets from HHA’s public hearing and Board Meetings
- Minutes for each public hearing or board meeting

ACTIVITY FOUR: SPONSOR-BASED TRANSITIONAL HOUSING PARTNERSHIP FOR HOMELESS FAMILIES

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to set aside a limited number of vouchers for five years for use in a sponsor-based transitional housing program. In partnership with Valley Opportunity Council (VOC), HHA will design and implement a one-year program for families leaving Department of Transitional Assistance (DTA)–sponsored homeless shelters and/or motels. Clients in this program will receive temporary housing assistance through HHA, provided they continue to seek case management services from Valley Opportunity Council and are able to comply with all other HHA HCV policies. Upon successfully completing one year in VOC’s program, the client will receive preference for a regular tenant-based voucher from HHA.

HHA intends to structure the assistance in a manner that will allow VOC to be the recipient of the housing assistance payments and will then allow VOC to sublet the apartment to the client for one year. With HHA approval, VOC may be permitted to determine the appropriate rent responsibilities for the client consistent with the goals of the transitional housing program. VOC may also be permitted to revise certain local HHA eligibility requirements, including local criminal backgrounds screening policies. This will benefit the client and increase the number of individuals with access to HHA assistance, as individuals recently leaving a shelter often face significant obstacles in obtaining rental housing due to poor credit or other screening issues. Additionally, this structure will provide incentive to the client to become self-sufficient before completion of the program.

Prior to the implementation of this program, HHA will work with Valley Opportunity Council to establish specific eligibility criteria and program requirements for this activity. In the first year of the program, HHA intends to set aside four (4) vouchers for this activity; however, HHA may set aside additional vouchers in future years depending on the program’s success. HHA intends to finalize the design of this program and to begin enrolling clients beginning in July 2013.

B. MTW Statutory Objective

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

C. Anticipated Impact

HHA anticipates that this activity will be an effective means of successfully transitioning individuals from shelter to permanent housing.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Increase in average earned income of households as a result of the activity.	HHA anticipates that most participants in this program will be at or near-zero income. As clients are enrolled, HHA will reestablish this baseline as clients are	HHA anticipates an increase in earned income of approximately 10% for clients participating in this program.	HHA intends to begin enrollment around July 2013.

Metric	Baseline	Benchmark	Implementation Schedule
	enrolled.		
Number of households receiving services aimed to increase self-sufficiency.	0	HHA anticipates full enrollment in this program, which will result in 20 households receiving housing services over five years.	HHA intends to begin enrollment in July 2013.
Number of program graduates who have maintained housing one-year after graduation.	N/A	HHA anticipates that fifteen of the twenty graduates will maintain housing for one at least year after graduation.	HHA anticipates being able to report on this benchmark in July 2015, or one year after the initial graduation.

E. Data Collection Processes

HHA will maintain a database of all current and former participants in the program. Additionally, HHA will work with its evaluation partner to evaluate the effectiveness of this program in comparison to comparable programs nationwide.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph B(4)- The agency may develop and adopt new short-term transitional housing programs, consistent with an eligible use of Section 8 and 9 funds, with supportive services in one or more buildings in collaboration with local community-based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher program.

G. Rent Reform

This is not a rent reform activity.

ACTIVITY FIVE: NEIGHBORHOOD REVITALIZATION

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to set-aside project based vouchers to be targeted at new or renovated developments in Holyoke’s Arts & Innovation District. In August 2009, the City of Holyoke began the implementation of the Holyoke Center City Vision Plan, the transit-oriented redevelopment plan for Center City and its surrounding neighborhoods. The revitalization of Holyoke’s Arts & Innovation district is an essential component to this plan, and HHA’s commitment of thirty project-based units to the area will help ensure that affordable housing is a central component of the area’s revitalization.

HHA may also use its authority to revise aspects of the traditional project-based program. HHA may waive the requirement limiting the number of PBV units in a project to 25% of the total number of units in that project. Additionally, HHA may allow PBV sites to develop their own tenant selection plans, provided the plans receive HHA approval and are consistent with the goals of the city’s transformation plan. In future MTW years, HHA may explore the possibility of developing tenant selection plans that give preference to artists who work or study in the Arts & Innovation District.

