



Lawrence-Douglas County
Housing Authority

2012 MTW
Annual
Report

Submitted
March 28, 2013
Revised and
Resubmitted
August 27, 2013



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Introduction

This Annual Report provides a detailed overview of the activities implemented by the Lawrence-Douglas County Housing Authority (LDCHA) as part of its locally driven housing program developed through the Moving to Work Demonstration (MTW) program. The LDCHA was selected by HUD as one of the initial 23 housing authorities to participate in the MTW program created by Congress and began its MTW program in 1999. 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. One Commissioner appointed by the City of Lawrence is a resident of an LDCHA program.

The mission of the Lawrence-Douglas County Housing Authority is to promote quality affordable housing, economic opportunity, and a suitable living environment free from discrimination.

The primary role of the housing authority is as a housing developer and provider. Presently the LDCHA operates eight different affordable housing programs. The LDCHA has been a designated *High Performer* agency by HUD since 1992.

In 2012 LDCHA celebrated its 40th anniversary of providing housing when the community celebrated the opening of Edgewood Homes, the LDCHA's first public housing development.



The LDCHA provided assistance to a total of 1227 households in Lawrence and Douglas County, Kansas for a total of 2441 individuals including 927 children. This number represents 13.3% of the Douglas County population with an income below the poverty level based on the Census Bureau's 2011 American Community Survey.

As an MTW agency, LDCHA operates programs that support the economic advancement of its tenant population through a comprehensive program of resident services including employment support and homeownership programs. The resident services programs also include services to facilitate healthy households, youth enrichment, and healthy aging in place.

The aim of the MTW Demonstration is to develop more efficient ways to provide housing assistance and increase self sufficiency of the households served. Through its MTW program, including in 2012, LDCHA has been able to consistently expand the number of households receiving assistance and support services to encourage self sufficiency.

Section I: Overview of MTW Goals & Objectives

The LDCHA uses its MTW program to develop new innovative methods to deliver affordable housing to better meet the local demand. The Congressionally mandated MTW demonstration was established to test new models for delivering public housing and Section 8 assistance, and has three primary objectives:

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.

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

The LDCHA MTW program introduced in 1999 and continues the following initiatives to meet these Congressional goals:

1. Create a new program of housing assistance called General Housing Assistance which combines the family housing units of the public housing and Section 8 Housing Choice Voucher (HCV) program, by abolishing the separate public housing and Section 8 program administrative structure.
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 of an 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 households to work.
 - Establishes meaningful minimum and maximum rents.
 - Increases LDCHA 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) by not imposing cost based caps.
- 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 households, 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 households 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 households.

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 granted the LDCHA specific authorization 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 April 2008 the agency signed the new, 10 year, standard agreement extending the program to 2018. The new agreement provided new expanded authorities for the LDCHA initiatives adopted to meet the MTW objectives which are detailed in the following table.

Table 1 Summary of MTW Initiatives			
ACTIVITY NO.	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
Objective 1: Reduce cost and achieve greater cost effectiveness			
12-1	Biennial recertification for Section 8 elderly and disabled households	Conduct biennial recertification for all elderly and disabled Section 8 households.	2012
11-3	Combine the Administrative Plan and the Public Housing ACOP into one policy statement	Combine Section 8 Administrative Plan and Public Housing Admissions and Continued Occupancy policy and Methods of Administration to create consistency in the application of MTW policies.	Pending
10-1	Biennial recertification	Conduct biennial recertification for all el-	2010

Table 1 Summary of MTW Initiatives			
ACTIVITY NO.	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
	for PH elderly and disabled households	derly and disabled public housing households.	
10-3	Energy Conservation Improvements	Provide \$1.5 million from the single fund MTW budget to finance comprehensive energy improvements under HUD Energy Performance Contracting.	2010
09-1	Single fund budget with full flexibility	The LDCHA combined its public housing operating and Capital fund subsidies and HCV assistance into a single authority source.	2009
09-4	Biennial recertifications for MTW households	Conduct biennial recertifications for 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	Count income by eliminating the 12:12:48 month earned income disallowance rule.	2009
99-1	Combined Public Housing and Section 8 HCV Programs and Operations	Combined public housing family housing units and Section 8 HCV 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	Provide 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 Douglas County Housing Inc. (DCHI), to create year round youth programs	Use DCHI, an affiliated nonprofit, to pursue private and public foundation funding that is restricted to nonprofit organizations in order to expand program opportunities and activities for LDCHA youth, particularly the youth of parents participating in the MTW program.	2011
10-2	Expand employment related services to MTW households	Provide \$56,000 in funding for technical training, education, certifications, and employment counseling services 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

Table 1 Summary of MTW Initiatives			
ACTIVITY NO.	ONGOING INITIATIVES	DESCRIPTION	FISCAL YEAR IMPLEMENTED
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 under 50 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 \$3000 matching grant for MTW households that purchase a home.	2009
Re-proposed 09-7	Homeless to Housed	Provide housing stabilization case management for recently homeless individuals in the LDCHA's Transitional Housing program and the Jail Re-Entry program.	2009 Re-proposed 2012
09-8	Create a Jail Re-Entry housing program	Provided 5 units of TBRA in partnership with Douglas County Sheriff's Office for a Jail Re-Entry program.	2009

Section II: General Housing Authority Operating Information

Table 2	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 \$508,023 in formula capital funds in 2012. No expenditure met the threshold of greater than 30%.
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 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 732 vouchers authorized under ACC at the end of the fiscal year, an increase due to the addition of 140 Tenant Protection Vouchers, 34 added in April and 106 added in August 2012. Additionally, 5 units were authorized in 2012 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	None at the end of 2012. The agency added 140 Tenant Protection Vouchers during 2011 through a portion of 2012 and then these vouchers were renewed and were added to the LDCHA's ACC [34 on April 1, and 106 on August 1, 2012].
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 45 units of HOME TBRA, and 6 units of PSH, all of which are outside the MTW contract. The LDCHA is the management agent of a 4 unit PRAC 811 project which is owned by the Bert Nash Community Mental Health Center.

