

The Lawrence-Douglas County Housing Authority



MOVING TO WORK Annual Report

Fiscal Year 2011

Submission Date March 29, 2012

Revision Date June 2, 2012

The Lawrence-Douglas County Housing Authority



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The City of Lawrence and Douglas County, Kansas

The Lawrence-Douglas County Housing Authority (LDCHA) is located in Lawrence, Kansas and provides a total of 1166 units of housing. The county includes two incorporated towns, Eudora and Lecompton, and two cities, Lawrence and Baldwin City. The county has a total population of 110,826. All LDCHA owned housing, including its 369 public housing units, are located in Lawrence. All but 66 of the LDCHA's 742 Housing Choice Voucher units leased are in the City of Lawrence.

Lawrence is a city steeped in history, education and citizen involvement. It was founded by the New England Emigrant Aid Company to promote Kansas entering the Union as a free state, and was built where the Oregon and Santa Fe trails crossed, becoming a hub of commerce for traders and settlers.

Lawrence, with a population of 87,643, continues to have one of the most vibrant downtown shopping, dining, and entertainment districts in the Midwest. The quality of life for Lawrence citizens is excellent with its arts center, library, recreation facilities, bike paths, parks, green space, and numerous other elements.

- Ranks 15th on John Villani's "The Best 100 Small Arts Towns in America".
- Ranked as a 5-Star Quality of Life Metro by Expansion Management Magazine.
- Listed by U.S. News and World Report as one of the best places to retire in 2011 and as one of the least segregated cities.
- Cited as the 4th best place among small metro areas for military retirement by the USAA and Military.com's 2011 survey.

Lawrence is also home to two universities: the University of Kansas and Haskell Indian Nations University. The University of Kansas is consistently ranked as one of the best public universities in the country, particularly its Special Education and Masters of Public Administration programs. Haskell Indian Nations University is the nation's only inter-tribal university for Native Americans, representing more than 150 tribes from across the country. Baldwin City is home to Baker University, the oldest university in Kansas. Ninety-three percent (93%) of Lawrence residents age 25 and over have graduated high school, and 54.5% have a bachelor's degree or higher. Additionally, the Lawrence Public School district was ranked 3rd among the nation's 362 metropolitan areas by Expansion Management Magazine for high academic performance and the community's commitment to education.

Lawrence's high educational attainment level does not translate into above average salaries. In 2010, the median household income for Lawrence was \$45,471 while for the state of Kansas as a whole it was \$48,257. The U.S. Census estimates that in 2010, 19.5% of all Lawrence residents had income below the poverty level, yet the average unemployment rate for the city in 2011 was only 6.3%. The Lawrence homeownership rate in 2010 was 46.7% as opposed to a state average of 67.8%. The vacancy rate for rental units in Lawrence was 6.7%.

The Lawrence-Douglas County Housing Authority

The Lawrence-Douglas County Housing Authority (LDCHA) was created in 2001 through the merger of the Lawrence Housing Authority (KS053) and the Douglas County Housing Authority (KS160). Its predecessor, Lawrence Housing Authority, was created in 1968 under the Kansas Municipal Housing Act as an independent agent of the City of Lawrence charged with developing, operating and managing low rent housing for the low income population of Lawrence, Kansas. The Douglas County Housing Authority was created in 1983 by the Douglas County Commission for the purposes of administering the Section 8 Certificate Program in Douglas County, Kansas with the Lawrence Housing Authority designated as the administering agency. On January 1, 2001, through a joint resolution of the City of Lawrence and Douglas County, and with the approval of HUD, the two housing authorities merged as KS053, and KS160 was abolished.

The LDCHA is governed by a five member board of commissioners, two appointed by the Douglas County Commission and three by the Mayor of the City of Lawrence. The resident member is an appointee of the City of Lawrence.

The LDCHA is constituted with the powers to:

- Plan, construct, maintain, operate and manage low rent housing developments of the City of Lawrence and Douglas County, Kansas;
- Enter into contracts with federal, state, or local governments for funds to plan develop, support, construct, acquire or provide housing and housing developments for the low income;
- Enter into public and private joint ventures; and
- Enter into cooperative agreements with other incorporated jurisdictions of Douglas County to carry out affordable housing plans and developments for the low income in those jurisdictions.

It is LDCHA's mission to provide safe, affordable and quality housing, economic opportunity, and a suitable living environment free from discrimination. The primary roles of the housing authority are as a housing developer and provider. Presently the LDCHA operates eight different affordable housing programs. Included in the role of housing provider is the responsibility to provide effective and equitable management services and to maintain and steward the agency's real estate portfolio.

The LDCHA operates programs that support the economic advancement of its tenant population through a comprehensive program of resident services including employment workshops and homeownership programs. The resident services programs also include services to facilitate healthy families and healthy

aging in place. The LDCHA partners and collaborates with other local agencies to provide housing assistance to special populations including special needs and homeless populations.

The LDCHA follows business and fiscal policies that strive to achieve long term financial viability and solvency.

Organizational Structure

The LDCHA is divided into eight departments:

1. Administration and Business;
2. Maintenance Operations;
3. Capital Fund Program;
4. General Housing Program, a creation of the MTW program;
5. Senior Housing Program;
6. Multifamily Housing;
7. Resident Services; and
8. Program and Property Management.

The LDCHA employs 41 staff and operates combined budgets in excess of \$8 million.

The LDCHA has been a designated *High Performer* agency by HUD for its public housing program since 1992 and for its Section 8 programs since the inception of the Section 8 Management Assessment Program.

Moving to Work

The LDCHA was selected by HUD as one of the initial 23 housing authorities to participate in the Moving to Work Demonstration (MTW) program in 1998. The Congressionally mandated demonstration was established to test new models for delivering public housing and Section 8 assistance. Congress established three objectives for the demonstration:

Objective 1: Reduce cost and achieve greater cost effectiveness in federal expenditures;

Objective 2: Give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, education or other programs that assist in obtaining employment and becoming economically self-sufficient; and

Objective 3: Increase housing choice for low-income families.

The LDCHA signed its first five-year MTW Contract with HUD March 30, 1999. The agency began implementation of the program June 1, 1999.

The agency's objectives that were established to meet the Congressional goals were:

1. Abolish the public housing and Section 8 program administrative structure and create a new program of housing assistance called General Housing Assistance which combines the family housing units of the public housing and Section 8 Tenant Based Rent Assistance (TBRA).
2. Change or eliminate four basic federal rules under the 1937 Housing Act that contradict customary social and economic norms and create administrative expense. The changes include:
 - The institution of suitability criteria as a part of eligibility criteria.
 - Modification of the definition of countable income and adjusted income.
 - The establishment of the concept of annual rent and the abolishment (with some exceptions) of interim re-examinations.
 - Sweeping and comprehensive changes in the rent structure.
3. Establish a rent structure that provides affordability while it:
 - Values the unit.
 - Creates incentives to work.
 - Motivates families to work.
 - Establishes meaningful minimum and maximum rents.

- Increases PHA income thereby reducing federal subsidy or increasing housing assistance without additional subsidy.
4. Increase Housing Choice:
 - For all Section 8 participants, increase housing choice by permitting full discretion as to location, size, and cost without regard to local Fair Market Rents (FMR).
 - For public housing residents of Edgewood Homes, increase housing choice by vouchering out up to 50% of the units over a 3-year period freeing units to rent to moderate income families, thus creating a mixed-income development. *(This objective was later eliminated.)*
 5. Increase usage of existing federal funds.
 - Increase public housing rental income by \$150,000 per year.
 - Free \$500,000 per year of Section 8 subsidy.
 - Using these amounts to serve an additional 100 low-income families without additional federal subsidy.
 6. Expand by at least 100%, the Family Self-Sufficiency (FSS) program to require participation of non-exempt public housing and Section 8 families.
 7. Provide homeownership opportunities.

The above objectives created a locally driven housing program that continues to reflect community needs and values.

The 1999 MTW Agreement established the specific authorizations or activities granted the LDCHA to carry out the above stated objectives. Established as a five year demonstration, the agency's MTW Agreement was extended three times in 2004, 2005, and 2006. In 2007, HUD restructured the MTW program and standardized the individual agreements that MTW participating agencies each had with HUD. In April 2008 the agency signed a new, 10 year, standard agreement extending the program to 2018. The new agreement provided new expanded authorities for the LDCHA.

SUMMARY OF MTW INITIATIVES			
ACTIVITY NO.	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
Objective 1: Reduce cost and achieve greater cost effectiveness			
11-3	Combine the HCV Administrative Plan and the Public Housing ACOP into one policy statement	Combine Section 8 HCV Administrative Plan and public housing Admissions and Continued Occupancy policy and Methods of Administration to promote consistency in the application of MTW policies under the public housing and Section 8 TBRA programs.	2011
10-1	Biennial recertification for elderly and disabled households	Conduct biennial recertification for elderly and disabled public housing households.	2010
10-3	Energy Conservation Improvements	Provided \$1.5 million from the Single Fund MTW budget to finance comprehensive energy improvements under HUD Energy Performance Contracting, resulting in guaranteed annual cost savings sufficient to provide funding for the 20 year investment.	2010
09-1	Single fund budget with full flexibility	The LDCHA combined its public housing operating, Capital fund subsidies, and HCV assistance into a single authority source.	2009
09-4	Biennial recertifications for MTW households	Conduct biennial recertifications for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or 50% AMI.	2009
09-6	Revised definition of countable income - 1	Excluded earned income of adult children between the ages of 18 and 21.	2009
09-6.1	Revised definition of countable income - 2	Counted income under previously excluded by the 12:12:48 regulation.	2009
99-1	Combined public and Section 8 TBRA programs and operations	Combined public housing family housing units and Section 8 TBRA into one program called General Housing with one waiting list and single organizational program structure.	1999
Objective 2: Increase work and self-sufficiency among residents			
11-1	Provide financial assistance for vehicle repair	Provided up to \$500 per household for vehicle repair to assist MTW households to obtain or retain employment, employment training, or attend post secondary education.	2011
11-2	Partner with DCHI to create year round	Used Douglas County Housing Incorporated (DCHI), an affiliated nonprofit, to pursue private	2011

SUMMARY OF MTW INITIATIVES

ACTIVITY NO.	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
	social, educational, health and recreational opportunities for youth	and public foundation funding restricted to nonprofit organizations in order to expand program opportunities and activities for LDCHA youth.	
10-2	Expand employment related services to MTW households	Provided \$56,000 in funding for technical training, education, certifications, employment counseling to permit heads of household to seek, obtain and retain employment.	2010
09-2	Expanded Resident Services	Required mandatory orientation program for all new residents.	2009
09-3	Expand case management services to MTW households	Provided case management for households below 40% AMI to reduce barriers to employment and underemployment to maximize household's potential for securing long-term employment.	2009
99-2	Alternative rent structure	Developed alternative rent structure with minimum and maximum annual rents applied to all non-disabled/non-elderly households in the General Housing program.	1999
99-3	Work requirement	Required all non-elderly/non-disabled adults age 50 and younger to work or be engaged in a work-related activity.	1999
Objective 3: Increase housing choices for low-income families and individuals			
09-5	Homeownership matching grant	Provided up to \$3,000 matching grant for MTW households that purchase a home.	2009
09-7	Create temporary housing resource for homeless families	Used \$58,000 from the Single Fund MTW budget to create the e-Housing Connection program to match homeless families with temporary housing.	2009
09-8	Create a prisoner re-entry housing program	Provided 5 units of TBRA in partnership with Douglas County Sheriff's Office Corrections Division for a prisoner re-entry program.	2009

Section I: Overview of the Agency's Ongoing MTW Goals & Objectives

In its 2011 MTW Annual Plan the agency sought and received HUD approval to initiate three new changes to its MTW program under the expanded authorities granted by the amended and restated MTW agreement. These are:

- **Activity 11-1:** Use funds under the Single Fund Budget to provide financial assistance for vehicle repair to households with children in order to reduce a barrier to employment.
- **Activity 11-2:** Partner with Douglas County Housing Incorporated, a 501(c)3 affiliate organization of the LDCHA, to pursue private or public foundation funding for a year round social, educational, health and recreational program for youth, particularly the youth of parents participating in the MTW program.
- **Activity 11-3:** Streamline the Housing Choice Voucher and Public Housing policies by combining the Section 8 Housing Choice Voucher Administrative Plan and the Public Housing Admissions and Continued Occupancy Policy and Methods of Administration into one policy.

In 2011, the LDCHA continued with all its previously approved MTW initiatives. These are:

- **Activity 99-1:** The agency streamlined its family public housing and Section 8 programs and operations by combining all functions into one program called General Housing with one waiting list and single organizational structure. To combine these different housing programs the agency established the same eligibility and suitability criteria for all public housing and Section 8 applicants, whether or not they participated in the MTW rent structure.
- **Activity 99-2:** The agency developed and applied an alternative rent structure with minimum and maximum annual fixed rents applied to all non-elderly, non-disabled households. In conformance with HUD requirements, LDCHA also developed a rent hardship policy. Under the hardship policy a family may be recertified to the minimum rent for their bedroom size if they have a loss of income. The hardship policy does not permit a household in the MTW rent structure to be recertified to income based rents. Specific details of the alternative rent structure are provided in Section VI, Activity 99-2.
- **Activity 99-3:** The agency instituted a work requirement for all non-elderly, non-disabled adults age 50 and younger. This work requirement applies to the General Housing Program in particular. However elderly and disabled residents living in senior public housing, or who are General Housing Pro-

gram participants, may opt into the MTW rent structure if they are employed. In order to limit resident attempts to flee the rent structure and work requirement, the agency placed a restriction on Section 8 portability which is described in Section VI - Activity 99-3 (page 50).