Lastly, HHA will waive or revise the requirement that HHA offer tenant-based rental assistance to clients after one-year of occupancy in the assisted unit. HHA believes this is necessary to ensure the PBVs are serving the intended purpose of revitalizing the Arts & Innovation District and are not being used as a means of obtaining tenant-based vouchers.

HHA will initially set aside thirty project-based vouchers for this activity; however, this number may be revised in future years depending on the success of this activity. HHA will award project-based contracts as the city’s transformation plan progresses and as new units come on line in the area.

B. MTW Statutory Objective

- Increase housing choices for eligible low-income families.

C. Anticipated Impact

HHA anticipates that the ability to target PBVs to specific areas of the city will allow HHA to maximize the extent to which the agency’s funding is used to promote objectives outlined in the city’s consolidated plan. Additionally, by targeting areas where outside investment has already begun, HHA will be able to link its housing to the appropriate services, schools, public assets, transportation, and access to jobs.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Number of new or rehabilitated housing units made available for households at or below 50% AMI as a result of the activity.	0	HHA anticipates that it will designate up to thirty project based units over the next five years	HHA will award the PBVs over the course of five years.
Funds leveraged to support revitalization	0	HHA anticipates leveraging twice the amount of funds committed by HHA	HHA will award the PBVs over the course of five years.

E. Data Collection Processes

HHA will work with its evaluation partner to track the development of new units and funds leveraged as a result.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph D(7)b- The agency is authorized to establish a reasonable competitive process or utilize an existing local competitive process for project-basing leased housing assistance at units that meet existing Housing Quality Standards, or any standards developed by the Agency pursuant to this MTW Agreement and approved by the Secretary.

G. Rent Reform

This is not a rent reform activity.

ACTIVITY SIX: FORECLOSURE PREVENTION PROGRAM

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to design and implement a Foreclosure Prevention Program for low-income Holyoke homeowners who are recently unemployed or are undergoing temporary hardship and are at risk of losing their home to foreclosure. HHA intends to target this assistance to families who live in and around the city's Arts & Innovation District. Qualified families will receive interim voucher assistance for up to twelve months at a level of assistance determined using HHA's Choice Voucher Program income and rent policies. Assistance will be capped at the applicable payment standard outlined in HHA's HCV policies.

Prior to implementation, Holyoke Housing Authority will partner with a community agency with experience providing foreclosure prevention. HHA will collaborate with this agency to design and implement program policies and procedures. Additionally, HHA will work with the partner agency to identify and enroll eligible homeowners and will create a preference for individuals whose income is under 50% of the area's median income. HHA intends to assist up to fifteen families in this program over a five year period beginning July 1, 2013.

B. MTW Statutory Objective

- Increase housing choices for eligible low-income families.

C. Anticipated Impact

HHA anticipates that the interim voucher assistance will greatly reduce the likelihood of foreclosure for families assisted under this program.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Number of households that avoided foreclosure as a result of this activity.	0	HHA anticipates that the number of households assisted under this program will be 15 over five years	HHA will begin enrolling families beginning July 1, 2013.
Number of household at or below 50% AMI able to stay in a unit they would be otherwise unable to occupy as a result of this activity.	0	HHA anticipates that the number of households assisted under this program will be 15 over five years	HHA will begin enrolling families beginning July 1, 2013.

E. Data Collection Processes

HHA will maintain a database of all present and past participants in this program to monitor whether the family was able to avoid foreclosure. Additionally, HHA will work with its evaluation partner to assist in evaluating the effectiveness of this program compared to comparable programs.

F. Authorization Cited

MTW Agreement Broader Uses of Funds provision.

G. Rent Reform

This is not a rent reform activity.