Table 3	B. Leasing information - Actual
Total number of MTW PH units leased in Plan Year;	The LDCHA had an average 358 units under lease in the Plan Year for a 98% occupancy rate.
Total number of non-MTW PH units leased in the Plan Year;	None
Total number of MTW HCV units leased in Plan Year;	After the addition of the Tenant Protection Vouchers to the LDCHA's ACC for the second half of the year, there was an average 735 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 including vacancy days created by Kansas State Law and multiple vacancies that occur in elderly properties, including the multifamily development, due to conditions beyond the agency's control, such as death and serious illness.
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 the Agency has issued a letter of commitment in the Plan Year).	None
Table 4	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	13	72	26	4	3	1	119
Near Elderly	0	2	0	0	0	0	2
Disabled	14	96	19	11	1	1	142
Family	16	142	67	33	9	4	271
TOTAL	43	312	112	48	13	6	534

Chart B							
Waiting List Descriptions							
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	TOTAL
Public Housing Site Based							
Babcock Place	30	55	6	0	0	0	91
Peterson Acres I	0	54	0	0	0	0	54
Multifamily Housing							
Clinton Place	0	14	0	0	0	0	14
LDCHA Owned Below Market Rate Development							
Peterson Acres II	0	0	13	0	0	0	13
Merged Waiting Lists (PH Family Units / Section 8 HCV)							
General Housing	12	165	90	44	13	4	328
HOME TBRA							
City HOME	1	11	3	3	0	2	20
State HOME	0	12	0	0	0	0	12
MTW TBRA							
Jail Re-Entry	0	0	0	1	0	0	1
Permanent Supportive Housing							
HOPE Building	0	1	0	0	0	0	1
TOTAL	43	312	112	48	13	6	534

Section III: Non-MTW Related Housing Authority Information

The LDCHA operates several other housing programs besides the public housing and Section 8 HCV 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. The agency had an average 56 of its 58 multifamily units under lease during the Plan Year for a 97% occupancy rate.

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. All 8 of its below market rate units were under lease during the Plan Year for an occupancy rate of 100%.

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.

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 management agent responsible

for all aspects of administration, management, operations and maintenance of the property.

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 at least 16 children of LDCHA residents be enrolled per year; in 2012, 28 LDCHA children were enrolled. 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 violations 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 households 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 households. The agency will look for ways to reduce costs and 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 issued a Request for Qualifications for a private development partner to explore the possibility of acquiring, or constructing affordable housing units, and continues to investigate those options.

Section V: MTW Activities Not Implemented During the Plan Year

There were no MTW Activities not implemented during the 2012 Plan year.

Section VI: Ongoing MTW Activities: HUD Approval Previously Granted

Activity 12-1: Conduct Biennial Recertifications for all Section 8 Elderly and Disabled Households.

A. Describe each ongoing activity:

The LDCHA amended its Section 8 Housing Choice Voucher Administrative Plan to extend the biennial recertifications to all Section 8 households classified as elderly or disabled. These families generally receive a fixed income with only nominal annual increases. Annual recertifications are administratively burdensome to residents and the agency. Each annual recertification takes an average of 4 hours staff time to process and 2-3 hours of resident time to gather and organize the information. Residents report that the annual recertification process is a burden. All households impacted by this initiative are in the income based rent structure and are able to request recertification any time they experience a decrease in income.

In 2012 half the eligible elderly and disabled Section 8 households were randomly selected, notified of the adoption of biennial recertification, informed that they would forgo the annual recertification for 2012, and will receive appropriate notice in 2013 of their next recertification. Notice of the hardship policy was provided, specifically that a household may request to be recertified annually if their medical expenses increased by 10% in the previous 12 months. These households undergo a full annual recertification which 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 2012, 61% of the eligible Section 8 households were recertified and 39% received biennial recertification and will be recertified in 2013.

In 2012 there were three 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. 2012 Accomplishments under this Activity:

Staff time spent conducting annual recertifications, and expenses were significantly reduced. Approximately 652 hours of actual staff time was saved for the 162 recertifications not conducted in 2012, which amounted to a savings of \$17,010. Staff actually conducted 250 recertifications, utilizing 436 hours of staff time in 2012.

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.

Table 5 Activity 12-1 Metrics			
Metric	Baseline	Benchmark	Outcomes
Households Recertified	2011 Section 8 elderly/ disabled households - 405	Annual recertifications should be reduced by 48% or 194 households in the plan year.	In 2012 there were 412 Section 8 elderly /disabled households and 250 recertifications.
Annual staff hours	Staff currently spends 1,620 hours conducting annual recertifications (405 current HCV elderly/disabled tenants x 4 hr)	Staff time should be reduced by 778 hours (405 E/D/ HCV tenants x .48 x 4 hours per recertification)	Staff hours eliminated: 407.5.
Reduction in expenses attributable to annual recertifications	2011 cost for staff time to conduct 405 annual recertifications at \$107 per recertification is \$43,335	Staff costs should be reduced to \$20,758 in the Plan year (194 x \$107)	Reduced staffing costs by \$17,011.
Hardships	Number of hardships requested in 2012	Staff cost incurred through processing hardships	No 2012 benchmark, it will be established for 2013.

D. The benchmarks for this activity were not achieved. This activity is deemed effective. Although the benchmarks of reducing recertifications and staff hours by 48% were not achieved, both were reduced by 40%. While the reduction in staff time and expense was not as great as anticipated, the discrepancy was due to the time necessary to provide proper notice to implement, and LDCHA anticipates the benchmarks will be achieved in 2013.

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 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 D(o)(c) Authorizes the Agency to define, adopt and implement a re-examination program: *This authorization waives certain provisions of section 8(o)(5) of the 1937 Act and 24 CFR 982.516 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 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. In 2012 LDCHA increased the funding from \$5,000 to \$15,000 in MTW funds for this activity due to the demand and overwhelming success of this initiative. The maximum amount of funding per household was \$500. Households 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 originally announced and implemented with \$5,000 in 2011, adding \$10,000 to that in 2012 because of its success in keeping tenants employed. In 2012 there were 40 applications taken and 34 were approved by the LDCHA employment center. Applications were funded in the order that the application was submitted. Due to some of the repairs being less than \$500, 34 (11 public housing and 23 Section 8) households were approved and funded. Six applications were not funded, because two did not meet the eligibility criteria (e.g. not engaged in employment or education activities). Four were not funded due to receiving funds in previous year. Of these four not funded, two remained employed, and two are now unemployed.

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 transportation to work or school. This activity allowed households to maintain employment and continue education which supports the goal of increased economic self-sufficiency.