- **Activity 09-1:** Establish a Single Fund MTW Budget with full flexibility to combine public housing operating and Capital Fund subsidies and Section 8 Housing Choice Voucher funds into one budget. LDCHA will use this Single Fund source to fund the administration of MTW programs and to add additional housing units either through acquisition, new construction or by increasing the number of housing choice voucher units.
- **Activity 09-2:** Expand Resident Services to provide a mandatory orientation for all new incoming residents.
- **Activity 09-3:** Expand Resident Services to provide individual case management for all households with income below 40% AMI to reduce barriers to employment and underemployment, in order to maximize the household's potential for securing worthwhile long term employment.
- **Activity 09-4:** Conduct biennial re-examinations for public housing and Section 8 participants in the MTW rent structure who are at maximum rent or at 50% AMI.
- **Activity 09-5:** Revise the homeownership program to create equity between public housing and Section 8 MTW by eliminating the escrow requirement and replacing it with a matching grant of up to \$3,000 down payment assistance for all MTW participants that purchase a home.
- **Activity 09-6:** Revise the definition of countable income to exclude the income of adult children between the ages of 18 and 21 not enrolled in school full-time. However all non-disabled adults between the ages of 18 and 21 must meet the work requirement.
- **Activity 09-6.1:** Revise the definition of countable income by eliminating the 12-12-48 month income exclusion for affected public housing and Section 8 tenants.
- **Activity 09-7:** Use Single Fund authority to support the housing initiative called the e-Housing Connection, a temporary transitional housing referral program for homeless families.
- **Activity 09-8:** Use sufficient funds to provide five units of rental assistance to be used in collaboration with the Douglas County jail for its prisoner Reentry Program.

- **Activity 10-1:** Conduct biennial recertifications of elderly and disabled households residing in public housing.
- **Activity 10-2:** Allocate \$56,000 in funds from the Single Fund MTW budget to provide employment related services to MTW households including activities related to the provision of self-sufficiency and other services, employment counseling, education and training including youth services in conjunction with permitting the head of household to seek, obtain or retain employment.
- **Activity 10-3:** LDCHA used \$1.5 million in funds from the Single Fund MTW Budget to complete energy conservation improvements in its public housing units.

Section II: General Housing Authority Operating Information

A. Housing Stock Information:	
Number of public housing units at the end of the year, discuss any changes over 10%;	The agency has 369 public housing units at the end of the year. This is the same as at the start of the year. Six of these units are approved for non-dwelling purposes. Two properties are designated elderly housing - Babcock Place, 120 units, and Peterson Acres, 25 units.
Description of any significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year);	The agency spent \$514,623.55 in formula capital funds in 2011. No expenditure met the threshold of greater than 30%. The agency spent \$36,334.61 in ARRA capital funds during the same period.
Description of any new public housing units to be added during the year by development (specifying bedroom size, type, accessible features, if applicable);	The agency added no new public housing units during the year.
Number of public housing units to be removed from the inventory during the year by development specifying the justification for the removal;	The agency removed no new units from inventory during the year.
Number of MTW HCV authorized at the end of the Plan Year, discuss any changes over 10%;	The agency had 592 vouchers authorized under ACC at the end of the fiscal year. In addition to ACC units, 5 units were authorized in 2011 for the Douglas County Prisoner Re-entry program.
Number of non-MTW HCV units authorized at the end of the Plan Year, discuss any changes over 10%; and	The agency added 140 Tenant Protection Vouchers during the Plan year, 34 on April 1 and 106 on August 1. These units will be renewed as MTW units at the end of one year.
Number of HCV units project-based during the Plan Year, including description of each separate project; and	None.
Overview of other housing managed by the Agency, e.g., tax credit, state-funded, market rate.	LDCHA owns a 58 unit multifamily project, 8 below market rate rental units, and administers grants for an estimated 55 units of HOME TBRA, and 6 units of PSH, all of which are outside the MTW contract. In 2011 LDCHA took over man-

	agement of a PRAC 811 project located in Baldwin City which is owned by the Bert Nash Community Mental Health Center.
B. Leasing information - Actual	
Total number of MTW PH units leased in Plan Year;	The LDCHA had an average 356 units under lease in the Plan Year for a 98% occupancy rate.
Total number of non-MTW PH unit leased in the Plan Year;	The agency had an average 56 of its 58 multifamily units under lease during the Plan Year and all 8 of its below market rate units under lease during the Plan Year for an occupancy rate of 96%.
Total number of MTW HCV units leased in Plan Year;	There were an average 595 units under lease during the Plan Year for a utilization rate of 100%.
Description of any issues related to leasing of PH or HCVs; and	The length of time it took to fill PH unit vacancies is related to authorized reasons for vacancy days including vacancy days created by Kansas State Law and multiple vacancies that occur in elderly properties due to conditions beyond the agency's control, such as death. In the multifamily development, vacancies were due to planned rehabilitation of units.
Number of project-based vouchers committed or in use at the start of the Plan Year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the Plan Year).	None
C. Waiting List Information	
Number and characteristics of households on the waiting lists (all housing types) at the end of the Plan Year; and	See Chart A
Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year.	See Chart B

Chart A
Waiting List Information

Number and Characteristics of Households on the Waiting Lists (All Housing Types)							
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	TOTAL
Elderly	15	54	15	0	0	0	84
Near Elderly	0	4	0	0	0	0	4
Disabled	33	98	15	2	2	0	150
Family	14	72	101	63	21	7	279
TOTAL	62	228	131	65	23	7	517

Chart B
Waiting List Descriptions

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	TOTAL
Public Housing Site Based							
Babcock Place	25	63	2	0	0	0	90
Peterson Acres I	12	56	0	0	0	0	69
Multifamily Housing							
Clinton Place	0	16	0	0	0	0	16
LDCHA Owned Below Market Rate Development							
Peterson Acres II	0	0	5	0	0	0	5
Merged Waiting Lists (PH Family Units / Section 8 TBRA)							
General Housing	11	225	67	57	16	2	378
HOME TBRA							
City HOME	0	15	17	6	7	0	45
State HOME	0	6	0	0	0	0	6
MTW TBRA							
Douglas County Prisoner Reentry	0	1	0	0	0	0	1
Permanent Supportive Housing							
HOPE Building	0	0	0	0	0	0	0
e-Housing Connection							
HPRP	0	3	1	0	0	0	4
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
TOTAL	48	385	92	63	23	2	613

Section III: Non-MTW Related Housing Authority Information

The LDCHA operates several other housing programs besides the public housing and Section 8 HCV TBRA programs.

Clinton Place

The largest is a 58-unit Section 8 project based multi-family development for the elderly which was purchased by the agency in late 2006.

Peterson Acres II

The agency owns a second smaller 8-unit senior development that is fully handicapped accessible. This development is unsubsidized and operates with a below market rate rent structure.

HOME - State

LDCHA administers a grant that funds an estimated 15 - 20 unit TBRA program funded by the State of Kansas with state HOME funds. The grantee for this program is the Bert Nash Mental Health agency. The LDCHA administers the program on behalf of the Bert Nash Center. Admission is restricted to Bert Nash clients.

HOME – City – Transitional Housing

The LDCHA administers an estimated 25 - 30 units of TBRA that is grant funded annually by the City of Lawrence's HOME allocation. This program is restricted to homeless families and individuals who do not otherwise qualify for public housing or Section 8 assistance. In both the Bert Nash program and the City HOME program, participants must enter into a support service agreement and participate in the activities contained in the agreement. Participants have up to two years to meet the qualifications for public housing or Section 8 assistance. At the end of the two year period they are transferred to either public housing or Section 8 assistance if they meet the eligibility qualifications, or, if not, their assistance is terminated.

HOPE Building

The LDCHA also operates 6 units of permanent housing under the Continuum of Care Permanent Supportive Housing program for chronically homeless individuals who are dual diagnosed with mental health and substance abuse problems.

HPRP

The LDCHA was the administrating agency for the City of Lawrence's \$748,000 grant for a Homelessness Prevention and Rapid Re-housing Program (HPRP). This program was designed to provide rent and utility arrearage assistance to households to prevent homelessness and rent and utility subsidies to rapidly re-house homeless families. The HPRP program began in November 2009 and operated for a 26 month period when all funds were exhausted. The Rapid Re-Housing segment of the program was executed in conjunction with the agen-

cy's e-Housing Connection activity which is funded with MTW funds. HPRP provided case management and funds to a total of 287 households composed of 778 individuals in order to prevent them from becoming homeless or to locate and stabilize them in affordable housing.

Building Independence III

Building Independence III is a Section 811 PRAC 4-unit property located at 501-507 North 4th Street in Baldwin City, Kansas. The property is owned by the Bert Nash Mental Health and operates under an annual housing assistance payment contract with HUD. The LDCHA is the owner's agent responsible for all aspects of administration, management, operations and maintenance.

Partnership with Head Start

The LDCHA leases Units 159 and 160 at Edgewood Homes without a fee to the Community Children's Center, Inc. to operate a Head Start early childhood education program. The lease requires that a certain number of LDCHA children be served per year. This space is also used for special educational services for these students and for providing evening childcare services for LDCHA parent/guardian MTW training opportunities.

Non-MTW Policy Initiatives

The LDCHA Board of Commissioners approved Resolution 2010-18 which bans smoking in all LDCHA owned properties. The policy went into effect on January 1, 2011 and enforcement is underway and will be ongoing. There have been no evictions related to violation of this policy.

Section IV: Long Term MTW Plan

The agency's long term MTW plan is to continue to institute policies and programs that create incentives for families to work, to increase household income and to become self-sufficient. In so doing, the agency will continue to promote homeownership and create additional housing opportunities for families. The agency will look for ways to reduce administrative burden. LDCHA will apply the new and expanded MTW authorities to the elderly and disabled households including the possibility of an alternative rent structure beyond what is included in this plan, and pursue an affordable alternative rent structure that decouples rent from income.

LDCHA is committed to expanding the stock of affordable housing through the acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living or other housing as deemed appropriate by LDCHA, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration. LDCHA plans to meet this goal through leveraging its MTW funds to create innovative financing and development strategies through joint ventures or other partnerships. In 2012 LDCHA plans to issue a Request for Qualifications for a private development partner to explore the possibility of acquiring, or constructing affordable housing units.

Section V: MTW Activities Not Implemented During the Plan Year

11-03: Combining the Section 8 Housing Choice Voucher Administrative Plan and the Public Housing Admissions and Continued Occupancy Policy and Methods of Administration into one policy statement.

Activity Description

This activity is administrative in nature and supports the MTW initiative approved in 1998 that merged the family housing public housing and Section 8 TBRA programs into one program called General Housing. The General Housing Program standardized the eligibility criteria for the public housing and Section TBRA programs, provided a vehicle for maintaining high occupancy rates in public housing and streamlined the administrative program functions of the two housing programs. Although the agency has operated a combined program under MTW since 1999 it has maintained separate policy statements. This activity relates to statutory objective 1: to reduce cost and achieve greater cost effectiveness in federal expenditures. It also will reduce administrative burden. This activity is also in keeping with the purposes of MTW to devise locally driven housing solutions.

Implementation Delay:

The implementation of this activity began in 2011 with a series of input meetings from staff. The final draft of the combined plan was not completed in order to be approved by the LDCHA Board of Commissioners in 2011. This activity will be fully implemented in 2012.

Section VI: Ongoing MTW Activities: HUD Approval Previously Granted

Activity 11-1: Use funds under the Single Fund Budget to provide financial assistance for vehicle repair to households with children in order to reduce a barrier to employment.

A. Describe each ongoing activity:

This activity was proposed by the LDCHA Resident Advisory Committee. The LDCHA used \$5,000 in MTW funds for this activity. The maximum amount of funding per household was \$500. Families were notified of the availability of funds through a wide variety of outreach measures including targeted mailings, posted flyers and announcement in the Resident Services Newsletter.

The program was announced and implemented in July 2011. There were 31 applications taken and 22 returned to LDCHA. Applications were funded in the order that the application was submitted. Due to some of the repairs being less than \$500, we were able to approve and fund 11 (6 PH and 5 Section 8) households. As the demand and need for repairs in 2011 was twice the amount of available funds, \$10,000 was budgeted for the 2012 year.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity provided limited funds to assist MTW households to repair vehicles used for employment and education. This activity allowed families to maintain employment and continue education which supports the goal of increased economic self-sufficiency.

C. 2011 Accomplishments under this Activity:

Of the 11 households who received assistance under this activity, 9 maintained employment, including one tenant who has since been promoted. One tenant left employment to attend college full-time. (This information was verified in March 2012 to ensure that the 6 months in the metric were met.)

Metric	Baseline	Benchmark	Outcomes
Number of households that apply	0	10 households should apply.	22 Households applied for assistance. 11 applications were approved for assistance.
Number of jobs that are retained for 6 months or more.	0	7 adults should retain employment to preserve household income and maintain higher rental income.	9 adults maintained employment.
Comparison	0	11 applications were not funded.	Five did not meet the eligibility criteria (e.g being elderly and/or disa-

Metric	Baseline	Benchmark	Outcomes
			bled). Six were not funded due to lack of funding. Of these, four remained employed, one is unemployed and one can directly relate loss of job to lack of transportation.

D. The benchmarks for this activity were achieved. This activity is deemed highly effective.

E. The baseline and benchmarks will change to reflect achievement and additional funds.

The original baseline for the number of households that apply was zero since this was a new activity. The benchmark was 10 households applying. This benchmark is being revised to 20 households applying due to additional funding.

The original baseline for the number of jobs retained for 6 months or more was zero since this was a new activity. The benchmark was 7 adults to retain employment and will be revised to 12 adults to retain employment to reflect the success and expansion of this activity.

F. Relationship of Activity to Statutory Objective:

This activity relates to objective number 2 - to give incentives to families with children who are working to become economically self-sufficient.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section (B)(1)(b)(iii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act & 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.* Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

Attachment D: Use of MTW Funds: *The Agency may use MTW funds to provide housing assistance for low income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work.*

Activity 11-2: Partner with Douglas County Housing Incorporated, a 501(c)3 affiliate organization of the LDCHA, to create year round social, educational, health and recreational activities for youth, particularly the youth of parents participating in the MTW program.