ACTIVITY SEVEN: HOMEOWNERSHIP PROGRAM WITH DUPLEX OPTION

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to revise the unit requirements outlined in its Section 8 and Section 32 homeownership programs. 24 CFR 982.628(a)(2) requires that the unit is “either a one-unit property or a single dwelling unit in cooperative condominium.” In the revised MTW homeownership program, HHA will develop/acquire and clients will be permitted to buy two-unit properties. Holyoke’s housing market includes a significant number of two-unit homes, and this activity will open up that segment of the market to low-income buyers. Furthermore, the client will be permitted to rent the unoccupied unit as a means of generating additional income that will remain with the family after their participation in HHA’s program.

HHA will continue to calculate the homeownership assistance payment based on the payment standard of the unit the family resides in; however, since the mortgage will be based on the cost of both units, HHA intends to exclude 50% of the family’s rental income from the family’s income calculation. HHA believes this will adequately offset costs associated with maintenance of the rental units. As a condition of buying and renting the extra unit, the family must commit to keeping the rent at or below the area’s home standard rent. Additionally, HHA may make ongoing adjustments to the standard homeownership assistance formula to ensure the housing remains affordable for the client.

To ensure that clients selecting the two-family option will not only be successful homeowners but also successful landlords, HHA may revise certain program eligibility and screening requirements. In particular, HHA may re-determine the minimum income requirements outlined in 24 CFR 982.627(c) and will add a landlord training component to the required homeownership courses.

The revised unit and tenant eligibility criteria are projected to become effective January 1, 2013.

B. MTW Statutory Objective

- Increase housing choices for eligible low-income families.

C. Anticipated Impact

HHA anticipates that the revised homeownership program will not only encourage successful homeownership, but will also provide a stable income source (rental income) that will remain with the participant family after their participation in HHA’s homeownership program has concluded.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Number of households that purchased a home as a result of this activity	0	HHA anticipates that up to 6 clients will utilize the duplex option over the course of five years.	Up to six clients will be enrolled in the duplex program over a five year period beginning January 2013.

E. Data Collection Processes

HHA will use data collected in the agency’s database software to analyze the effects this program has on earned income and to track the number of families successfully attaining homeownership. Additionally, HHA

will work with its evaluation partner to develop and track additional metrics that measure the impact of this activity.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph C(7)b- The Agency is authorized to establish reasonable low-income homeownership programs, such as a lease-to-own program, that are not limited by the existing public housing homeownership requirements, provided that units can only be sold to current public housing residents and that any disposition of current public housing units must be approved in advance by HUD.

Standard MTW Agreement, Attachment C, Paragraph D(8)a- The Agency is authorized to establish reasonable Section 8 homeownership programs that are not limited by the existing Section 8 homeownership requirements.

G. Rent Reform

This is not a rent reform activity.

ACTIVITY EIGHT: BIENNIAL HQS INSPECTIONS

A. MTW Initiative Description

Holyoke Housing Authority will use its MTW Authority to develop and implement a risk-based HQS inspection schedule in the Housing Choice Voucher Program. Units will continue to be physically inspected annually, unless HHA designates the unit “low-risk” per the criteria listed below. Units designated “low-risk” will be moved to a biennial schedule for physical inspections. In the place of the physical inspection, the landlord of the “low-risk” unit will be required to self-certify that the unit meets HQS standards. Creating a risk-based inspection program will serve the dual purpose of reducing staff time spent inspecting well-kept units and incentivizing landlords and residents to maintain their units.

When determining which units will be inspected biennially, HHA will consider the following criteria:

- If the unit successfully passed the prior year’s HQS inspection on the first inspection
- Severity of past HQS violations
- Past tenant complaints about the unit and complaint inspection results
- If the landlord has submitted the required self-certification document to HHA for the year in which the inspection is *not* being conducted
- If there is another qualified agency responsible for certifying the quality of the unit (i.e. units in Low-Income Housing Tax Credit developments)

HHA will conduct HQS inspections for all HCV units in Fiscal Year 2013. Using inspection results from Fiscal Year 2013, HHA will allow the qualified units to forego physical inspections in Fiscal Year 2014.