C. *2012 Accomplishments under this Activity:*

Of the 34 households who received assistance under this activity, 27 maintained employment. One tenant left employment to continue with college.

Table 6 Activity 11-1 Metrics			
Metric	Baseline	Benchmark	Outcomes
Number of households that apply	0	20 households should apply.	40 Households applied and 34 were approved

			for assistance.
Number of jobs that are retained for 6 months or more.	0	12 adults should retain employment to preserve household income and maintain higher rental income.	27 adults maintained employment.

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

E. *The baseline and benchmarks changed to reflect achievement and additional funding.*

The original baseline for the number of households that apply was zero since this was a new activity. The benchmark was 10 households applying in 2011. This benchmark was revised to 20 households applying in 2012 due to additional funding.

The original baseline for the number of jobs retained for six months or more was zero since this was a new activity. The benchmark was seven adults to retain employment in 2011, and was revised to 12 adults to retain employment in 2012 to reflect the success and expansion of this activity.

F. *Relationship of Activity to Statutory Objective:*

This activity relates to objective 2 - to give incentives to households 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 CFR 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 HCV 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 Inc., 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 2012, 137 children from households receiving housing assistance were served through the Douglas County Housing Inc.'s (DCHI) Full Circle Youth Program. The Full Circle Program serves as a year round program that provides a free, safe and positive place for youth ages 7-18, from households 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 for 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 to reduce cost and achieve greater cost effectiveness and to assist households with children to obtain and maintain employment and become economically self-sufficient.

C. 2012 Accomplishments under this Activity:

During 2012 DCHI served 137 youth through various programs tailored to support the development of a positive, healthy lifestyle. Over the summer DCHI introduced a series of one day camps that focused on safety, health, and wellness. These camps complimented our regular programming which focused on preventing education regression, reducing screen time, and making positive lifestyle choices. Rather than hosting a summer lunch site, DCHI's Full Circle Youth Program instituted a program that walked youth to a nearby lunch site.

DCHI expanded our community visibility by partnering with the Kansas Health Foundation to sponsor a community wide ZOMBIE Walk/Bike/Run. This event had over 100 participants and involved multiple community partnerships.

In 2012 DCHI continued to focus on engaging parents in all activities to increase the likelihood of consistent positive impact of the program. It also allows the staff to introduce new activities, as well as maintain the traditional educational activities provided. The six new activities which were implemented in 2012 include:

- Middle School Mentoring Group
- Book and a Bag Story Group
- Walk to Lunch
- Model Building
- Youth Garden
- Creative Arts Workshop



DCHI continued to coordinate the New York Elementary School Walking School Bus. In 2012 the program was expanded to four days a week (Wednesdays were excluded per the principal's recommendation). Nearly 30 students participated in the Walking School Bus in the fall semester with an average of fourteen students walking daily. Seventy-five percent of participants walked at least ten

miles throughout the semester with two students walking more than 20, two more than 30, and three students reaching over 40 miles walked.

DCHI applied for 10 grants and entered one contest. This resulted in DCHI receiving \$4,250 in grant funds and a \$100 award. Additionally children were provided with 250 swim passes through the Mengel Pool Pass Fund. The Topeka Community Foundation awarded DCHI \$4,250 to continue the Kansas Health Foundation initiative and start the ZOMBIE Club – an out-of-school health and wellness program to pick up where the ZOMBIE Bike/Walk/Run left off.

Table 7 Activity 11-2 Metrics			
Metric	Baseline	Benchmark	Outcomes
Number of grants submitted	2	10 grant applications submitted.	10 grants were submitted in 2012.
Amount of funds raised in 2011 through grant funding	\$4,000	\$15,000 will be awarded through grant funding in 2012.	\$4,250 in grants were awarded in 2012, and \$750 in kind pool passes
New activities made available through grant funding	0	At least 5 new activities will be added to the youth program through new funding.	6 new activities were implemented in 2012.
Youth served under new grants	0	At least 50 youth will be able to be served under new funding.	137 youth were 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.	8 adults obtained / retained employment.

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

DCHI is working on developing a more targeted fundraising plan around educational regression and health/wellness programming. This will help meet the target of raising \$15,000 which was not achieved in 2012. Additionally DCHI is becoming more established financially due to the successful management/implementation of recent grants.

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 chil-

dren 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 CFR 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 HCV funds for this activity.*

Activity 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.

A. Describe each ongoing activity:

This activity is administrative in nature and supports the MTW initiative approved in 1998 that merged the family housing public housing and Section 8 HCV programs into one program called General Housing. The General Housing Program standardized the eligibility criteria for the public housing and Section HCV programs, provided a vehicle for maintaining high occupancy rates in public housing and streamlined the administrative program functions. Although the agency has operated a combined program under MTW since 1999 it has maintained separate policy statements. This activity is also in keeping with the purposes of MTW to devise locally driven housing solutions.

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

The combination of the various policies into one combined Administrative and Admissions and Continued Occupancy Policy (Admin/ACOP Plan) provided the agency the opportunity to review its practices and procedures, to improve its efficiency, and to develop a Admin/ACOP Plan that is easier both to administer consistently and for the participants to reference.

C. 2012 Accomplishments under this Activity:

The implementation of this activity began in 2011 with a series of input meetings from staff. A draft of the combined plan was presented to the LDCHA Board of Commissioners in a series of meetings in 2012 and a draft is currently published for public comment. Once the public comment period expires it will be presented to the Board for final approval and then submitted to HUD for approval.

D. There is no 2012 benchmark for this activity.

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 1: to reduce cost and achieve greater cost effectiveness in federal expenditures by reducing the administrative burden on the LDCHA.

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

MTW Agreement Attachment C: Section C(2): *This authorization waives certain provisions of Section 3 of the 1937 Act and 24 CFR 960.206 as necessary to implement the Agency's Annual MTW Plan.*

2. Local Preferences and Admission and Continued Occupancy Policies and Procedures

The Agency is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act so long as the households assisted qualify as low income, and that the total mix of households assisted meets the requirements of part I.C of the Amended and Re-stated MTW Agreement. The Agency is required to revise the Admissions and Continued Occupancy Policy (ACOP), to implement changes in public housing occupancy policy as a result of the MTW program. Regardless of changes to the Agency's adopted ACOP policies and procedures, the Agency must comply with Sections I(B)(1) and II(D) of this Agreement. The Agency is subject to state and local preferences law. *This authorization waives certain provisions of Section 3 of the 1937 Act and 24 CFR 960.206 as necessary to implement the Agency's Annual MTW Plan.*

Attachment C: Section D(I) The Agency is authorized to determine operational policies and procedures for Section 8 assistance. This authorization waives certain provisions of Section 8 (o)(7) of the 1937 Act and 24 CFR 982 as necessary to implement the Agency's Annual MTW Plan.