A. Describe each ongoing activity:

In 2011 167 children receiving housing assistance were served through the Douglas County Housing Inc. (DCHI) Full Circle Youth Program. The Full Circle Program, in collaboration with community-based agencies and individuals, serves as a year round out of school program that provides a free, safe and positive place for youth ages 7-18, receiving housing assistance to spend time in a constructive manner and avoid educational regression. Services focus on out-of-school learning, self-development and mentoring through programming tailored for each unique individual. This innovative approach allows us to make meaningful connections and provide otherwise unobtainable experiences to low-income youth.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This initiative allowed the agency to rely less on tax dollars which meets the statutory objective 1 to reduce cost and achieve greater cost effectiveness; and it also meets the statutory objective 2 to assist families with children to obtain and maintain employment and become economically self-sufficient.

C. 2011 Accomplishments under this Activity:

In 2011 DCHI served 167 youth from 81 families receiving housing assistance. Over the summer we served an average of 20 children a day with a high of 42. The overall number of children served is 245, which includes 78 children from the community who participated in the free lunch program (many of whom were homeless and received services through the Homeless Prevention and Rapid Re-Housing program).

In 2011 DCHI has focused heavily on engaging parents in all activities. This contributes to the overall buy-in from the parents to the new activities, as well as the traditional educational activities we have always provided. The twelve new activities implemented in 2011 include:

- Re-Framing My Story (Lawrence Cultural Arts Commission grant)
- Financial Literacy
- Family Engagement BBQ
- Youth Cooperative Games/Team Building
- Kaw Valley Readers Literacy program and Book Fair
- Family Pumpkin Carving
- Youth Newsletter
- Word Processing Classes
- Parent Nights with New York Elementary School
- Youth Led Haunted House
- Youth Led Holiday party



Due to the boundary change of the elementary school for the children that live in Edgewood Homes (LDCHA's largest family public housing development) to a school a mile away, DCHI developed the Walking School Bus to get students home safely from school. It was created in partnership between Edgewood Homes and New York Elementary School, funded with \$1,500 from the Douglas

County Community Foundation, and was a very successful initiative. Over 30 kids from both public housing and private residences participated in walking home from school 3 days a week. As a result of this initiative 31 new families regularly participated in summer programming, and of these 16 were able to further their education and employment.

DCHI applied for 8 grants and 4 other requests for funding that resulted in \$2,500 in cash and \$3,500 in in-kind donations. Clif Bar, Lara Bar, Summer Lunch Program, and the Mengel Pool Pass Fund (200 passes) provided donations that helped us promote health and nutrition throughout the year. Clif and Lara bars were used to supplement the Walking School Bus and after-school tutoring program while the pool passes and summer lunch program promoted a healthy lifestyle over the summer.

The financial results were less than DCHI had hoped to gain. Unfortunately, many private funders have also cut back on grant making. In addition, many funders requested 2010 fiscal information, which did not reflect a very robust organization or meet a common minimum standard of \$25,000 of existing funding. Due to the revenue gained through this 2011 initiative, DCHI will now meet this standard for grant applications submitted in 2012. DCHI did have several successes and created some new partnerships including Clif and Lara Bars, University of Kansas Behavioral Science Department, and Jason Barr Fresh Produce Arts Collective.

Metric	Baseline	Benchmark	Outcomes
Number of grants submitted	2	10 grant applications submitted.	12 grants and other requests for funding were submitted in 2011.
Amount of funds raised in 2011 through grant funding	\$4,000	\$15,000 will be awarded through grant funding in 2011.	\$2,500 in grants and \$3,715 in cash and in-kind donations were obtained.
New activities made available through grant funding	0	At least 5 new activities will be added to the Youth Services program through this new funding.	12 new activities were implemented in 2011.
Youth served under new grants	0	At least 50 youth will be able to be served under new funding.	167 actually served.
Number of adults (parents) who obtain/retain employment	0	7 adults who cannot work in summer due to childcare concerns will obtain/retain employment.	16 adults obtained / retained employment.

D. All benchmarks except one for this activity were met. This activity is deemed effective.

Although the benchmark to gain \$15,000 of grant funding was not achieved, revenue for 2011 that is now reflected in DCHI financial documents will open additional avenues of funding sources. In addition, a plan to do more direct fund raising activities is also being implemented and the agency believes the benchmark will be achieved.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This activity met two of the statutory objectives: objective 1 to reduce cost and achieve greater cost effectiveness in federal expenditures by shifting funding to private sources; and statutory objective 2 to give incentives to families with children whose head of households are either working, seeking work, or are participating in job training, education, or other programs that assist in obtaining employment and becoming economically self-sufficient.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section (B)(1)(b)(iii)&(2) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act & 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.* Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

Activity 10-1: Conduct biennial recertifications of elderly and disabled public housing households.

A. Describe each ongoing activity:

LDCHA conducts biennial recertifications for elderly and disabled households residing in public housing. At the end of 2011, 204, or 57%, of the agency's public housing residents were elderly or disabled heads of households. This number had fluctuated during the year, with a high of 235, due to additional admissions and move out of people leaving the program. In 2010, when this activity was enacted, all existing households were notified and asked if, under the policy change, they desired to forgo the annual recertification. All new admissions in 2011 were notified of the biennial recertification.

Elderly and disabled residents highly favored this change with the option to undergo a full recertification if their out-of-pocket medical expenses increased by 10% in the previous 12 months. A full annual recertification includes not only counting all medical expenses but increases in annual income and assets as well.

B. Analyze the Actual Impact of the Activity on the Stated Objectives:

This activity was intended to reduce costs and achieve greater cost effectiveness. This change also constitutes a rent reform initiative. In 2011, 46% of the eligible households received biennial recertification.

In 2011 there were 2 households, or 1%, of the total elderly and disabled households that utilized the hardship policy and requested an interim recertification due to income or medical expense changes.

C. 2011 Accomplishments under this Activity:

Staff time spent conducting annual recertifications, and expenses were significantly reduced. Approximately 504 hours of actual staff time was saved for the 126 recertifications not conducted in 2011, which amounted to a savings of \$13,149. Staff actually conducted 109 recertifications, utilizing 436 hours of staff time in 2011.

This initiative permitted staff to enhance the recertification process by conducting direct in-person interviews with the majority of tenants. These in-person interviews improved accuracy and quality of the information received from tenants.

The reduction in tenant time spent on preparing and gathering information for recertification was 315 hours saved by the 126 households who were not recertified in 2011.

Metric	Baseline	Benchmark	Outcomes
Households Recertified	In 2009 there were 208 PH elderly/disabled households.	Reduce annual recertification by 50%.	In 2011 there were 235 PH elderly/disabled households and 103 recertified.
Staff Hours	In 2009 staff spent 832 hours, 4 hours per recertification.	Reduce staff hours by 416 or 50%.	Staff hours eliminated: 504.
Reduction in Expense	2009 staffing cost for recertification was \$21,707.	Reduce staffing costs by 50 %.	Reduced staffing costs by \$13,149.
Tenant Hours	In 2009 tenants spent 500 hours for recertification or 2.5 hours per tenant.	Reduce tenant time by 50%.	Reduced tenant time by 315 hours.

D. The benchmarks for this activity were achieved. This activity is deemed effective.

E. The metrics, benchmarks, and cited authorizations were not changed over the year.

F. Relationship of Activity to Statutory Objective:

This activity relates to statutory objective number 2. Conducting biennial recertifications will reduce costs and achieve greater cost effectiveness. This change also constitutes a rent reform initiative.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section C(6): Initial, Annual and Interim Income Review Process: *This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.* Without this waiver the LDCHA would not be able to modify the annual review process.

Activity 10-2: Use funds from the Single Fund MTW budget to provide employment-related services to MTW households including services related self-sufficiency, employment counseling, education and training including child care to empower the head of household to seek, obtain or retain employment.

A. Describe each ongoing activity:

At the end of 2011, there were 411 households participating in the MTW rent structure of which 233 had active Family Self-Sufficiency cases with the Resident Services Offices. This activity used funds to provide education and training opportunities in order to reduce the barriers to employment and underemployment, to maximize a household's potential for securing worthwhile, long term employment.

Training opportunities included certified nursing and medical assistance certification, computer skills and mechanics, technical drafting, welding, commercial driver licensing, and the new field of "green technology" jobs. There were a number of training opportunities that focused on soft skills development that include workplace behavior skills such as punctuality, attendance, appropriate attire, customer service, and phone skills.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity provided residents both an incentive and opportunity to obtain training, education and employment in order to become economically self-sufficient. It also supported the additional MTW activity of moving families below 40% of Area Median Income (AMI) to above 50% of AMI.

C. 2011 Accomplishments under this Activity:

Resident Services continued providing training onsite and access to higher education and training opportunities. Unemployment, reduced hours and wages were common in 2011. In 2011, training and education was obtained in various

areas through paid education and certification trainings at outside institutions; paid employment through a wage match program; and in-house office assistant trainings, workshops, and computer classes.

Fourteen households enrolled in higher education/training. Seven enrolled in short-term programs and seven enrolled in longer certification/degree programs. Forty-one individuals attended computer trainings and culture of employment workshops sponsored by the Resident Services Office (RSO).

Eight households participated in an office assistant training program. Out of the 8 training positions participants, 3 received employment in a related field; 1 returned to college; 1 started college; 1 found other employment. Two of the three who found employment in a related field found a job making more than \$12.00 an hour. One tenant in the training position recently graduated from a four year program. By adding some actual office/employment experience she was offered and accepted a position in her field that paid \$17.

Two tenants participated in the wage match program. Upon completion of the wage match programs, both tenants went to new jobs with higher wages of \$18.00 and \$12.00 an hour.

In total, 53 of the families served got a new job and 20 reduced or ended their TANF assistance.

Reviewing families who have passed the 12 month mark since completing their trainings in 2010: two households, with AMIs of 46% & 83% left for Market Rent, three households are above 50% of AMI, one is at 48% which meets the benchmark.

Metric	Baseline	Benchmark	Outcomes
Technical Skills Training	0	8 of the 10 households offered training, 8 will complete it in the plan year.	In 2011, 16 households started training, 8 completed in 2011.
Increase in- come (AMI) for households re- ceiving tech- nical training	In 2010 the average AMI of MTW participant households was 30%.	Of the 8 completing technical training, 5 households will increase their income to 34% AMI within 12 months.	Of the 8 households that completed training, 7 obtained employment. 5 households increased their AMI by an overall average of 3%. 3 households are now between 45-50% AMI. None of these households are 12 months past training completion.

Metric	Baseline	Benchmark	Outcomes
Other Families Employed	252	336 employed after completing soft skills training in 2010.	372 are now employed at the end of 2011.
TANF Families	51 MTW households received TANF.	10 households will obtain employment after receiving soft skills training in the plan year.	20 households who received TANF during 2011 obtained employment and reduced TANF benefits.

D. The benchmarks for this activity were achieved. This activity is deemed effective.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This activity relates to objective numbers 1 & 2: reduce cost and achieve greater cost effectiveness and increase work and self-sufficiency.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section B(1)(b)(iii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Section 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan. Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.*

Activity 10-3: Use funds from the Single Fund MTW Budget for Public Housing energy conservation improvements.

A. Describe each ongoing activity:

The agency contracted with Siemens Industry Inc. Building Technologies Division to carryout comprehensive energy improvements under HUD Energy Performance Contracting and financed the improvements over 20 years using \$1.5 million as a long-term loan from the agency reserves that are part of the LDCHA's MTW block grant.

Under the Energy Performance Contract, the cost of the improvements will be repaid over 20 years through energy savings. The improvements completed include installation of an energy management system, new chiller and cooling tower, variable speed drive motors on the water circulation pumps, replacement of pneumatic thermostats with electric limiting thermostats, as well as boil-

er tune-ups at Babcock Place. Lighting retrofits were completed at all public housing projects for a total of 369 units, as well as lighting controls in common areas at Babcock Place and Edgewood Homes. Water conservation retrofits were completed in 273 units, located at Edgewood Homes, Babcock Place and Peterson Acres, including low flow shower heads, kitchen and bath faucet aerators, and comfort-height gravity flow toilets. Additional blown-in insulation was completed in the attic spaces at 23 scattered site units.

Using the Single Fund Budget to make these improvements permitted the LDCHA to finance more improvements within the limits of Energy Performance Contracting (EPC), as approved by HUD, than the agency otherwise would have been able to afford. The Energy Performance Contract includes evaluation of the energy performance measures and savings certified in the contracts. The use of public housing reserves for energy improvements is also an authorized use of funds outside of MTW under Account 7540.

B. Analyze the Actual Impact of the Activity on the Stated Objectives:

The anticipated guaranteed cumulative annual energy cost savings over the life of the contract based upon the comprehensive audit is \$2,325,566 which will provide sufficient funding to repay the 20-year \$1,570,334 final investment, and over time will reduce cost and achieve greater cost effectiveness in federal expenditures.

C. 2011 Accomplishments under this Activity:

All of the improvements were completed in June 2011.

D. There is no 2011 Benchmark for this activity.

The savings will occur and be documented for 2012 the first complete fiscal year following completion of the improvements. Under Energy Performance Contracting, Siemens Technologies is required to guarantee the savings that the improvements will yield through a Measurement and Verification Plan that was required to be included in the contract which was approved by the HUD Field Office. LDCHA has received an interim Energy Report for July 2011 - December 2011 and based on this report LDCHA is on schedule to realize the savings guaranteed.

Metrics to Assess Outcomes, including Anticipated Schedule.