B. MTW Statutory Objective

Reduce cost and achieve greater cost effectiveness in federal expenditures.

C. Anticipated Impact

HHA anticipates that this initiative will result in time and cost savings for HHA staff, residents, and landlords. Additionally, HHA anticipates that landlords and residents will be incentivized to maintain their units, which will result in further time savings in future years.

D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation Schedule
Staff hours saved as a result of this activity	HHA estimates that it takes 120 minutes to conduct the average inspection process (from scheduling through passing). This amounts to 2,360 hours annually across all HCV clients	HHA estimates that 15% of its units will be designated “low-risk” and the staff time burden for monitoring self-certification will be 30 minutes annually. Therefore, estimates that an annual savings of 266 staff hours which can be reallocated to other productive uses.	The initial year in which landlords will be permitted to self-certify will be FY 2014.
Dollars saved as a result of this activity	The average HHA HCV inspector makes approximately \$25.39 an	HHA estimates the reduced number of inspections will result in	The initial year in which landlords will be permitted to self-certify

Metric	Baseline	Benchmark	Implementation Schedule
	hour. This equates to \$59,920 being spent annually to staff the inspections process.	\$6,754 cost savings which can be reallocated to other productive uses.	will be FY 2014.

E. Data Collection Processes

HHA will use data collected in the agency’s software system, along with landlord and staff surveys, to evaluate the expected reduction in staff, resident, and landlord time being allocated to the HCV inspection process. Additionally, HHA will work with its evaluation partner to evaluate the effectiveness of the inspection schedule in increasing cost effectiveness and to develop and track additional metrics that measure the impact of this activity.

F. Authorization Cited

Standard MTW Agreement, Attachment C, Paragraph D(5)- The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD.

G. Rent Reform

This is not a rent reform activity.

ACTIVITY NINE: MTW BLOCK GRANT EVALUATION

A. MTW Initiative Description

In the first year under its MTW Program, Holyoke Housing Authority (HHA) will partner with an evaluation team from the University of Massachusetts—Amherst (UMass) to implement a study that rigorously analyzes the impact of the “MTW Block Grant.” Among the items that will be assessed as part of this study are:

- Measure the quantifiable cost savings to HHA as a result of the MTW Block Grant including efficiencies gained from streamlining administrative activities. This will involve measuring and determining associated cost savings to the biennial recertification and inspection programs and other initiatives that are designed to promote administrative efficiency ;
- Identify and quantify HHA funds that are used for purposes outside of what is permitted for non-MTW agencies, and quantify the impacts of these expenditures;
- To the extent that some MTW activities may require additional staff time, the evaluation will measure these costs and attempt to quantify the value of any outcomes. For example, the proposed Career Advancement Program may require additional costs for outreach, but is designed to generate additional household income. The study will capture and measure these variables;
- Track the number of affordable housing units that HHA was able to develop/preserve with the MTW Block Grant Funds; and,
- Track the number and characteristics of additional families as a result of MTW Block Grant authority

The study will make adjustments as needed to reflect changes to annual funding (including factoring in any increases or decreases in funding). Adjustments will also be made to factor in the cost of the MTW evaluation activities including both this Block Grant evaluation and the rent reform controlled study.

HHA will work with the evaluation team (and consult with the HUD MTW Office as needed) to develop the specific metrics that will be used to measure the impact of the MTW Block Grant, to develop and implement tracking mechanisms for each metric, and to designate control groups or baselines for all activities affected by the block grant. HHA anticipates that this process will be completed by the end of the first MTW year.

Once HHA has implemented the appropriate tracking and data analysis, the agency will work with the evaluation team to report on the results of the MTW Block Grant Evaluation. In addition to tracking and reporting on the individual metrics, HHA will work with the evaluation team to make improvements to each HHA MTW activity, to design future initiatives, and to provide recommendations to HUD on how the MTW program can better address its statutory objectives.