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 2012, 215, or 59%, of the agency's public housing residents were elderly or disabled heads of households. This number fluctuated during the year, with a high of 235, due to additional admissions and move out of people leaving the program.

Elderly and disabled residents highly favored this change with the hardship 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 2012, 105 or 45% of the eligible households received biennial recertification.

In 2012 no households utilized the hardship policy to request an interim recertification due to income or medical expense changes.

C. 2012 Accomplishments under this Activity:

Staff time spent conducting annual recertifications, and expenses were significantly reduced. Approximately 516 hours of actual staff time was saved for the 129 recertifications not conducted in 2012, which amounted to a savings of \$13,462. Staff actually conducted 105 recertifications, utilizing 420 hours of staff time in 2012.

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 322.5 hours saved by the 129 households who were not recertified in 2012.

Table 8 Activity 10-1 Metrics			
Metric	Baseline	Benchmark	Outcomes
Households Recertified	In 2009 there were 208 PH elderly/disabled households.	Reduce annual recertification by 50%.	In 2012 there were 215 PH elderly /disabled households and 105 recertifications.
Staff Hours	In 2009 staff spent 832 hours, 4 hours per recertification.	Reduce staff hours by 416 or 50%.	Staff hours eliminated: 516.
Reduction in Expense	2009 staffing cost for recertification was \$21,707.	Reduce staffing costs by 50 %.	Reduced staffing costs by \$13,462.
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 322.5 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 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(4): 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 CFR 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:

During 2012, there were 477 households participating in the MTW rent structure of which 329 had active Family Self-Sufficiency cases with the Resident Services Office. 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, and commercial driver licensing. 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 objective of moving households below 40% of Area Median Income (AMI) to above 50% of AMI.

C. 2012 Accomplishments under this Activity:

Resident Services continued providing onsite training opportunities that included an in-house office assistant training, workshops, and computer classes. This activity also provided access to higher education and training opportunities. In

2012, training and education was obtained in various areas through paid education and certification trainings at outside institutions and paid employment through a wage match program.

In 2012 the LDCHA provided funds to 18 households enrolled in an education/training program. We had three enter a 2-4 year education certification/degree program, 10 enrolled in short-term programs and five were continuing in a 2-4 year program which started at least 12 months ago. Twenty-two individuals attended computer trainings and culture of employment workshops sponsored by the Resident Services Office (RSO).

The Office Training Position was modified from a three month term to a six month term, which resulted in RSO hiring half as many households in this program as we did in 2011. The tenants who participated for a longer period of time had a longer duration to be trained for the workforce. During 2012, four households participated in our office assistant training program. Out of the four training positions participants, one went on to get a Web Developer Certificate, and one left the training position to be hired into our wage match program as an office assistant for a local small business making above minimum wage. Two are current participants.

Two tenants participated in the wage match program. One is still receiving the wage match; the other was hired on as a regular hourly employee in which the employer decided not to request the wage match funds.

At the end of 2012, 345 households receiving housing assistance were employed. This is a reduction of 27. As reflected in the Homeownership reporting, eight employed households purchased homes and seven households served through this program left in good standing for market rent units. In addition, households receiving TANF increased to 59. However, in 2012 a total of 61 households served got a new job and 20 households, or 28%, reduced or ended their TANF assistance, meeting or exceeding the original benchmarks.

Reviewing households who have passed the 12 month mark since completing their trainings in 2011: One household finished training and moved off of housing. One household who completed technical training is above 50% AMI. One household, who received technical training but is still attending school, reached 60% AMI. Of the 22 households who participated in our vocational trainings and workshops, one reached 66% AMI, one reached 56% AMI, and one reached 55% AMI.

Table 9 Activity 10-2 Metrics			
Metric	Baseline	Benchmark	Outcomes
Technical Skills Training	0	8 of the 10 households offered training, 8	In 2012, 18 households started training, 7 completed in 2012. 3 house-

		will complete it in the plan year.	holds are currently enrolled in a 2-4 year vocational education, 1 of whom started their program in 2012 and should finish in 2014.
Increase in- come (AMI) for households re- ceiving tech- nical training	In 2010 the av- erage AMI of MTW partici- pant house- holds was 30%.	Of the 8 com- pleting tech- nical training, 5 households will increase their income to 34% AMI within 12 months.	Of the 7 households that completed training in 2012, 5 obtained em- ployment. 4 households increased their AMI by an overall average of 10%. 3 households are now be- tween 45-50% AMI. One of these households is 12 months past training completion.
Other House- holds Employed	252	372 employed after complet- ing soft skills training in 2011.	345 are now employed at the end of 2012.
TANF House- holds	51 MTW house- holds receive TANF. (59 re- ceived TANF in 2012.)	10 households will obtain em- ployment after receiving soft skills training in the plan year.	20 households who re- ceived TANF during 2012 obtained employment and reduced TANF bene- fits.

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 objectives 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 CFR 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. to carry out 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. Using the Single Fund Budget to make these improvements permitted the LDCHA to finance more improvements within the limits of Energy Performance Contracting, 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.

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 over the 20 years, which will provide sufficient funding to repay the \$1,570,334 final investment, and over time will reduce cost and achieve greater cost effectiveness in federal expenditures.

C. 2012 Accomplishments under this Activity:

All of the improvements were completed in June 2011.

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

LDCHA has received an Energy Report for July 2011 - June 2012 and based on this report LDCHA has realized savings of \$ 89,896, which is in excess of the guaranteed savings.

Metrics to Assess Outcomes, including Anticipated Schedule.

Table 10 Activity 10-3 Metrics			
Metric	Baseline	Benchmark	Outcome: Savings
Utility (units)	Utility consumption (average)	Utility savings (per year)	Annual Report (July 2011-June 2012)
Water/sewer (gal)	9,806,667 gal	1,221,600 gal	2,351,400 gal
Electricity (kWh)	1,290,756 kWh	388,207 kWh	760,000 kWh

Natural Gas (CCF)	117,747 CCF	5,587 CCF	5,587 CCF
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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 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 CFR 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 HCV 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 households through therapeutic, recreational and educational programs; programs to help households 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, or as a resource for households 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.