Metric	Baseline	Benchmark	
Utility (units)	Utility consumption (average)	Utility savings (per year)	Actual Savings Semi-Annual Report July-Dec. 2011
Water/sewer (gal)	9,806,667 gal	2,078,000 gal	1,111,100 gal

Metric	Baseline	Benchmark	
Electricity (kWh)	1,290,756 kWh	639,985 kWh	466,415 kWh
Natural Gas (MCF)	11,775 MCF	1057 MCF	4,824 CCF

E. *The metrics, benchmarks, and cited authorizations did not change over the year.*

F. *Relationship of Activity to Statutory Objective:*

This activity relates to statutory objective number 1: Reduce the cost and achieve greater cost effectiveness in federal expenditures.

G. *Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:*

MTW Agreement Attachment C: Section B(1)(b)(ii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.* Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.

Activity 09-2: Expand Resident Services to provide mandatory orientation for all new incoming residents.

A. *Describe each ongoing activity:*

The LDCHA expanded its Resident Services program to require all new MTW admissions to attend an orientation program on the services and programs offered by the Resident Services Office. The direct services available to tenants include: employment assistance; programs to facilitate healthy families through therapeutic, recreational and educational programs; programs to help families identify and secure community services and resources necessary to maintain lease and program compliance; and programs to facilitate the transition to homeownership. This activity educates residents about available services to access in times of crisis that could lead to termination of their housing assistance, and as a facilitation vehicle for families motivated toward upward mobility, economic self-sufficiency and homeownership.

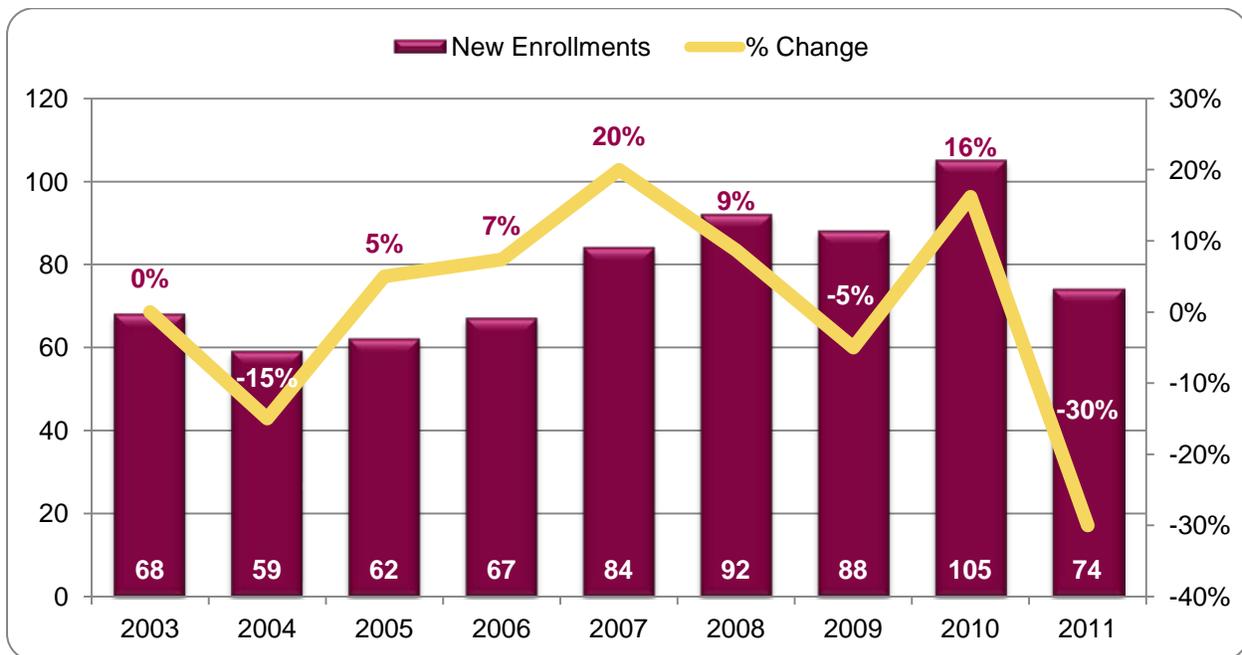
B. *Analyze the Actual Impact of the Activity on the Stated Objective:*

Mandatory participation in an orientation program reduced costs and achieved greater cost effectiveness by forestalling family crisis that lead to program and lease violations and subsequent terminations. Likewise this activity gave incentives to families with children to work or seek educational opportunities that moved them to self-sufficiency by providing upfront information on jobs, jobs training, educational opportunities, enrichment and personal development activities of the Resident Services Department.

C. 2011 Accomplishments under this Activity:

Between January 1 and December 31, 2011, 122 households that required orientation entered the MTW program from the General Housing waiting list. This is the baseline for this activity. A total of 98 households, from Public Housing and the Voucher program, or 80%, received the orientation.

Of the 98 households that received the orientation, 19 households (8 public housing and 11 Section 8) went on to enter the agency's family self-sufficiency program which grants participants full access to the agency's case management and supportive employment programs. An additional 16 families that received orientation in prior years (2009-2010) entered into the agency's family self-sufficiency program during 2011.



This chart shows the total new FSS enrollment numbers for Resident Services between 2003-2011. Some of the decline in enrollment in 2011 was due to Resident Services laying off one staff member when the FSS grant funding was delayed.

Of the households that received the orientation in 2011, a total 17 public housing families experienced difficulty paying rent for one or more months or 17% of the orientation participants. In 2008, before the implementation of this activity, a monthly average of 17 Public Housing MTW households had difficulty paying rent. In 2009, the monthly average was 21 and in 2010 the monthly average was 17 Public Housing MTW households who had difficulty paying rent, and in 2011 this number was 22.

A reduction in terminations reduces turnovers which reduces cost and achieves greater cost effectiveness by reducing extraordinary maintenance and management expenses. In assessing this outcome, staff did not generalize it to termi-

nations of all MTW households but only those households that participated in the orientation. Of the 98 households receiving orientation in 2011, no Public Housing households and no Section-8 households were terminated for lease and/or program violations in 2011. In 2010 two of the 70 households, or 3%, were terminated for lease and/or program violations.

D. The benchmark for this activity was achieved and this activity is deemed highly effective.

The benchmark for this activity was 80% participation in an orientation program for all new MTW admissions. This benchmark was achieved: 80% of 98 households participated in an orientation program in 2011.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This activity relates to statutory objectives number 1 and 2: reduce cost and achieve greater cost effectiveness and create incentives for work and self-sufficiency.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section B(1)(b)(iii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan. Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this activity.*

Activity 09-3: Expand Resident Services to provide individual case management for all households with income below 40% AMI to reduce barriers to employment and underemployment, in order to maximize the household's potential for securing worthwhile long term employment.

A. Describe each ongoing activity:

The LDCHA expanded its Resident Services programs by adding two case managers to work with MTW households with income below 40% AMI to help each household member age 18 and older develop the skills and competencies required to qualify for the education or employment they desire to pursue. This activity focused on identifying family and individual issues that act as barriers to gainful education and employment, applying strategies to mitigate those barriers while at the same time participating in employment counseling, preparation, training or educational activities. The expanded activities had a strong outreach component to local employers and educational institutions. The intent of this activity was to work directly with MTW individuals to move them to their highest income producing potential over time through consistent and ongoing job and life coaching, counseling, training and placement.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This initiative helped many of the individuals participating to identify and work toward securing jobs of interest as a means of creating economic stability for the family, and to move them toward becoming economically self-sufficient.

C. 2011 Accomplishments under this Activity:

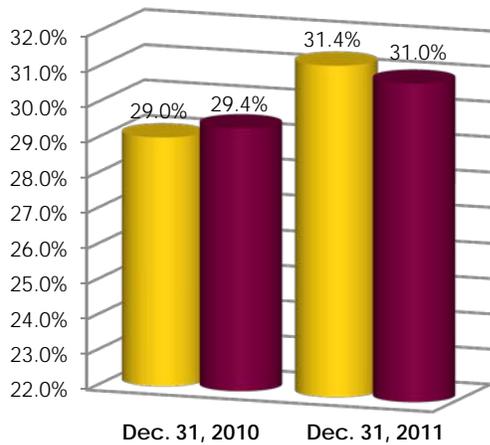
The number of households at or below 40% AMI participating in the MTW rent structure in January 2011 plan year was 310. This is the baseline. The benchmark is set at 50% participation of the number of households that compose the baseline. In 2011, 324 individual tenants from 294 households were served through the Resident Services Office, and 154 households with income at or below 40% of AMI received case management through Resident Services, meeting the 50% benchmark.

During 2011 families receiving case management achieved the following successes: 53 entered employment; 27 tenants retained employment secured in 2010; 6 tenants attended a GED program; 21 tenants were in short term training programs; 2 were in graduate school (one of whom received a fellowship to Oxford University in England); and two tenants completed their higher education, one with a Masters in social work and one as a Registered Nurse (RN), both of whom are making over \$20.00 an hour (above 50% of AMI). The tenant who received her RN moved to market rent. Three families purchased homes and a total of 11 households moved to market rent.

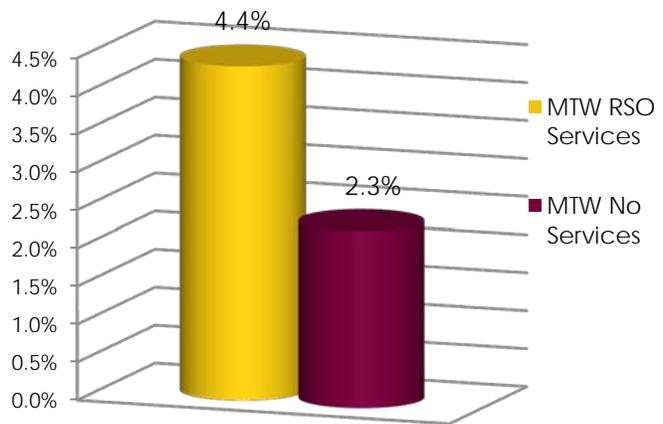
The average AMI of these 154 households on January 1, 2011 was 18.8%. During 2011, 79 of the 154 (51%) experienced an increase in income ranging from 1% to a high of 60%. Actual year end 2011 AMI for this group ranged from a low of 6% to a high of 85%. Nineteen households moved to above 40% AMI, which includes five households that are now at or above 50% of AMI.

The remaining households experienced no increase in income, with 33 experiencing income stability and 43 experiencing a decrease. However the increases in income for the 79 households had an overall impact of raising the AMI for all 154 households by 4.4% to 23.2%. The households under 40% of AMI who received no services experienced an increase of 2.3% in their AMI.

Change in % of Area Median Income
Dec. 31, 2010 - Dec. 31, 2011
All MTW Tenants
RSO Services compared to No Services



Percent Increase in Area Median Income
Dec. 31, 2010 - Dec. 31, 2011
All MTW Tenants Starting at or Below 40% AMI
RSO Services compared to No Services



D. The benchmarks for this activity were achieved. This activity is deemed effective:

While the original benchmark did not change, in the 2010 Annual Report (page 27, Section E) staff revisited the benchmarks and metrics added in 2009. It was determined that a revision was in order because they did not adequately or accurately measure or evaluate this activity. The 2009 benchmarks were eliminated. AMI can change year to year, as in 2010 and 2011, and the inability to control a large number of variables makes measuring reduction in subsidy and increase in rent based on improvement in AMI unworkable. However, AMI does provide a good macro view over a multi-year analysis, and LDCHA will continue reporting on AMI changes, trainings/education completed, TANF reduced and employment obtained because these provide a better year-to-year analysis of the activities outcomes and will return to the original benchmark. (TANF reduced is addressed under accomplishments in the report for Activity 10-2.)

An additional benchmark was to reduce public housing turnovers due to termination by 10%. This benchmark was met during the 2011, 11 MTW households living in public housing were terminated for non-payment of rent or other lease violations. The baseline was set at the 23 turnovers from 2008. This is a 48% reduction.

Metric	Baseline	Benchmark	Outcomes
Number of MTW households with income at or below 40% AMI receiving individual case management	Number of households at or below 40% AMI receiving case management in 2008 - 77.	Provide case management for 50% of MTW households with income below 40% AMI.	2011 - 154 households with income below 40% AMI or 50% received case management.

Metric	Baseline	Benchmark	Outcomes
ment.			
Average AMI of households receiving case management	Average AMI of 154 households on Jan. 1, 2011 -18.8%	Increase in AMI	By end of 2011 the average AMI of 154 households increased to 23.2%.
Reduce public housing turnovers	23 turnovers in 2008.	Reduce turnovers due to terminations by 10%.	11 turnovers in 2011, a reduction of 45%.

E. *The metrics, benchmarks, and cited authorizations did not change over the year.*

F. *Relationship of Activity to Statutory Objective:*

This activity relates directly to statutory objective number 2: Give incentives to families with children whose head of households are either working, seeking work, or are participating in job training, education, or other programs that assist in obtaining employment and becoming economically self-sufficient.

G. *Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:*

MTW Agreement Attachment C: Section B(1)(b)(iii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.* Without the single fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for the case management provided by this activity.

Activity 09-4: Allow the election of biennial recertifications for MTW households at maximum rent or at 50% AMI.

A. *Describe each ongoing activity:*

LDCHA allows for the voluntary election of biennial recertifications for MTW households that are at maximum rent or 50% AMI. Since the stated goal of this plan is to move MTW families to 50% AMI over time, establishing biennial recertifications for households that have achieved this, as well as those at the maximum rent, is an incentive to motivate MTW households to economic self-sufficiency.

B. *Analyze the Actual Impact of the Activity on the Stated Objective:*

LDCHA projected that conducting biennial recertifications would reduce costs and achieve greater cost effectiveness. Each annual recertification takes an average 4 hours staff time to process and another 2-3 hours of resident time to gather and organize information. However, the anticipated saving was not realized because staff was still required to: access EIV income and discrepancy in-

formation; meet with tenants to collect updated release of information forms, HUD Privacy Act forms, and contact information forms; conduct annual HQS inspections; provide notifications; apply contract rent increases requested by owners and provide various notice to tenants.