B. MTW Statutory Objective

This activity will address Section 3 of the Request for Applications under the Moving to Work Demonstration Program, Statutory Requirements and Applicant Eligibility, “Detailed MTW Block Grant Evaluation.” Additionally, this activity will measure the impact the block grant has on each of the three MTW statutory objectives.

C. Anticipated Impact

HHA anticipates that this activity will provide HHA, HUD, and the general public with a detailed analysis on both the benefits and the drawbacks of the MTW Block Grant evaluation.

D. Baseline and Benchmarks

Metric	Implementation Schedule
Determine specific metrics by which the block grant will be evaluated	Within the first six months of HHA's MTW Program.
Develop and implement tracking mechanisms that will provide reliable data	Within the first year of the HHA's MTW Program.
Designate Control Groups	Within the first six months of HHA's MTW Program.
Begin implementation and analysis	By the end of the first MTW Year.
Report results	HHA anticipates the initial results of the MTW Block Grant analysis will be included in the Year 2 Annual Report.

E. Data Collection Processes

In partnership with its evaluation partner, HHA will develop the appropriate data collection and tracking mechanisms.

F. Authorization Cited

This activity will address Section 3 of the Request for Applications under the Moving to Work Demonstration Program, Statutory Requirements and Applicant Eligibility, "Detailed MTW Block Grant Evaluation."

G. Rent Reform

This is not a rent reform activity.

VI. Ongoing MTW Activities

This section of the HUD Form 50900 is not applicable to applicants under this notice.

VII. Sources and Uses of Funding

A. List of Planned Sources and Uses of MTW Funds

The Holyoke Housing Authority does not currently have a Moving to Work designation. The following tables are based on estimates using Fiscal Year 2012 budgets. Actual sources and uses may vary based on the level of funding provided to the Holyoke Housing Authority and the level of actual expenses As such we anticipate the following sources and uses of funds.

Projected Consolidated Sources and Uses of Funds FY 2013

PROJECTED REVENUE (SOURCES)	AMOUNT
Operating Subsidy	\$3,665,230
Capital Fund Program	\$2,085,397
Housing Choice Voucher Program	\$8,098,170
Dwelling Rental Income	\$2,433,321
Investment Income	\$17,750
Miscellaneous Income	\$40,700
TOTAL REVENUE	\$16,340,568
PROJECTED EXPENSES (USES)	AMOUNT
Administrative	\$962,601
Tenant Services	\$20,550
Utilities	\$1,782,394
Maintenance	\$1,762,269
General Expense	\$997,434
Capital Improvements/Additions/Replacements	\$62,800
Tenant Based Voucher Assistance	\$7,050,384
FSS & Home Ownership Program	\$52,850
Resident Services Program	\$20,550
Capital Activities – Scheduled	\$1,181,811
Capital Fund - Unobligated	\$903,586
Management & Bookkeeping Fees to COCC	\$1,124,257
Proposed MTW Transitional Housing Program	\$24,000
Proposed MTW Foreclosure Prevention Program	\$90,000
Proposed MTW Block Grant Evaluation	\$20,000
TOTAL EXPENSE	\$16,055,488
OPERATING INCOME/LOSS	\$285,080

B. List of Planned Sources and Uses of State or Local Funds

The following table reflects the Sources and Uses of State and Local Funds based on estimates using Fiscal Year 2012 budgets. Actual sources and uses may vary based on the level of funding provided to the Holyoke Housing Authority and the level of actual expenses As such we anticipate the following sources and uses of funds.

Projected Sources and Uses of State and Local Funds FY 2013

PROJECTED REVENUE (SOURCES)	AMOUNT
Tenant Based Rental Assistance	\$250,839
State Subsidy	\$145,933
Other Income	\$1,400
TOTAL REVENUE	\$398,172
PROJECTED EXPENSES (USES)	AMOUNT
Administrative and General	\$53,462
Maintenance	\$102,591
General Expenses	\$60,764
Management & Bookkeeping Fees to COCC	\$67,589
Utilities	\$106,661
Extraordinary Maintenance & Non-Capitalized Equipment	\$2,400
TOTAL EXPENSE	\$391,067
OPERATING INCOME/(LOSS)	\$7,105

C. Planned Sources and Uses of the COCC

The following table reflects the Sources and Uses of the Central Office Cost Center (COCC) based on estimates using Fiscal Year 2012 budgets. Actual sources and uses may vary based on the level of funding provided to the Holyoke Housing Authority and the level of actual expenses As such we anticipate the following sources and uses of funds.