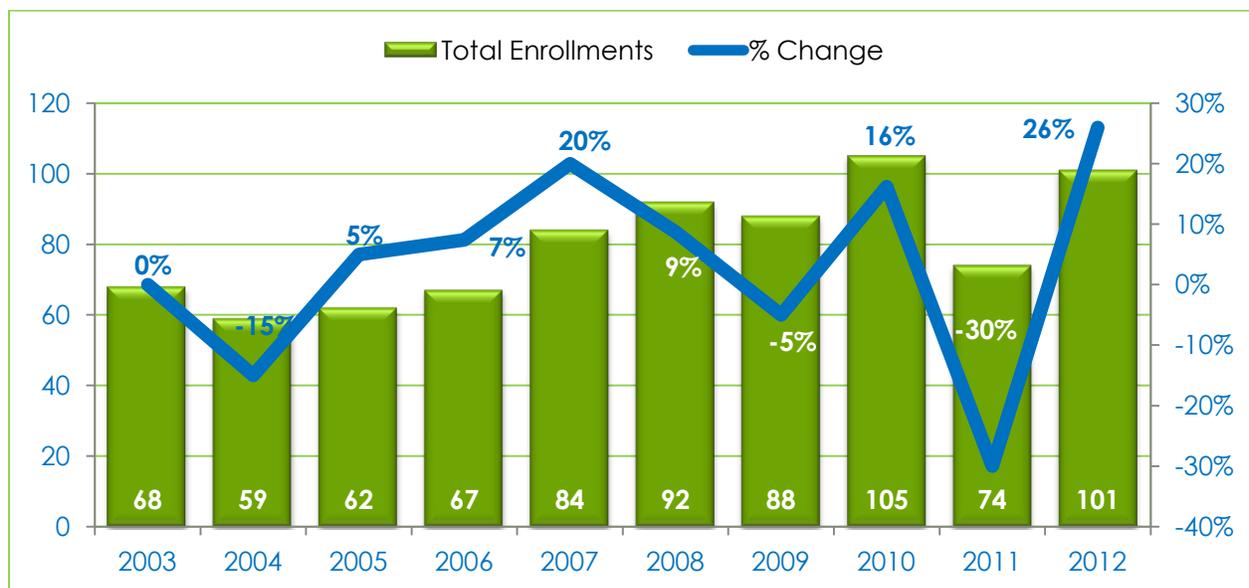
C. 2012 Accomplishments under this Activity:

Between January 1 and December 31, 2012, 138 households entered the MTW program from the General Housing waiting list and required orientation. This is

the baseline for this activity. A total of 125 households, from Public Housing and the Voucher program, or 91%, received the orientation.

Of the 125 households that received the orientation, 25 households (13 public housing and 12 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.

Chart C FSS Enrollment Numbers



This chart shows the total new FSS enrollment numbers for Resident Services between 2003-2012. 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 2012, a total of 13 public housing households experienced difficulty paying rent for one or two months and one household had difficulty for three months, or 10.4% of the orientation participants.

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 terminations of all MTW households but only those households that participated in the orientation. Of the 125 public housing and Section 8 households that received orientation in 2012, none 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: 91% of 138 households participated in an orientation program in 2012.

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 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 CFR 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 HCV 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. 2012 Accomplishments under this Activity:

In 2012, 279 individual tenants from 243 households were served through the Resident Services Office, and 174 or 64% of households (198 individuals) with income at or below 40% of AMI received case management through Resident Services, exceeding the 50% benchmark. The number of households at or below 40% AMI participating in the MTW rent structure in January 2012 plan year was 270. This is

the baseline and the benchmark is set at 50% participation of the number of households that compose the baseline.

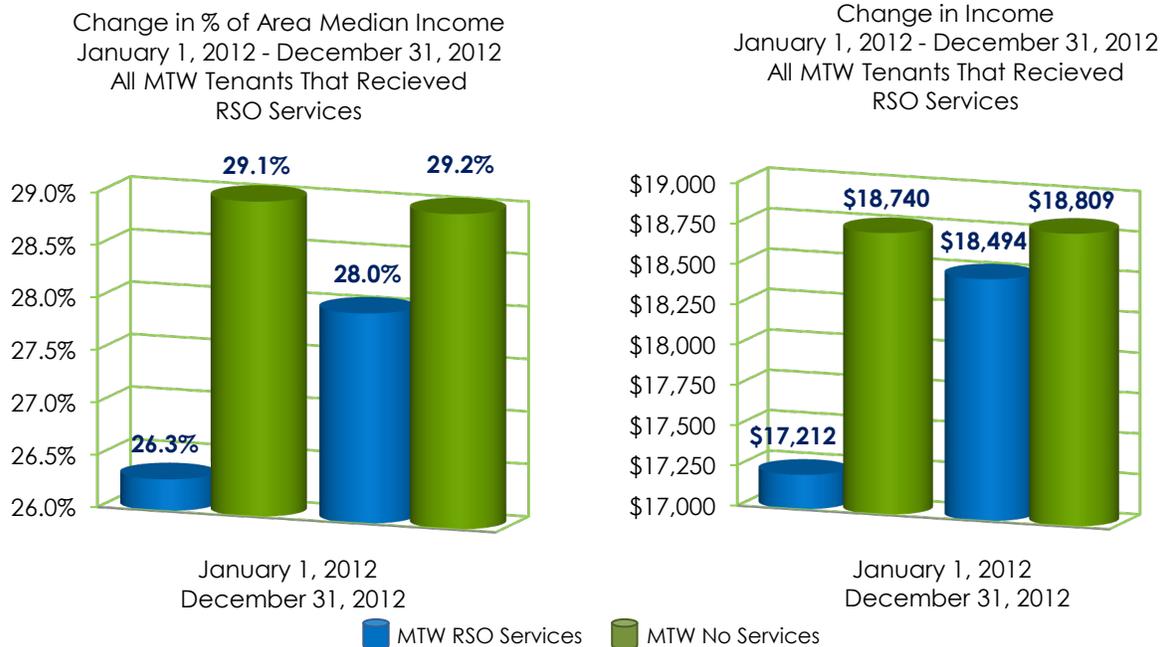
During 2012 households receiving case management achieved the following successes:

- 60 tenants entered employment
- 21 tenants retained employment secured in 2011
- 5 tenants attended a GED program
- 16 tenants are enrolled in a degree program
- 12 tenants were in short term training programs
- 1 completed graduate school
- 7 households purchased homes
- 7 households moved to market rent

The average AMI of these 174 households on January 1, 2012 was 17%. During 2012, 86 of the 174 households (49.4%) experienced an increase in income ranging from .01% to a high of 35%. Actual year end 2012 AMI for this group ranged from a low of 3% to a high of 76%, 23 of these households moved to above 40% AMI, which includes 13 households that are now at or above 50% of AMI.