This initiative permits voluntary election and is subject to fluctuating tenant income resulting in the process being too complicated and allowing for too many exceptions and mid-year recertifications. All of these variation must be tracked which resulted in reducing the expense savings anticipated and creating an administrative burden. C. 2011 Accomplishments under this Activity:

There was some reduction in staff time spent on conducting annual recertifications and a corresponding reduction in expense; however the reduction was not as significant as anticipated. This activity also had a stated objective to serve as an incentive for families to focus on their employment and job skills development to help move them to self-sufficiency.

Metric	Baseline	Benchmark	Outcomes
Households Recertified	In 2008 there were 82 eligible households .	Reduce annual recertification by 20%.	In 2011 there were 97 eligible households and 44 or 45% were not recertified in 2011.
Staff Hours	In 2008 staff spent, 4 hours per recertification.	Reduce staff hours by 20% or 66 hours.	Staff hours actually eliminated: 170.
Reduction in Expense	2008 staffing cost for recertification was \$21,707.	Reduce staffing costs by 20% or \$4,341.	Reduced staffing costs by \$ 11,666.

D. The benchmarks for this activity were achieved. This activity is deemed effective.

In 2011 there were 97 households that were at 50% AMI for their family size or at maximum rent which made them eligible to participate in this initiative. The benchmark for this initiative is that 20% of the eligible MTW households will elect biennial recertification. A total of 44 households, or 45% of the eligible group, elected to skip recertification in 2011. There were 52 households recertified in 2011, 10 moved out before recertification deadline, or were no longer meeting the biennial recertification criteria due to a change in income or household composition.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This activity relates to statutory objective number 1, to reduce cost and achieve greater cost effectiveness in federal expenditures. It also relates to statutory objective number 2, to give an incentive to families with children that are working to become economically self-sufficient.

G. Statutory Authorization for the Activity:

MTW Agreement Attachment C: Section C(4) The Initial, Annual and Interim Review Process: *This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.*

Attachment C: Section D(1)(c) Operational Policies and Procedures: *To define, adopt, and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations.*

Activity 09-5: Revise the Homeownership program to create equity between public housing and Section 8 TBRA MTW households by eliminating the escrow requirement and replacing it with a matching grant up to \$3000 for all MTW households that purchase a home.

A. Describe each ongoing activity:

The agency revised its Homeownership Program in 2009 to create equity between the public housing and Section 8 households by eliminating the escrow requirement and replacing it with a matching grant of up to \$3000 for down payment assistance.

In general the contract rents for Section 8 units are higher than the contract rents for public housing units. The effect of this was that the escrow accounts of Section 8 tenants grew at a faster pace than that of public housing tenants. However the more inequitable effect was that under the Section 8 program the funds being escrowed were HAP funds where under the public housing program the money being escrowed was actually the tenant's money. This activity corrected this inequity and standardized the homeownership program for both public housing and Section 8 MTW households participating in the homeownership program.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity provided limited funds to assist MTW households to purchase a home and served as an incentive and motivator for families to achieve economic self-sufficiency. Secondly, when families purchase a home it increases housing choice. In addition it opens up public housing and Section 8 assistance for other income eligible households thus perpetuating the objectives of the MTW program.

C. 2011 Accomplishments under this Activity:

In 2011, three MTW families purchased a home. All three purchases were made under the new matching grant program. One was public housing and two were Section 8 TBRA participants. Of the three households that made purchases under the matching grant initiative, one received \$2,633.69 and two received the full \$3000 match.

D. The benchmark for this activity was achieved. This activity is deemed highly effective.

The baseline for this activity was an average of five since historically an average of five MTW families purchase a home annually. The benchmark was revised to 10 families over a three year period from 2009-2011, and this benchmark has been achieved with 17 families purchasing a home during this period.

E. The metrics, benchmarks, and cited authorizations changed over the year.

The original benchmark was 10 families purchasing a home over a three-year period after which the benchmark would be reset. This benchmark was revised in 2011 upward to 16 families purchasing a home over a three year period due to the success of this program.

F. Relationship of Activity to Statutory Objective:

This activity relates to objective number 2 - to give incentives to families with children who are working to become economically self-sufficient and objective number 3 - to increase housing choice for low income families.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section (B)(1)(b)(iii) Single Fund Budget with Full Flexibility. *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act & 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this homeownership activity.

Activity 09-6: Revise the definition of countable income under the LDCHA's existing MTW plan to exclude the earned income of adult children between the ages of 18 and 21. This activity pertains to adult children who are not full time students.

A. Describe each ongoing activity:

Historically the earned income of adult children between the ages of 18 and 24 who are enrolled full-time in school is excluded under the agency's MTW plan, however, for those not in school, the income was counted and the work requirement applied. This activity provides for the exclusion of income of this group while retaining the work requirement.

This 18-21 year old population that is not in school frequently places their family at risk for being terminated when the adult child fails to go to work, or to retain employment after their income is factored into their household's rent. This latter situation results in an increased rent burden for the heads of household which it cannot then meet when the adult child quits employment. It also results in an MTW work requirement violation. The entire household is subject to action under the violations. In addition, it was frequently reported that in cases where an adult child works the head of household has no control over the child's willingness to contribute to the rent. In most cases these households are headed by single females.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity reduced the amount of time staff spent on program enforcement activities; and reduced the number of housing and program terminations that resulted through program enforcement. In addition, by not counting this income it provided an incentive to the adult child to work.

C. 2011 Accomplishments under this Activity:

In 2011, 87 households, 21 in public housing and 66 in Section 8 TBRA, had adult children between the ages of 18 and 21 not in school or students aged between 18 and 24 whose employment income was excluded under this initiative. Of the 87 households, 43 were in the MTW rent structure. A total of \$194,894 in wage income was excluded from use in the calculation of rent for these 87 households.

There were 17 work requirement actions (3 in public housing and 14 in Section 8 TBRA) taken against this population for failure to meet the work requirement. Sixteen (16) complied by getting a job, enrolling in school, or participating in LDCHA Resident Services Office self-sufficiency activities. One was terminated for a different reason, the household's failure to complete the annual recertification, and LDCHA could not determine if the adult child met the work requirement.

Metric	Baseline	Benchmark	Outcomes
Staff hours and expense by eliminating rent recalculations for income of 18-21 adult children	0 - no hours were saved prior to implementation.	Average hours per rent recalculation (.50) x number of households with adult children x staff cost (\$26).	2011 - 87 x .50 x \$26 per hour = \$1,131 saved.
Encourage work for 18-21 adult children to work without creating risk of the family losing housing	2004 - 4 work requirement actions and 2 eviction or termination actions.	Reduce the number of eviction / termination actions.	2011 - 17 work requirement actions and no eviction or termination actions.

D. In 2011 the benchmark for this activity was achieved. This activity is deemed effective:

The benchmark for this activity was the elimination of all staff time and expense attributable to rent recalculation for income earned by adult children, and all adult children meeting the work requirement while not increasing the number of terminations. The agency will continue to keep data on the number of MTW households that have adult children between the ages of 18 and 24 as to their employment, educational, and income status. The agency is interested in the impact of this population on low income households, particularly those that are headed by a single female head of household.

E. The metrics, benchmarks, and cited authorizations were not changed over the year.

F. Relationship of Activity to Statutory Objective:

This activity relates to statutory objective number 1, to reduce cost and achieve greater cost effectiveness in federal expenditures. It also relates to statutory objective number 2, to give an incentive to families with children that are working to become economically self-sufficient.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section C(11). Rent Policies and Term Limits. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

Section D. 2. a. Rent Policies and Term Limits. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan. Without the waiver the LDCHA cannot modify the definition of income.*

Activity 09-6.1: Revise the definition of countable income to include income presently excluded under the 12:12:48 regulations.

A. Describe each ongoing activity:

In 2009 the LDCHA began to count as income wages from employment for disabled residents, eliminating the income exclusion for disabled public housing and Section 8 tenants under the 12:12:48 month earned income disallowances rule as outlined in 24 CFR §960.255 for public housing and 24 CFR § 5617 for a HCV program. This exclusion has a direct result of increasing the federal contribution to housing and housing assistance by disallowing earned income that can be counted toward the household's contribution toward rent. The tracking for this disallowance was extremely burdensome and added between 1.5 and 2

hours additional processing time per month for every household with disallowed income under this regulation.

In 2009 19 households participated in the 12:12:48 income exclusion. The total of their excluded income was \$85,500. Staff spent 253 hours annually tracking and processing income changes under this regulation.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity eliminated the processing time that it took to track and record this income exclusion. It also resulted in a decrease HAP subsidy paid to the landlords on the behalf of these households. Please see comments under E.

C. 2011 Accomplishments under this Activity:

During 2011 seven (7) households changed from the income-based to the MTW rent structure, 5 in TBRA and 2 in project based units. Three (3) of those 10 would have qualified for the employment income exclusion due to having households with a head or spouse who is a person with disability status. Because the LDCHA no longer applies the 12:12:48 employment income exclusion, staff does not have to verify if the household would qualify under the prior employment income restrictions. The total income verified by EIV and counted that might have been excluded if the household qualified both under the disability status and the prior earned income criterion was \$40,477. Ten (10) households went from the MTW to the income based rent structure due to changes in disability status. None had employment income counted.

Another eleven (11) households in 2011 participated voluntarily in the MTW rent structure, of which 9 were HCV holders. The counted wage income of these households might have been excluded under the mandatory employment disregard for persons with disabilities. This income verified by EIV and counted, totaled \$131,370.

Because the LDCHA does not know if these 28 households would have been eligible for the income exclusion that the agency is no longer applying under its MTW rent structure, we cannot determine the impact on rents during 2011. We do know that, at the rate of 1.5 staff hours per household per month to track excluded income under this activity, the LDCHA experienced a reduction of 504 staff hours during 2011 by not applying the 12-12-48 employment income disallowance if all 14 would have been eligible or 126 staff hours if only 7 would have been eligible.

Metric	Baseline	Benchmark	Outcomes
Number of staff hours and cost saved	2009 - 19 households x 1.5 hrs x 12 months = 342 hrs x \$26 = \$8,892 cost.	Staff time and cost saved for all potentially eligible households	2011 - 28 households x 1.5 hrs x 12 months = 504 hrs x \$26 per hour = \$13,104 saved.

Metric	Baseline	Benchmark	Outcomes
Reduction in subsidy measured by estimate of previously excluded income	\$85,500 excluded income.	Reduction in subsidy based on projected income not excluded.	2011 - \$171,847 income not excluded.

D. The benchmark for this activity was met. This activity is deemed effective.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

The metric for this activity was the reduction of subsidy and staff processing time. Tracking under this activity is very labor intensive given the complexities of the rule and the declining income percentage that is counted over a 48 month period. In addition each change has to be tracked, not only on an annual basis, but on an intermittent basis throughout the year every time there is a reduction in earned income. Besides tracking the households that were covered by this rule at the time the change was adopted, staff must also track those that would have been covered by the rule had the change not been adopted. Exact tracking for MTW reporting purposes would eliminate the cost savings in staff time, therefore the tracking is based on those households that voluntarily participate in the MTW rent structure. In addition since elderly and disabled households may join the MTW rent structure they can choose which rent structure is of greatest benefit to them. The agency will continue to attempt to measure the reduction in staff processing time annually at the time of the individual's annual recertification.

F. Relationship of Activity to Statutory Objective:

This activity relates to statutory objective number 1: to reduce cost and achieve greater cost effectiveness in federal expenditures.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section C(11) Rent Policies and Term Limits. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan;*

Section D(2)(a) Rent Policies and Term Limits. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan. Without the Single Fund authority LDCHA would not be able to adopt this different definition of income.*

Activity 09-7: Use Funds from the Single Fund MTW budget to fund a new housing initiative called the e-Housing Connection, a temporary transitional housing program for homeless families and individuals.

A. Describe each ongoing activity:

In 2009, the LDCHA created the e-Housing Connection as a voluntary temporary housing program that matched landlords with vacancies with homeless families for whom the local emergency homeless shelter is not an appropriate placement. The LDCHA enacted and maintained a data base of landlords willing to work with e-Housing clients. The LDCHA determined eligibility based upon residency and federal housing prohibitions only, and then facilitated the match. All participants were involved with case management services with local social service providers as part of the client's participation requirements. The program permitted assistance of up to \$500 in HOME funds for security deposit assistance, and \$300 in rental assistance for up to three months.

In November of 2009, LDCHA began serving families with Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds in lieu of e-Housing funds when possible and this allowed a more comprehensive approach to helping families that were homeless or who would become homeless if not for the assistance. MTW funds continued to fund an administrator for this activity which allowed for a more complete approach to helping families and built upon the structure of the e-Housing Connection. This activity increased the landlord database with 137 having participated in the e-Housing Connection or HPRP by the end of 2011.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This program expanded the amount of affordable temporary housing in Lawrence, Kansas at no cost to the taxpayer. In addition, the case management requirement included goals and activities to help the family and individual overcome the barriers that led to their homeless condition. The objective is to increase housing choices and options for low income families and to start moving the family and individuals to employment.

C. 2011 Accomplishments under this Activity:

The agency continued to utilize these funds in conjunction with the HPRP program to outreach to homeless families through local social service agencies. In 2011, assistance was provided for 15 families through the Rapid Re-Housing part of the HPRP program with \$24,460 in MTW funds being used to support the administration of this program.

Metric	Baseline	Benchmark	Outcomes
Create database of landlords with vacancies	0 - No participation prior to this initiative	Create database and increase landlord participation - 2010 112 land-lords	2011 - database of landlords expanded to 137
Match homeless families and landlords with vacancies, resulting in lease up	0 - No matches or leases prior to this initiative	2011 - 35 [set by HPRP goals]	2011 - 15 Rapid Re-Housing families were housed
Provide case management to participants	0 - No case management for homeless families	100% of participants	2011 - 15 households provided case management - 100%

* Merged e-Housing with the Rapid Re-Housing portion of a special ARRA funding for Homelessness Prevention and Rapid Re-Housing (HPRP). The HPRP program case management was provided by LDCHA. The HPRP funding concluded on February 8, 2012 and the e-Housing program was re-proposed for 2012.