Projected Consolidated Sources and Uses of the Central Office Cost Center (COCC) FY 2013

PROJECTED REVENUE (SOURCES)	AMOUNT
Management Fees/ Fee for Service	\$1,775,100
Churchill Management Fees	\$36,855
TOTAL REVENUE	\$1,811,955
PROJECTED EXPENSES (USES)	AMOUNT
Administration and General Expense	\$1,534,415
Operations and Maintenance	\$225,154
TOTAL EXPENSE	\$1,759,569
OPERATING INCOME/(LOSS)	\$52,386

D. Deviations from 1937 Act Cost Allocation Approach

This section is not applicable. The Holyoke Housing Authority conforms to Asset Management requirements of 24 CFR 990.

E. Use of Single-Fund Flexibility

Under the Moving to Work Program, the Holyoke Housing Authority will be able to establish a Block Grant budget. The Holyoke Housing Authority's Moving to Work budget proposal focuses on four core areas which the use of single-fund flexibility will support:

- Reform of Housing Choice Voucher Program – financial resources from savings from biennial recertifications and inspections will be reallocated to support services for Moving to Work initiatives.
- Sponsor-Based Transitional Housing Partnership – The Holyoke Housing Authority has budgeted \$24,000 to support first year leasing of four units under this program.
- Foreclosure Prevention Program – The Holyoke Housing Authority has budgeted \$90,000 to support first year leasing of 15 units under this program.
- Moving to Work Block Grant Evaluation – The Holyoke Housing Authority has budgeted \$20,000 to support the first year block grant evaluation.

F. Reserve Balances

The Holyoke Housing Authority, as of March 31, 2012, maintains the following reserve balances:

	AMP 1	AMP 2	AMP 6	COCC
Unrestricted Net Assets/Retained Earnings	\$1,334,392.00	\$1,578,148.00	(\$75,138.00)	\$586,134.00
Other Post-Employment Benefits Liability	\$213,289.00	\$242,448.00	(\$32,908.00)	(\$505,037.00)
NET	\$1,121,103.00	\$1,335,700.00	(\$108,046.00)	\$81,097.00

G. Planned Sources and Uses by AMP

PROJECTED REVENUE (SOURCES)	AMP 1	AMP 2	AMP 6
Operating Subsidy	\$1,465,694.00	\$1,539,659.00	\$659,877.00
Dwelling Rental Income	\$742,655.00	\$992,627.00	\$698,039.00
Investment Income	\$11,250.00	\$4,000.00	\$0.00
Miscellaneous Income	\$7,500.00	\$16,000.00	
TOTAL REVENUE	\$2,227,099.00	\$2,552,286.00	\$1,357,916.00
PROJECTED EXPENSES (USES)	AMP 1	AMP 2	AMP 6
Administrative	\$164,602.00	\$195,051.00	\$138,626.00
Utilities	\$610,390.00	\$705,311.00	\$466,693.00
Maintenance	\$651,882.00	\$728,428.00	\$381,959.00
General Expense	\$277,277.00	\$315,815.00	\$165,435.00
Capital Improvements/Additions/Replacements	\$26,800.00	\$24,800.00	\$0.00
Resident Services Program	\$7,100.00	\$8,025.00	\$5,425.00
Management and Bookkeeping Fees to COCC	\$291,988.00	\$331,195.00	\$197,852.00
TOTAL EXPENSE	\$2,030,039.00	\$2,308,625.00	\$1,355,990.00
OPERATING INCOME/LOSS	\$197,060.00	\$243,661.00	\$1,926.00

VIII. Administrative

A. Resolution signed by the Board of Commissioners

On June 21, 2012 the Board of Commissioners of Holyoke Housing Authority passed a resolution approving this MTW Application and Plan, as well as the rent reform policies proposed in said Plan. This resolution is included in the Appendix to this application.