The remaining households experienced no increase in income, with 11 experiencing income stability and 65 experiencing a decrease. However the increases in income for the 86 households had an overall impact of raising the overall AMI for all 174 households by 3% to 20%. The households under 40% of AMI who received no services experienced an increase of .02% in their AMI.

Chart D Change in Income



D. The benchmarks for this activity were achieved. This activity is deemed effective. The LDCHA provided case management to 64% of the households with income at or below 40% of AML, exceeding the benchmark to serve 50% of the population, and raised the average AML of this population from 17% to 20%.

An additional benchmark was to reduce public housing turnovers due to termination by 10%. This benchmark was met during the 2012, six 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 45% reduction.

Table 11 Activity 09-3 Metrics			
Metric	Baseline	Benchmark	Outcomes
Number of MTW households with income at or below 40% AML receiving individual case management.	Number of households at or below 40% AML receiving case management in 2008 - 77.	Provide case management for 50% of MTW households with income below 40% AML.	2012 - 174 households with income below 40% AML or 64 % received case management.
Average AML of households receiving case management	Average AML of 154 households on Jan. 1, 2011 -18.8%	Increase in AML	During 2012 the average AML of 174 households increased from 17% to 20%.
Reduce public housing turnovers	23 turnovers in 2008.	Reduce turnovers due to terminations by 10%.	6 turnovers in 2012, a reduction of 45% from 2011.

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

The benchmark did not change, however the 2010 Annual MTW Report revised and eliminated some of the benchmarks and metrics added in 2009 because they did not adequately or accurately measure or evaluate this activity.

F. Relationship of Activity to Statutory Objective:

This activity relates directly to statutory objective 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 CFR 982, and 990 as necessary to implement the Agency's An-

nual 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 households 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 four 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: determine eligibility; access EIV income and discrepancy information; 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 notices 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 variations must be tracked which resulted in reducing the savings anticipated and creating rather than reducing an administrative burden. This activity is being re-evaluated because the administrative savings anticipated are not being realized. Additionally there is a decline in participation by eligible households creating a question as to the effectiveness in creating an incentive to promote self-sufficiency.

C. 2012 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 households to focus on their employment and job skills development to help move them to self-sufficiency.

Table 12 Activity 09-4 Metrics			
Metric	Baseline	Benchmark	Outcomes
Households Recertified	In 2008 there were 82 eligible households .	Reduce annual recertification by 20%.	In 2012 there were 102 eligible households and 24 or 22% were not recertified.
Staff Hours	In 2008 staff spent, 4 hours per recertification.	Reduce staff hours by 20% or 66 hours.	Staff hours eliminated: 96.
Reduction in Expense	2008 staffing cost for recertification was \$21,707.	Reduce staffing costs by 20% or \$4,341.	Reduced staffing costs by \$ 6,354.

D. The benchmarks for this activity were achieved. This activity is under evaluation.

In 2012 there were 102 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 24 households, or 22% of the eligible group, elected to skip recertification in 2012. There were 74 households recertified in 2012, four 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 1, to reduce cost and achieve greater cost effectiveness in federal expenditures. It also relates to statutory objective 2, to give an incentive to households 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(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 CFR 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 reexami-*

nation 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 HCV 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, and this resulted in the escrow accounts of Section 8 tenants growing 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 whereas 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 provides limited funds to assist MTW households to purchase a home and serves as an incentive and motivator for households to achieve economic self-sufficiency. Secondly, when households 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.

Since implementing the matching grant in 2009, 25 residents have participated in the homeownership program. Two utilized an escrow account and 17 participated in the homeownership matching grant. The average matching grant was \$2,743, the minimum was \$1,370. Twelve participants utilized the maximum \$3,000. The total amount of MTW funds spent on this initiative from 2009 – 2012 was \$46,635.

C. 2012 Accomplishments under this Activity:

In 2012, eight MTW households purchased a home. Six were public housing and two were Section 8 participants. Four purchases were made under the matching grant program. Of the four households that made purchases under the matching grant initiative, one received \$1,654 and three received the full \$3,000 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 households purchase a home annually. The benchmark was revised to 10 households over a three year period from 2009-2011, and this benchmark was achieved with 17 households purchasing a home during this period.

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

The original benchmark was 10 households purchasing a home over a three-year period after which the benchmark would be reset. This benchmark was revised in 2011 upward to 16 households 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 2 - to give incentives to families with children who are working to become economically self-sufficient and objective 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 CFR 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 HCV 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 placed their family at risk for being terminated when the adult child failed to go to work, or to retain employment after their income was factored into their household's rent. This latter situation resulted in an increased rent burden for the heads of household which it could not then meet when the adult child quit employment. It also resulted in an MTW work requirement violation, with the entire household's housing

at risk under the violations. In addition, it was frequently reported that in cases where an adult child worked the head of household had no control over the child's willingness to contribute to the rent. In most cases these households are headed by single females. This activity reduced this risk while continuing to create incentives and motivation for adult children in the household to work.

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. 2012 Accomplishments under this Activity:

In 2012, 104 households, 26 in public housing and 78 in Section 8, 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 104 households, 31 were in the MTW rent structure. A total of \$176,252 in wage income was excluded from use in the calculation of rent for these 104 households.

There were 14 work requirement actions (2 in public housing and 12 in Section 8) taken against this population for failure to meet the work requirement, (14) complied by getting a job, enrolling in school, or participating in LDCHA Resident Services Office self-sufficiency activities.

Table 13 Activity 09-6 Metrics			
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).	2012 - 104 x .50 x \$26 per hour = \$1,352 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.	2012 - 14 work requirement actions and no eviction or termination actions.