D. The benchmarks for this activity were met. This activity is deemed very effective.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This objective relates to statutory objective number 3: Increase housing choice for low- income families.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section B(4). Transitional/Conditional Housing Program. This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan. Without the Single Fund authority LDCHA would not be able to use public housing and Section 8 TBRA funds for this short-term transitional housing activity.

Activity 09-8: Allocate funds from the Single Fund MTW budget to provide five units of TBRA to be used in partnership with the Douglas County Sheriff's Department Corrections Division for their prisoner re-entry program.

A. Describe each ongoing activity:

In January 2009 the LDCHA set aside funding for 5 units of TBRA to be used, in collaboration with the Douglas County Sheriff's Corrections Division, to provide

housing assistance for five inmates being released from Douglas County jail under their Prisoner Re-entry Program. To be eligible for referral the inmate must meet performance criteria established by the Corrections Division. To qualify for assistance the inmate must be a Douglas County resident and must not be excluded under the federal housing mandatory prohibition rules.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This program provided housing to individuals who otherwise would not be eligible for housing assistance. It permits the individual to have affordable, decent and sanitary housing so that they can focus on attaining their re-entry goals which includes obtaining employment.

C. 2011 Accomplishments under this Activity:

In 2011, 4 individuals were leased up in this program. A total of \$10,898 in monthly subsidy and \$1,225 in security deposits was paid on behalf of these individuals.

Metric	Baseline	Benchmark	Outcome
Number housed	0	Number housed - 4	2011 - 4 housed
Number achieving mainstream income or employment	0	50% participants achieving mainstream income / employment	<ul style="list-style-type: none"> • 2 - employed • 1 - receiving SS • 1 - receiving TANF FS

D. The benchmark for this activity was met.

The baseline for this activity was zero and the benchmark was the number housed, which for 2011 was four. There were not a sufficient number of referrals by Corrections to fill all five vacancies. The LDCHA continues to work with Corrections on filling this program. Currently there are no referrals in progress and Corrections staff report they do not have appropriate prisoners to refer for housing at this time. One Re-entry Program participant successfully completed three years in the program and was given a permanent housing voucher. The metric of 50% of participants achieving the re-entry goal of obtaining employment or other mainstream income was added in 2010 and was achieved in 2011.

E. The metrics, benchmarks, and cited authorizations were not changed over the year.

F. Relationship of Activity to Statutory Objective:

This objective relates to statutory objective number 3: Increase housing choice for low-income families.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section B(4). Transitional/Conditional Housing Program. *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.* Without the Single Fund authority the LDCHA would not be able to use public housing and Section 8 TBRA funds for this inmate re-entry activity and collaboration with the Sheriff's office.

Activity 99-1: Combine Public Housing Family Housing Units and Section 8 TBRA into One Program Called General Housing with one Waiting List and Single Program Organizational Structure

A. Describe each ongoing activity:

The LDCHA combines its 592 units of the Section 8 TBRA program and 210 units of family public housing program into one program called General Housing Assistance with a combined waiting list. In determining eligibility for this program the agency adopted the same suitability criteria as used in the public housing program. Applicants on the General Housing waiting list are offered the first available form of assistance, either a public housing unit or Section 8 TBRA. For all waiting lists, including site-based waiting lists for senior public housing and the General Housing waiting list, an applicant who rejects two offers of assistance is dropped from the waiting list. Families who accept an offer of assistance are removed from all waiting lists. Once housed a family may transfer between public housing and tenant based rent assistance programs according to the LDCHA Transfer Policy.

The General Housing program is organized functionally into two units. One unit is responsible for all functions from initial housing inquiry to applications processing eligibility determinations, initial examinations, annual or biennial recertifications, program enforcement relative to income reporting and HAP processing. The second unit is responsible for all program and property management functions including lease enforcement of the public housing units and program enforcement of Section 8 TBRA tenant and landlord contracts. All physical property inspections are carried out by this unit.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

This activity has had the effect of standardizing eligibility criteria, maintaining high occupancy rates in family public housing units, decreasing the waiting time for an affordable housing unit, and streamlining administrative program functions.

C. 2011 Accomplishments under this Activity:

Suitability Criteria

During 2011, 411 households applied for housing assistance with the LDCHA. All applications were screened under the LDCHA MTW screening criteria which contain the following restrictions.

- History of violent or drug-related criminal activity as evidenced by repeated arrests and/or convictions within five years of the date of application and/or the date assistance is offered.
- Residential history reflecting a pattern of property damage, willful disregard for the safety and well being of others, disregard for the peaceful enjoyment of neighbors, and/or inability to comply with contractual obligations of the lease within three years prior to the date of application and/or date assistance is offered.

A total of 114 applicants from the waiting list were denied under the suitability criteria, 35 could not be processed because of incomplete or inconsistent information. Additionally 250 applicants from the waiting list did not complete the final application interview and were dropped.

General Housing Merged Waiting List

Of the 345 households found eligible, 237 were eligible for placement on the General Housing merged waiting list to be offered the first form of housing assistance that became available, either public housing or Section 8 TBRA. The remaining 174 requested and were placed on the Elderly, Transitional, or Supported Housing waiting lists. Those eligible for elderly housing who were also eligible for general housing were placed on either or both waiting lists if they so requested on their application. Thus some households had placement on multiple waiting lists. Regardless, LDCHA MTW procedure provides that an applicant will be made two offers of housing assistance before being dropped from the waiting list after which they must reapply.

The General Housing waiting list was closed to 1 and 2 bedroom applicants from October 1, 2010 to July 1, 2011 in order to address housing needs of applicants that had been on the waiting list over 12 months.

On January 1, 2011, there were 362 households on the General Housing combined waiting list. During the year, 237 additional households were added to the list. Of the households on the General Housing waiting list, 286 offers of housing assistance were made during the Plan Year, 43 passed on two offers of assistance and were eventually dropped from the General Housing waiting list. During this period 186 housing vouchers were offered, 119 were issued Section 8 assistance, and 100 offers of public housing assistance were made. A total of 121 households from the General Housing waiting list entered into leases. Another 89 households were admitted under portability from other public housing agencies or through inter-program transfer from LDCHA Elderly or Transitional Housing programs and through special admissions for conversion vouchers and the Douglas County Prisoner Re-entry Program, for a total of 210 admissions to the General Housing program during 2011. Of this number 126 were MTW rent structure participating households, 37 moved into public housing units, and 89 leased using tenant-based housing vouchers.

D. *The benchmark for this activity was met. This activity is deemed effective.*
 The benchmark for this activity was reducing vacancy rate by measuring turnaround time and the 2011 occupancy rate for public housing and Section 8 TBRA. There was an average occupancy rate of 98% for public housing and 100% for Section 8 TBRA, and the average unit turnaround was 13 days.

Metric	Baseline	Benchmark	Outcomes
Reduce vacancy rate of public housing units by reducing average unit turnaround time	1999 - 23 days	Reduce unit turnaround time.	2011 - 13 days
Occupancy rate public housing and Section 8	1999 - Public Housing - 98% Section 8 - 104%	Yearly occupancy rate	2011 - Public Housing - 98% Section 8 - 100%

E. *The metrics, and cited authorizations did not change over the year.*

F. *Relationship of Activity to Statutory Objective:*

This activity relates to statutory objective number 1: to reduce cost and achieve greater cost effectiveness in federal expenditure. This activity also is in keeping with the purpose of the MTW program to devise locally driven housing solutions.

G. *Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:*

MTW Agreement Attachment C: Section C(1) Site Based or Geographic Area Waiting List System. *This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan.*

Attachment C: Section D(4). Waiting List Policies. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.* The locally designed merged waiting list and adoption of suitability criteria requires MTW authorization.

Activity 99-2: Alternate Rent Policy

A. *Describe each ongoing activity:*

MTW Rent Structure

The agency developed a rent structure that requires all non-disabled adults to pay a significant minimum amount of rent regardless of their income. To reward work, the agency set a maximum, or ceiling, rent for each size house or apart-

ment. To encourage employment advancement the agency established a system of income deductions that increase as hours of work increase.

Under the standard federal housing assistance rent formula tenants pay 30% of their adjusted gross income for rent. (The 1998 Reform Act now permits housing agencies to deviate from this by requiring agencies to offer the options of flat rents along with income-based rents for public housing residents.) Income-based rent is a system that discourages work and encourages fraud, because the less income a household has, the less rent it pays. The LDCHA's MTW rent structure requires a significant minimum payment regardless of income and caps rent as income rises to encourage upward economic mobility.

In 2011 the minimum and maximum rents for households in the MTW rent structure were:

Bedroom Size	Minimum	Maximum
1 Bedroom	\$ 185	\$ 415
2 Bedroom	\$ 215	\$ 475
3 Bedroom	\$ 255	\$ 545
4 Bedroom	\$ 275	\$ 630

Besides household income, the other factor that determines a household's rent payment is a system of income deductions awarded to working households. These include:

- 10% earned income deduction for those working at least 35 hours/week
- \$2,000 medical deduction for those working at least 35 hours/week
- full out-of-pocket dependent care deduction necessary to allow work or school attendance
- utility allowance as an annual income deduction, not as a monthly deduction from rent
- increase in the child dependent deduction to \$840 per child capped at \$1680 per family

Actual monthly rent is determined by:

- annualizing total household income
- subtracting allowable deductions
- multiplying the sum by 30%
- dividing the amount by 12

If the final amount is less than the minimum rent for the bedroom size occupied by the household, the annual rent is increased to the minimum. If it is higher than the maximum rent, it is lowered to the maximum. If it falls between the minimum and maximum, it is set where it falls. Families that receive tenant-based assistance may pay a rent higher than the maximum if they select a unit with a contract rent that exceeds the payment standard.

Application of MTW Rent Structure

The alternative MTW rent policy and work requirement apply to all households in the General Housing program which contain a non-disabled adult age 50 or younger in the household. Exempt households may elect to participate in the alternate rent policy if they meet the work requirement.

Annual Rent

An important component of the LDCHA's MTW rent structure is the feature of Annual Rent or Fixed Rent. Rent is fixed for one year and does not change, regardless of changes in household income or composition except in instances where a household permanently loses income through death, divorce, or when an income producing adult child moves out of the household.

Other Approved Rent Reform Elements of the Rent Structure

Section 8 portability is restricted. MTW families may not move outside the LDCHA's jurisdiction unless the family applies for and receives an exception from this rule as a reasonable accommodation for a disability or other good cause, such as to take a job in a different city. In 2011 LDCHA approved portability for 5 LDCHA voucher holders, 4 under reasonable accommodation for a person with disabilities and 1 for employment. Households porting into the LDCHA's jurisdiction must participate in the MTW program.

Families who have an annual gross income that exceeds 50% of the Area Median Income (AMI) are offered an opportunity to join the homeownership program. Families who do not join the homeownership program may remain in their rental unit until their gross annual income reaches 80% AMI at which time they become responsible for paying the full contract rent without subsidy. The LDCHA encourages families to leave the housing assistance program when a family's gross annual income reaches 100% AMI.

Families participating under tenant-based procedures must leave the program when their rent obligation equals the full contract rent for their unit for six consecutive months. This is a provision of the Section 8 Housing Assistance Payment contract which serves as a term limit for higher income families. To provide consistency across the two types of housing assistance and to encourage higher income families, that are not interested in purchasing their own home, to move into the private rental market, thereby opening up units of affordable housing for families at or below 80% of AMI, the LDCHA imposes income based rent calculations on families in project based units who have not joined the homeownership program and who have a gross household income of 100% of the AMI.

Households that have both elderly/disabled members and non-disabled adult members are considered mixed eligibility households and are placed in the MTW rent structure.

Discretionary Exemptions are exemptions from the MTW rent structure and work requirements reserved for older, non-disabled adults who fit the MTW participa-

tion criteria. They are adults with undiagnosed mental or emotional disabilities who, through their behavior, demonstrate limited skills level or capacity, or have been determined to be incapable of acquiring or maintaining employment.

Rent Hardship Policy

The MTW Agreement required the LDCHA to develop a Rent Hardship Policy. The LDCHA's policy permits a degree of rent relief if the household experiences a loss in income due to lay-offs, business closing, or medical illness. Under the policy, a family may be re-certified to the MTW minimum rent based on the nature and amount of the income loss. The rent reduction is for a period not to exceed three months. A family may have a hardship rent reduction only once every 12 months.

If the family's income loss is due to a condition that then qualifies the individual for a disability under ADA, the household's designation is changed from MTW to income-based and they are then recertified under the income-based rent structure.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

The MTW Rent Structure serves as an incentive to work by requiring the household to pay a significant minimum rent. In addition the maximum rent options and the income deductions reward individuals that seek to move up the economic ladder by encouraging them to seek employment advancement. The number of households that purchase homes annually is evidence of the impact of this objective as well as the small number of termination that are done annually for non-payment of rent.

C. 2011 Accomplishments under this Activity:

MTW Rent Impact Analysis

The following analysis looks at the amount of rent MTW participants were paying during Plan Year and compares it to the rent they would have paid if operating under standard federal regulations using the 30% income-based rent model with mandatory income exclusions. This analysis does not take into consideration the impact the "flat rent" option that public housing residents would have in the absence of the MTW Program. This option would cap public housing rent at a fixed ceiling as determined by the agency.

There were 411 households that participated in the MTW rent structure during the Plan Year; 163 in project-based units and 248 in tenant-based vouchers. This evaluation does not draw comparisons between project-based and tenant-based rents because of the effect that local rental market conditions have on tenant-based rents. The MTW rent formula for tenant-based participants includes a maximum subsidy based on the voucher payment standard. Tenant-based participants that rent a unit costing more than the maximum payment standard have an additional rent responsibility.