B. Planned Agency-Directed Evaluations of Demonstration

Holyoke Housing Authority intends to partner with the University of Massachusetts-Amherst (UMass) to work with HHA to evaluate the outcome of activities proposed in this plan, to design and implement the block grant evaluation, and to design and implement future rent reform and block grant studies. It is HHA's intent that the results of these evaluations will help to:

- Determine the effectiveness of rent reform activities as a means of encouraging employment;
- Measure the quantifiable savings associated with waiving certain provisions of the 1937 Act;
- Identify additional uses for federal funds that promote housing choice, self-sufficiency, and cost efficiency; and,
- Promote local program designs that can be provided to housing authorities nationwide.

The UMass team, led by Dr. Michael Krezmien, will consist of professors, graduate students, and undergraduate research assistants from a range of disciplines. Dr. Krezmien has focused his academic career on juvenile justice and social and education inequalities. Much of his research has focused on populations that are heavily represented in subsidized housing program. Dr. Krezmien, along with his colleague Dr. John Carey, also has extensive evaluation experience in both the public and non-profit sectors. Due to their experience conducting similar evaluations, HHA believes the UMass partnership will be a valuable asset when designing and implementing evaluations related to its MTW designation. Included in the Appendix to this application are a commitment letter and Curriculum Vitae from Dr. Krezmien.

As required by the request for applications, HHA intends to focus its evaluation on the design and implementation of a rent reform study and a block grant evaluation.

Rent Reform Study- HHA will implement three activities in the first year of the MTW Demonstration that are categorized as rent reform activities. These activities include Activity One: Career Advancement Program, Activity Two: Biennial Recertification, and Activity Three: Revised Asset Policies.

HUD has indicated that one of the proposed rent reform activities must include establishment of control and treatment groups through random assignment. HHA has proposed that the controlled study be conducted for the Career Advancement Program rent reform activity; however, as previously noted, as an alternative, HHA is open to establishing control and treatment groups for the Biennial Recertification program based on further discussions with HUD. HHA will work with its evaluation partner to determine the research validity of the proposed control groups, and where needed, revise the control groups in future MTW years. HHA will also work with its evaluation partner to identify comparable groups across the country, to which HHA can compare its control and treatment groups.

In the first year of the MTW Plan, HHA has focused its rent reform study on encouraging resident employment and increasing cost efficiency. The metrics used to evaluate the success of these goals include the number of clients with earned income, the number of staff hours saved as a result of this activity, and the number of dollars saved or reallocated as a result of this activity. It is important that HHA not only use valid metrics, but utilizes reliable

tracking mechanisms. As such, HHA will continue to work with its evaluation partner to refine the proposed metrics and to test innovative tracking mechanisms.

Detailed Block Grant Evaluation- Through implementation of Activity Nine: MTW Block Grant Evaluation, HHA has committed to designing a method that measures and evaluates the aspects of the MTW block grant that result in quantifiable cost savings and other direct measurable outcomes. To ensure that the evaluation is both thorough and statistically valid, HHA intends to spend the first year working with its evaluation partner to rigorously test its evaluation criteria and data collection processes. To the extent needed, HHA will work with HUD to finalize the evaluation design.

Consistent with the schedule proposed in Activity Nine, HHA intends to complete the following tasks in the first year of the demonstration:

- Determine specific metrics by which the block grant will be evaluated
- Develop and implement tracking mechanisms that will provide reliable data
- Designate valid control groups, where applicable

As the scope of the block grant evaluation extends across most proposed MTW activities and HHA program areas, HHA believes it will require a full year to establish valid tracking mechanisms and metrics. The metrics measures under the block grant evaluation will incorporate the metrics proposed in all other activities, as well as metrics specific to the block grant. In some cases, HHA may create or revise existing control groups for all activities to ensure treatment groups are compared to control groups that are essentially identical in composition.