D. 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 1, to reduce cost and achieve greater cost effectiveness in federal expenditures. It also relates to statutory objective 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 CFR 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 CFR 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. 2012 Accomplishments under this Activity:

During 2012, one (1) Section 8 household changed from the income-based to the MTW rent structure, and none did so in public housing. No household 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 \$ 0. There were eight households that went from the MTW to the income based rent structure due to changes in disability status. None had employment income counted.

Another 11 households in 2012 participated voluntarily in the MTW rent structure, of which 10 were Section 8. 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 \$233,031.

Because the LDCHA does not know if these 10 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 2012. 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 15 staff hours during 2012 by not applying the 12-12-48 employment income disallowance if all 10 would have been eligible.

Table 14 Activity 09-6.1 Metrics			
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	2012 - 10 households x 1.5 hrs x 12 months = 15 hrs x \$26 per hour = \$390 saved.
Reduction in subsidy measured by estimate of previ-	\$85,500 excluded income.	Reduction in subsidy based on projected income not	2012 - \$233,031 income not excluded.

ously excluded income		excluded.	
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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 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 CFR 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 CFR 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: Re-Proposed - Use the Single Fund MTW budget to fund "Homeless to Housed", a housing stabilization case management initiative that includes a modified e-Housing Connection component.

A. Describe each ongoing activity:

Use funds under the Single Fund budget to provide individual case management for hard to house applicants who are being offered housing assistance, tenants recently housed using HOME funds (Transitional Housing), and Jail Re-Entry participants. In 2009 the LDCHA created the e-Housing Connection as a voluntary temporary housing program that matches landlords with vacancies with homeless families for whom the local emergency homeless shelter was not appropriate. The LDCHA developed and maintained a database of landlords willing to work with e-Housing clients. In November of 2009 LDCHA began serving families with Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds, allowing a more comprehensive approach in helping families that were homeless. The HPRP program was a temporary program that was completed by February of 2012. However, the program was very successful, particularly the case management functions. This initiative continued the case management functions for applicants being offered assistance or tenants recently housed in the Transitional Housing program who are being offered housing assistance or the Jail Re-Entry program.

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

During 2012 LDCHA continued to serve households that had previously entered the program through Homelessness Prevention and Rapid Re-Housing Program (HPRP) which ended in February of 2012. Case management remains one of the most vital stabilizing factors for these households. During 2012, 48 Transitional Housing households were assisted and four Jail-Re-Entry households were subsidized. Two Jail Re-Entry households and 28 Transitional Housing households transitioned successfully to traditional Section 8 Housing Choice Vouchers. In addition, 19 HUD VASH households were served through LDCHA and received services through this program and our employment initiatives.

Two applicants are receiving intensive Case Management. Additionally, plans are being put in place for the LDCHA Case Manager to assist residents of the Lawrence Community Homeless Shelter with their applications for housing assistance and we will continue our strong partnership with HUD VASH to provide additional services available through our other MTW initiatives.

C. 2012 Accomplishments under this Activity

Housing stabilization case management services reduced the number of lease and program violations incidents as well as reduced evictions, thereby breaking a cycle of lack of housing and/or housing instability.

Table 15 Activity 09-7 Metrics			
Metric	Baseline	Benchmark	Outcomes
Provide Case Management for households subsidized through	15 TH and 2 JRE households received intermittent case man-	At least 50% of TH households in the Plan year will receive case man-	35 or 73% of the Transitional Housing households received case management and additional ser-

City of Lawrence HOME Transitional Housing (TH) program and households participating in the MTW Jail Re-Entry (JRE) Initiative.	agement focused on maintaining housing in 2011.	agement (currently 27) and all JRE participants will receive case management focused on successfully maintaining housing.	VICES from the Resident Services Office. All Jail Re-Entry households had contact with the LDCHA Case Manager, in addition to the newly hired Douglas County Jail Case Managers.
Case Management will reduce lease violations and evictions in this subsidized population.	In 2010 there were 1 lease violation, 4 program violations & 4 evictions or terminations out of 35 Transitional or Re-Entry households.	A 20% reduction in the number of lease or program violations and evictions.	In 2012, 4 TH and 1 Jail Re-Entry households were evicted.
Number receiving case management who remain in stable housing	The number of households receiving case management in 2012	The number of the TH and JRE households that received case management still housed at fiscal year end.	During 2012, 28 TH households and 2 Jail-Re-Entry households transitioned to traditional Housing Choice Vouchers and remained stably housed.
All new TH or JRE applicants will have initial meeting with Housing Case Manager to establish long-term housing stabilization plan.	Zero. (Currently only applicants through HPRP establish a housing stabilization plan.)	100% of TH & JRE households will receive case management once an offer of housing is initiated.	All new Transitional Housing and Jail Re-Entry tenants receive an orientation given by the LDCHA case manager upon being offered housing. The LDCHA Case Manager is currently serving 7 TH households.
Number of applicants provided case management and referred to other support services or to landlord in the e-Housing database.	2010 - There were 3 e-Housing Connection participants.	No benchmark for Plan year - a benchmark will be established based on 2012 data.	2 applicants are receiving case management .

D. All but one of the benchmarks for the activity were met. The activity is deemed effective.

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

The metrics and benchmarks for this activity did not change in 2012 but will be changed for 2013 to reflect the reduced number of families being served through Transitional Housing due to funding cuts. LDCHA anticipates that the agency will still serve 50% of the households. LDCHA continues to serve those families who have moved to traditional Housing Choice Vouchers to promote successful tenancy and this will be added as a benchmark. LDCHA will continue to meet on a regular basis with case managers from other agencies who are working with applicants. Because the Douglas County Jail has added its own case managers, providing case management to the Jail Re-Entry participants was eliminated, but by providing an initial orientation meeting with an LDCHA case manager, contact and support was added. All applicants who are offered assistance and leased up will have an individual meeting with the LDCHA case manager.

F. Relationship of Activity to Statutory Objective:

This objective relates to statutory objective 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:

Attachment C: Section B.1. Single Fund Budget with Full Flexibility

This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 CFR 982, and 990 as necessary to implement the Agency's Annual MTW Plan.

b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act for the following activities:

Section B.1.b. iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with... activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants pursuant to this section.

Section B. 4 - Transitional/Conditional Housing Program. The agency may develop and adopt new short-term transitional housing programs consistent with the eligible use of Section 8 and 9 funds with supportive services...in collaboration with local community based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act... *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 CFR 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

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 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 Jail Re-Entry Program.