Public Housing Participants

One hundred sixty-three (163) public housing households are included in this analysis, 62, or 38 %, were at the minimum rent for their bedroom size, 43 or 26%, were at the maximum rent. The remaining 58, or 36%, were paying a rent equal to 30% of their adjusted gross income as determined by MTW factors.

Eighty-three (83) or 51%, of the 163 MTW households were paying a higher monthly rent under MTW than they would pay under standard federal regulations. This population includes households with income that would have been excluded under other federal statutes. Therefore a conclusion cannot be drawn as to the true impact of the rent structure on this population except to say that these households with income now have a rent obligation where they otherwise did not under standard federal regulations. The rents for this group ranged from an average of \$25 more for a 1 bedroom household to a high of an average of \$156 more in monthly rent for a 4 bedroom.

Eighty-one (81) households, or 49%, of public housing participants paid lower monthly rents under MTW than they would pay under the standard income-based formula rents. Their rents ranged from an average low of \$112 less in monthly rent for a 1 bedroom unit to an average high of \$340 less for a 4 bedroom unit.

The aggregate average MTW rent paid for each bedroom size unit was less than the average that would have been paid under the income-based formula during the Plan Year. The differences are shown below:

Bedroom Size	Avg. MTW Rent	Avg. Income-based Rent
1 Bedroom	\$ 297	\$ 261
2 Bedroom	\$ 315	\$ 299
3 Bedroom	\$ 389	\$ 439
4 Bedroom	\$ 426	\$ 532

Section 8 TBRA

In the public housing analysis above, the starting and primary element affecting a tenant's rent amount is total household income. This is not the case in tenant-based assistance where rent subsidies are capped at the payment standard and tenants pay the difference between the cap and actual rent charged.

There were 248 Section 8 tenant-based assisted households that participated in the MTW rent structure during the Plan Year. Of this number 62, or 25%, were at the maximum rent for their unit size, and 83, or 33%, were at the minimum rent. One hundred three (103), or 42%, were paying 30% of their monthly income for rent under the MTW rent formula. Eight families were paying over the MTW maximum rent due to voucher payment standard overage being included in their rent. Ten (10) households paid a rent higher than the maximum rent for their

bedroom size. The overage ranged from a low of \$2 more a month for a two-bedroom unit to a high of \$146 more for a four-bedroom unit.

Of the 248, 50%, or 124, were paying a higher monthly rent under MTW than they would pay under conventional income-based rent formula, 123 families, 49%, paid lower monthly rents under the MTW formula and 1, or 1%, paid the same.

The aggregate average MTW rent was less than the average that would have been paid under the income-based formula for 1 bedroom units. It was higher in all other unit sizes.

Bedroom Size	Avg. MTW Rent	Avg. Income-based Rent
1 Bedroom	\$ 321	\$ 356
2 Bedroom	\$ 322	\$ 301
3 Bedroom	\$ 377	\$ 335
4 Bedroom	\$ 453	\$ 443

Changes in Gross Income of MTW Participating Households

Of the 411 families participating in the MTW rent structure in the 2011 Plan Year, 320 (78%) were also participants in 2010.

Public Housing Participants

Of the 320 participants, 132 (41%) were in public housing. Of this number 57, or 43% had an increase in gross household income; 33, or 25% had a decrease in household income and 42, or 32%, experienced no change in household income. Of the 57 households that had an increase in household income, the average increase was \$7,676 per household. This average increase was \$1,522 less per household than the previous year. Of the 33 who experienced a decrease the average decrease was \$9,082 per household. This average loss is \$1,841 more per household than for the same population in the previous year.

Tenant-Based Rent Assistance

Of the 320 participants, 188, or (58%) were Section 8 tenant-based voucher participants. Of this number 97, or 52%, had an increase in household income, 57 or 30%, had a decrease in household income and 34, or 18%, experienced no change in household income. Of the 97 households that had an income increase, the average increase was \$7,620 per household. This is \$982 more per household than the previous year. Of the 57 who experienced a decrease, the average decrease in household income was \$8,313. This loss is \$734 more than the previous year.

For both public housing and Section 8 TBRA participants in the MTW rent structure the change in household income was taken between 2010 and 2011.

The economy is the primary reason for the loss of income. In the last quarter of 2008 and first three quarters of 2009 more LDCHA residents with long stable work

histories lost jobs than in any previous LDCHA MTW program period. This trend continued in 2010 and 2011. For those who were able to find reemployment the new jobs came with a salary that was significantly less than the previous jobs. Resident Services provides job counseling and employment assistance with households in this category. In addition the hardship policy is frequently applied in these cases. Other reasons for loss or reduction of income are changes in household composition that is due to divorce, separation, or adult children leaving the household. Another reason is that the head of household goes back to school and the household income is reduced and no longer countable. This occurred in two (2) households during 2011 that took advantage of an interim MTW rent change to return to school.

Maximum Rent Households

There were a total of 102 households at maximum rent for their bedroom size for both public housing and Section 8 TBRA participants. This equals 25% of the MTW participants.

Discretionary Exceptions

During 2011, 25 discretionary exemptions from the rent structure and work requirement were granted, 8 in public housing and 17 in Section 8 TBRA. An additional 14 MTW rent structure families were admitted through the conversion vouchers allocated in 2011. These 14 families will come under the MTW rent structure in 2012.

METRIC Avg Gross Income / Participants / Homeownership	MTW YEAR	AVG GROSS INCOME	AVG TENANT RENT	AVG HAP TO OWNER	AVG CON- TRACT RENT	AVG FAMILY SIZE	MTW RENT PARTI- CIPANTS	HOME- OWNER- SHIP
BASELINE Year 2	2000 - 2001 YR 2	16,434	296	213	622	3	391	
	2001 - 2002 YR 3	16,660	303	223	653	3	401	1
	2002 - 2003 YR 4	17,967	288	375	676	3	517	5
BENCHMARK Increase metrics over time	2003 - 2004 YR 5	19,564	329	378	731	3	492	5
	2004 - 2005 YR 6	19,901	332	403	737	3	479	5
	2005 - 2006 YR 7	19,274	324	436	768	3	450	2
	2006 - 2007 YR 8	20,372	349	422	786	3	456	9
	2007 - 2008 YR 9	21,625	368	439	814	3	440	5
	2008 - 2009 YR 10	20,446	367	499	874	3	426	7
	2010 YR 11	19,776	358	510	872	3	411	7
OUTCOME	2011 YR 12	19,793	355	513	870	3	411	3
	OVERALL AVERAGE	19256	334	401	764	3	443	5

Re-Examinations of Annual Rent

During 2011, 26 households, 16 in public housing and 10 in Section 8 TBRA, were granted rent recalculations under the Annual Rent requirement and were re-certified to a lower rent because of death, divorce, or where an income producing adult child left the household. Another two (2) households were recertified to lower rents because they lost employment income to return to school.

Another 22 rent recalculations had to be conducted due to contract rent changes requested by landlords, added employment income resulting from work requirement enforcements actions, and MTW structure eligibility status changes in families where the head of household's disability status was approved, for a total of 50 re-examinations outside the annual rent policy.

Hardships

During 2011, 45 hardships were requested and 31 hardships were granted, 16 from public housing and 15 from Section 8 TBRA. Twenty-seven (27) of the hardships were granted for loss of employment and four (4) for medical reasons. A household may remain at the hardship minimum rent for up to 90 days after which they are returned to their previous rent amount. Hardship requests are denied when there is no loss of employment income being counted in the calculation of the MTW rent, when the tenant has had a hardship rent reduction in the past 12 months, or when the tenant refuses to complete intensive re-employment activities through Resident Services.

Terminations for Failure to Pay Rent

During 2011, 12 MTW households were terminated for failure to pay rent, 11 in public housing and 1 in Section 8 TBRA

D. The benchmark for this activity was met. This activity is deemed effective.

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective

These activities relate to statutory objectives numbers 1 and 2; Reduce the cost and achieve greater cost effectiveness in federal expenditures, and give incentives to families to become economically self-sufficient.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section C(11) Rent Policies and Term Limits. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan; &, Section D(2)(a). This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24*

C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;

Section D(1)(g). This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan; & Section D(1)(d). This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan;

Section E. Authorizations Related to Family Self-Sufficiency. This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan. This waiver is necessary because federal regulations do not permit deviations from federal rent rules.

Activity 99-3: Work Requirement

A. Describe each ongoing activity:

The agency established a work requirement as part of its MTW program. The work requirement mandates that all able-bodied adults age 18 and older work a minimum of 15 hours a week. For a two-adult household with minor children, the work requirement can be met if one adult works 35 hours per week. Enrollment in a post secondary education program or work training program satisfies the work requirement. An adult child in the household is also subject to the work requirement. Failure to meet the work requirement is a major program breach that can lead to termination of housing assistance.

A household's housing assistance is suspended and they must pay the full contract rent for their public housing or Section 8 TBRA unit if the household fails to meet the work requirement. Households that have their housing assistance suspended are given 30 days to correct the violation before termination action begins. Termination actions are in conformance with the agency's lease policy.

There are limited circumstances when a household adult member will be exempt from the work requirement. The exemptions are as follows:

- A person over age 62 or who has a permanent disability that prevents them from getting and/or keeping employment.
- A person under age 62 and over 18 who is the only caretaker for a disabled/elderly family member.
- Households with only one adult who does not have disability status, who is over age 40, and/or who, due to limitations of employment experience, education or training, is unable to earn sufficient income to meet the rent requirement.
- Households with one or two adults, neither of whom have disability status, who are over age 50, and who do not have children residing in the household. Senior

status households may elect to participate in the MTW rent structure if they are employed.

- Households receiving TANF Cash Assistance with one adult member who has been determined "not mandatory for work" by SRS. The household will receive assistance under the MTW rent structure, but the person will not be subject to the work requirement. This includes persons receiving TANF Cash with a child under 6 months of age and households with more than one adult when one of the adults is needed in the home to care for a person with disabilities.

B. Analyze the Actual Impact of the Activity on the Stated Objective:

The work requirement mandate has been demonstrated to move families to work in order to maintain their housing assistance.

C. 2011 Accomplishments under this Activity:

Of the 411 households that participated in the MTW program during the Plan Year there were 40 work requirement enforcement actions: 25 were in Section 8 TBRA and 15 in public housing. All households came into compliance.

Of the 411 households, 222 were working full-time and 159 were working part-time.

During the Plan Year, 63 (15%) of the households were meeting the work requirement by being enrolled full time in a post secondary educational institution.

D. The benchmark for this activity was met. This activity is deemed effective.

Metric	Baseline	Benchmark	Outcomes
Number of non-elderly/disabled adults meeting work requirement	Percentage of non-elderly/disabled employed or enrolled in school prior to MTW initiatives - 1999 - 70%	100% meeting work requirement	2011 - 100% <ul style="list-style-type: none"> • 222 worked full time • 159 worked part time • 63 enrolled in school

E. The metrics, benchmarks, and cited authorizations did not change over the year.

F. Relationship of Activity to Statutory Objective:

This activities relate to statutory objectives number 1 and 2; Reduce the cost and achieve greater cost effectiveness in Federal expenditures, and give incentives to families to become economically self-sufficient.

G. Statutory Authorization for the Activity and how Waived Section was Necessary to achieve the MTW Activity:

MTW Agreement Attachment C: Section C(11) Rent Policies and Term Limits. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

Section D(2)(a). *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan. &, Section D (1)(g). This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan. &, Section D(1)(d). This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan.*

Section E. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan. This waiver is necessary because standard federal regulations do not permit the institution of a work requirement.*

Section VII: Sources and Uses of Funding

2011 Consolidated Revenues and Expenditure

The Consolidate Revenues and Expenditures lists all the sources of funds that the agency received in 2011. These sources remain unchanged over previous years with the exception of ARRA Capital Funds. For ongoing previously approved HUD ROSS grants, only 2011 allocations for multi-year grants are presented.

Uses of Funds The uses operated by account and not by program as required by the MTW Plan requirements.

Administrative and Management Salaries included all the salaries for all positions except those salaries which provide direct resident and social services to tenants.

Other Operating Administrative Expenses represents the costs of all administrative expenses including legal, staff training, communication, accounting services, sundry, etc.

General Expenses include the cost of insurance, PILOT, collection losses.

Resident and Social Services represents the direct costs associated with providing resident services to all residents whether or not they are participants in the MTW program.

Extraordinary/Capital Improvements/ Equipment includes costs associated with physical improvements to the agency's public housing developments. It also includes costs for purchase of computers and software.

The LDCHA used funds in 2011 for the intended purposes of the specific federal, state, local and resident services programs even though it operated the Public Housing, Section 8 TBRA, and Capital Fund as a single fund budget with full flexibility. The agency did not reduce the number of public housing and Section 8 assisted units in 2011. Public Housing, Section 8 and capital funds were used to pay for the administrative, operational, and maintenance costs and capital fund improvements of the respective programs which included previously approved MTW Initiatives.

Since all the agency's public housing and Section 8 TBRA units/ households are in the MTW program, even though not all households participate in the alternative rent structure and work requirement, these programs are listed as MTW activities in the Consolidated Revenue and Expense Statement.

While the LDCHA operates as a single fund budget, in 2011 it used its capital funds for the intended and authorized purposes of the regulations governing this program. However this program is also included under the MTW budget.

2011 Consolidated Revenues and Expenditures

2011 Consolidated Revenues: January - December 2011

A. Sources of Funds (MTW Revenues)	Planned	Actual
Public Housing Operating Subsidy	696,178	744,772
Public Housing Rental Income	1,247,930	1,233,725
Capital Fund	631,081	541,887
Public Housing Investment Income	16,000	11,619
Public Housing Other Income – Cell Tower/Laundry/Bus/Operations	29,970	133,193
Public Housing Non Dwelling Rent	400	400
Public Housing Other Income – Late Fees/Damages/Work Orders	30,000	37,940
Section 8 Housing Choice Voucher Funding Allocation	3,938,204	4,038,769
Section 8 Housing Choice Voucher Interest Income	23,410	11,771
Section 8 Housing Choice Voucher Fraud Recovery	0	0
Section 8 Housing Choice Voucher - Administrative Fees (Portables & Building Independence III)	0	3,990
MTW Historical Reserves and 2011 HCV Allocation Reserves	863,186	792,633
TOTAL MTW REVENUES:	7,476,359	7,550,699
B. Sources of Funds (Non-MTW Revenues) State, Local, and other HUD Grants	Planned	Actual
HUD Resident Services Grants (HCV/FSS; State & Local Grants)	306,837	247,256
Section 8 Multi Family Operating Subsidy and Rental Income	360,640	373,740
Section 8 Multi Family Investment Income	700	746
Section 8 Multi Family Other Income – Vending, Laundry	3,500	4,352
Section 8 Multi Family Other Income – Tenant Late Fees/Damages	800	1,946
HOME Investment Partnership Program TBRA	250,000	394,097
HOME Investment Partnership Program TBRA Interest Income	400	316
COC; Permanent Supportive Housing	100,796	87,729
COC: Permanent Supportive Housing Tenant Rental Income	7,000	5,698
COC: Permanent Supportive Housing Work Order Charges/Damages	0	1,772
COC: Permanent Supportive Housing LDCHA Match Requirement	0	13,067
Component Unit: Peterson Acres II Tenant Rental Income	47,910	49,971
Component Unit: Peterson Acres II Investment Income	180	285
Component Unit: Peterson Acres II Tenant Late Fees/Damages	100	188
Capital Fund (ARRA)	0	36,335
Homelessness Prevention & Rapid Re-Housing (HPRP)	324,000	340,085
Douglas County Housing, Inc. Local Grants	0	6,215
Pine Tree Vouchers	0	493,794
TOTAL NON MTW REVENUES:	1,402,863	2,057,592
TOTAL REVENUES ALL SOURCES:	8,879,222	9,608,291

2011 Consolidated Expenditures: January - December 2011

A. Uses of Funds (MTW Expenditures)	Planned	Actual
Administration & Management Salaries	946,801	966,794
Employee Benefits	283,120	275,422
Auditing Fees	11,285	10,271
Other Operating – Administrative	190,426	279,571
General Expenses	287,540	265,299
Utilities	365,260	271,655
Protective Services	12,400	12,848
Resident & Social Services	119,140	115,308
Ordinary Maintenance & Operations (Labor)	503,982	463,291
Maintenance Materials & Other Operations	30,000	68,036
Maintenance Contract Costs	32,400	30,785
Extraordinary Maintenance/Capital Improv./Equipment	430,093	331,101
Debt Service/Replacement Reserve	0	0
HAP/Leasing	2,959,200	3,104,580
2011 MTW Initiatives (Continued)	811,076	716,387
2011 MTW Initiatives (New)	52,110	76,246
TOTAL MTW EXPENDITURES:	7,034,833	6,987,594
B. Uses of Funds (Non-MTW Expenditures) State, Local, and other HUD Grants	Planned	Actual
Administration & Management Salaries	268,212	332,596
Employee Benefits	72,633	69,191
Auditing Fees	1,470	1,362
Other Operating – Administrative	70,156	113,221
General Expenses	17,850	21,824
Utilities	36,370	34,299
Protective Services	0	45
Resident & Social Services	421,784	321,342
Ordinary Maintenance & Operations (Labor)	42,930	41,645
Maintenance Materials & Other Operations	6,000	11,390
Maintenance Contract Costs	8,050	7,083
Extraordinary Maintenance/Capital Improve- ments/Equipment	30,000	51,074
Debt Service/Replacement Reserve	75,000	0
HAP/Leasing	265,928	464,313
TOTAL NON MTW EXPENDITURES:	1,316,383	1,469,385
TOTAL EXPENDITURES ALL SOURCES:	8,351,216	8,456,979

2011 Moving To Work Revenues and Expenditures

All public housing and Section 8 units (954 combined) are in the MTW program. Of this number 815 units comprised the General Housing Program which was created under the MTW program. Of this number 411 households participated in the MTW alternative rent structure and work requirement during 2011. The consolidated MTW budget includes the costs associated with the public housing, Section 8 TBRA programs, the Capital Fund Program and the specific new 2011 MTW initiatives.

MTW Funds

Sources of Funds	Planned	Actual
Public Housing Operating Subsidy	\$ 696,178	\$ 744,772
Section 8 TBRA Allocation	3,938,204	4,038,769
Public Housing Rental Income	1,247,930	1,233,725
Capital Fund	631,081	541,887
MTW Reserves	863,186	792,633
TOTAL SOURCES OF FUNDS	\$ 7,376,579	\$ 7,351,786
Uses of Funds	Planned	Actual
Previously Approved Initiative	\$ 6,346,642	\$6,396,726
2011 New Initiative	57,110	76,246
2011 Capital Fund	631,081	514,622
TOTAL USES OF FUNDS	\$ 7,034,833	\$ 6,987,594

*Includes expenditures made under 2009, 2010, and 2011 Capital Fund Grants

A. Single Fund MTW Budget with Full Flexibility

2011 SOURCE OF FUNDS - ACTUAL									
Initiative Number	Operating	Capital Fund	HCV	09-2, 09-3, 09-5, 10-2, 11-1 Resident Services	09-7 e-Housing Connection	09-8 Douglas County Prisoner Re-Entry	10-3 Energy Performance Contract	11-2 Douglas County Housing Inc.	Single Fund Budget Totals
Federal Grants & Subsidy	744,772	541,887	4,038,769	0	0	0	0	0	5,325,428
Tenant Revenue	1,233,725	0	0	0	0	0	0	0	1,233,725
Investment Income	11,619	0	11,771	0	0	0	0	0	23,390
Other Income	133,193	0	3,990	0	0	0	0	0	137,183
Non-Dwelling Rent	400	0	0	0	0	0	0	0	400
Other Income (Tenant Damages/ Late Fees)	37,940	0	0	0	0	0	0	0	37,940
MTW Historical Reserves/2011 HCV Allocation	0	0	0	129,897	24,460	12,152	549,878	76,246	792,633
2011 Source of Fund Totals:	2,161,649	541,887	4,054,530	129,897	24,460	12,152	549,878	76,246	7,550,699

2011 USE OF FUNDS - ACTUAL									
Administration & Management Salaries	483,355	53,071	430,368	71,798	20,026	0	0	53,791	1,112,409
Employee Benefits	183,854	11,528	80,040	13,079	4,124	0	0	9,998	302,623
Auditing Fees	3,891	0	6,380	0	0	0	0	0	10,271
Other Operating Administrative	81,332	125,182	73,057	5,830	310	260	260	3,034	289,265
General Expenses	249,039	2,663	13,597	0	0	0	0	0	265,299
Utilities	271,655	0	0	0	0	0	0	0	271,655
Protective Services	12,848	0	0	0	0	0	0	0	12,848
Resident & Social Services	112,370	0	2,938	39,190	0	0	0	9,423	163,921
Ordinary Maintenance & Operations (Labor)	463,291	0	0	0	0	0	0	0	463,291
Maintenance Materials & Other Operations	68,036	0	0	0	0	0	0	0	68,036
Maintenance Contract Costs	30,785	0	0	0	0	0	0	0	30,785
Extraordinary Maintenance / Capital Improvements	8,923	322,178	0	0	0	0	549,618	0	880,719
Debt Service / Replacement Reserve	0	0	0	0	0	0	0	0	0
HAP / Leasing	0	0	3,104,580	0	0	11,892	0	0	3,116,472
Development	0	0	0	0	0	0	0	0	0
2011 Use of Funds Totals	1,969,379	514,622	3,710,960	129,897	24,460	12,152	549,878	76,246	6,987,594

B. Non-MTW Budget: State and Local Funds and other HUD Grants

2011 SOURCE OF FUNDS - ACTUAL										
	PHSG/ HCV ROSS Federal / Local Grants	Section 8 Multi-Family	Pine Tree Vouchers	HOME City/State	Continuum of Care	Component Unit Peter- son Acres II	Capital Fund ARRA Stimulus	HPRP ARRA Stimulus	Douglas County Housing Inc.	Non-MTW Budget Totals
Federal Grant/Subsidy	247,256	231,736	493,794	0	87,729	0	36,335	0	0	1,096,850
State Grants	0	0	0	394,097	0	0	0	340,085	0	734,182
Local Grants	0	0	0	0	0	0	0	0	6,215	6,215
Tenant Revenue	0	142,004	0	0	5,698	49,971	0	0	0	197,673
Other Income (LDCHA Match Requirement)	0	0	0	0	13,067	0	0	0	0	13,067
Interest Income	0	746	0	316	0	285	0	0	0	1,347
Other Income (Laundry Revenue)	0	4,352	0	0	0	0	0	0	0	4,352
Other Income (Tenant Damage/Late Fees)	0	1,946	0	0	1,772	188	0	0	0	3,906
2011 Source of Funds Totals	247,256	380,784	493,794	394,413	108,266	50,444	36,335	340,085	6,215	2,057,592

2011 USE OF FUNDS - ACTUAL										
Administration & Management Salaries	135,887	60,191	4,093	0	1,983	2,906	21,006	106,530	0	332,596
Employee Benefits	31,242	18,124	607	0	305	839	1,657	16,417	0	69,191
Auditing Fees	0	550	0	720	0	92	0	0	0	1,362
Other Operating Administrative	22,510	18,612	2,522	45,265	4,717	1,620	708	17,267	0	113,221
General Expenses	0	19,096	0	0	0	2,728	0	0	0	21,824
Utilities	0	34,115	0	0	0	184	0	0	0	34,299
Protective Services	0	0	0	0	0	45	0	0	0	45
Resident & Social Services	57,617	0	0	0	57,639	0	0	199,871	6,215	321,342
Ordinary Maintenance & Operations (Labor)	0	40,914	0	0	0	731	0	0	0	41,645
Maintenance Materials & Other Operations	0	10,806	0	0	0	584	0	0	0	11,390
Maintenance Contract Costs	0	5,358	0	0	0	1,725	0	0	0	7,083
Extraordinary Mtncce/Capital Improvements	0	37,828	22	0	0	260	12,964	0	0	51,074
Debt Service / Replacement Reserve	0	0	0	0	0	0	0	0	0	0
HAP / Leasing	0	0	80,342	348,831	35,140	0	0	0	0	464,313
Development	0	0	0	0	0	0	0	0	0	0
2011 Use of Funds Totals	247,256	245,594	87,586	394,816	99,784	11,714	36,335	340,085	6,215	1,469,385

C. Central Office Cost Center

Not applicable. LDCHA has 367 units of public housing and has opted out of Asset Management.

D. Cost Allocation for Agency

Administrative and maintenance costs (including staff time charged) are allocated agency wide against all LDCHA programs. The allocation method is a proration of the percentage of all units for staff time and associated expenses assigned to multiple areas of housing (operating, HCV, capital funds, multi-family, and PHA owned).

A direct charge approach is used for employees and associated expenses assigned at 100% time to a specific program.

For programs that LDCHA administrators a fee for service approach is used (city and state HOME funding and Building Independence III).

E. Single Fund Budget with Full Flexibility

Beginning in 2009, the LDCHA was approved to combine its public housing operating subsidies, public housing capital funds and its Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source (MTW Funds).

Specifically the agency sought this approval in order to have maximum local flexibility to carry out any and all of the following approved activities:

- Provision of capital funds or operating assistance to housing previously developed, or operated pursuant to a contract between HUD and LDCHA, or newly acquired or developed.
- The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, or other housing as deemed appropriate by LDCHA, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration, provided, however, that prior HUD approval is required for the development of any incremental public housing units, pursuant to Section 9(g)(3) of the 1937 Act.
- The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or home ownership assistance, activities related to self-sufficiency, and other employment counseling, education, and training.

- The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program.
- The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime.
- The provision of Section 8 tenant-based assistance or project-based rental assistance, alone or in conjunction with other private or public sources of assistance.
- The preservation of units currently serving people of low-income or the acquisition and/or development of new units for people of low-income, provided that all rehabilitation and construction is done in accordance with the requirements of Section 504 of the Rehabilitation Act and where applicable, the design and construction requirements of the Fair Housing Act.
- The use of housing assistance payments for purposes other than payments to owners, so long as these purposes are consistent with other eligible uses of section 8 and section 9 funds.
- Hiring staff, as necessary, to assist with administering the program to ensure that activities are in line with the agreement. LDCHA also makes necessary technological enhancements to benefit the organization and the residents as ideas and concepts are tested during the demonstration.

By utilizing a Single Fund Budget with full flexibility, LDCHA was able achieve local flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures. None of the activities described in Section VI would have been possible without the funding flexibility granted by the above waiver.

Section VIII: Administrative

A. Progress on Corrections of Observed Deficiencies Cited in Monitoring Visits

The agency has had no deficiencies cited from monitoring visits, physical inspections, or other oversight and monitoring mechanisms, other than:

- ARRA on-site monitoring review which had two deficiencies that have been corrected.

B. Results of Agency-Directed MTW Demonstration Evaluations

The agency's evaluation of the demonstration is outlined in Section VI, including monitoring and tracking of pertinent information relative to each approved MTW initiatives.

C. Performance and Evaluation Report for Capital Fund Activities Not Included in the MTW Block Grant

The Performance and Evaluation Report for Capital Fund activities were presented with the 2011 Annual Plan Statement and are not presented in this document. Please indicate if Capital Fund ARRA reports are requested.

D. Certification that LDCHA has Met Statutory Requirements

The Certification of Compliance with the Statutory Requirements is attached.