A. Describe each ongoing activity:

In January 2009 the LDCHA set aside funding for five 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 Jail 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. 2012 Accomplishments under this Activity:

At the end of 2012, 2 individuals were leased up in this program. A total of \$5,895 in monthly subsidy and \$1,275 in security deposits was paid on behalf of a total of 4 individuals over the Plan year.

Table 16 Activity 09-8 Metrics			
Metric	Baseline	Benchmark	Outcome
Number housed	0	Number housed	2012 - 4 housed during Plan year
Number achieving mainstream income or employment	0	50% participants achieving mainstream income / employment	<ul style="list-style-type: none"> • 1 - 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 2012 was 4. 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 is one referral in progress and Corrections staff report they do not have other appropriate prisoners to refer for housing at this time. Two Re-entry Program participants have successfully completed three years in the program and were given permanent housing vouchers. 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 and 2012.

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 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 CFR 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 HCV funds for this inmate re-entry activity in collaboration with the Sheriff's office.

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

A. Describe each ongoing activity:

Upon enter the MTW Demonstration the LDCHA combined its 592 units of the Section 8 HCV program and 210 units of family public housing program into one program called General Housing Assistance with a combined waiting list. By the end of 2012, 140 Preservation Vouchers were added to the General Housing Program. 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 HCV. 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. Households 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 enforce-

ment of Section 8 HCV 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. 2012 Accomplishments under this Activity:

Suitability Criteria

During 2012, 541 total 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 81 applicants from the waiting list were denied under the suitability criteria, 85 could not be processed because of incomplete or inconsistent information. Additionally 26 applicants from the waiting list did not complete the final application interview and were dropped.

General Housing Merged Waiting List

In 2012, 386 households were found eligible (which includes some applications submitted in 2011), 215 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 HCV. There were 326 applicants who 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.

On January 1, 2012, there were 260 households on the General Housing combined waiting list. During the year, 215 additional households were added to the list. Of the households on the General Housing waiting list, 317 offers of housing assistance were made during the Plan Year, 45 passed on two offers of assistance and were eventually dropped from the General Housing waiting list. Dur-

ing this period 145 housing vouchers were offered, 97 were issued Section 8 assistance, and 213 offers of public housing assistance were made. A total of 92 households from the General Housing waiting list entered into leases. Another 141 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 preservation vouchers and the Douglas County Prisoner Re-entry Program, for a total of 233 admissions to the General Housing program during 2012. Of this number 119 were MTW rent structure participating households, 63 moved into public housing units, and 170 leased using tenant-based housing vouchers.

D. One benchmark for this activity was met and one was not achieved. This activity is deemed effective.

The benchmark for this activity was reducing vacancy rate by measuring turnaround time and the 2012 occupancy rate for public housing and Section 8 HCV. There was an average occupancy rate of 98% for public housing and 100% for Section 8 HCV, which met the benchmark. The average unit turnaround was 25 days, which did not meet the benchmark. This is due to the fact that the vacancy days exempted for other reasons changed in the LDCHA 2012 MTW Plan due to the issuance of PIH Notice 2011-7. This baseline will be reset for 2013 at 25 days.

Table 17 Activity 99-1 Metrics			
Metric	Baseline	Benchmark	Outcomes
Reduce vacancy rate of public housing units by reducing average unit turnaround time	1999 - 23 days	Reduce unit turnaround time.	2012 - 25 days
Occupancy rate public housing and Section 8	1999 - Public Housing - 98% Section 8 - 104%	Yearly occupancy rate	2012 - 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 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 CFR 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 CFR 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 Structure

A. Describe each ongoing activity:

MTW Rent Structure

The LDCHA 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 apartment. 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 2012 the minimum and maximum rents for households in the MTW rent structure were:

Chart E 2012 Minimum-Maximum Rents		
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 2012 LDCHA approved portability for 14 LDCHA voucher holders, 5 under reasonable accommodation for a person with disabilities and 9 for employment. Households porting into the LDCHA's jurisdiction must participate in the MTW program.

Households that have an annual gross income that exceeds 50% of the Area Median Income (AMI) are offered an opportunity to join the homeownership program. Households that 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 households to leave the housing assistance program when a family's gross annual income reaches 100% AMI.

Households participating in Section 8 voucher 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 households. To provide consistency across the two types of housing assistance and to encourage higher income households, that are not interested in purchasing their own home, to move into the private rental market, thereby opening up units of affordable housing for households 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 participation 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 household 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 household may have a hardship rent reduction only once every 12 months.

If the household'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. 2012 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 477 households that participated in the MTW rent structure during the Plan Year: 174 in project-based units and 303 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

There are 174 public housing households included in this analysis: 68, or 39%, were at the minimum rent for their bedroom size; 58, or 33% were at the maximum rent. The remaining 48, or 28%, were paying a rent equal to 30% of their adjusted gross income as determined by MTW factors.

There were 82, or 47%, of the MTW households 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 \$42 more for a 1-bedroom household to a high of an average of \$79 more in monthly rent for a 4-bedroom.

There were 92 households, or 53%, of public housing participants paying a lower monthly rents under MTW than they would pay under the standard income-based formula rents. Their rents ranged from an average low of \$273 less in monthly rent for a 1-bedroom unit to an average high of \$249 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 except for 2-bedroom units. The differences are shown below:

Chart F MTW Rent vs Income-based Rent 1		
Bedroom Size	Avg. MTW Rent	Avg. Income-based Rent
1 Bedroom	\$ 333	\$ 476
2 Bedroom	\$ 316	\$ 299
3 Bedroom	\$ 400	\$ 435
4 Bedroom	\$ 429	\$ 544

Section 8 HCV

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 303 Section 8 households that participated in the MTW rent structure during the Plan Year. Of this number, 79 or 26%, were at the maximum rent for their unit size; 99 or 33%, were at the minimum rent; and 125, or 41%, were paying 30% of their monthly income for rent under the MTW rent formula. Eleven households were paying over the MTW maximum rent due to voucher payment standard overage being included in their rent. Thirteen (13) households paid a rent higher than the maximum rent for their bedroom size. The overage ranged from a low of \$4 more a month for a 3-bedroom unit to a high of \$305 more for a 3-bedroom unit.

Of the 303, 147 or 49%, were paying a higher monthly rent under MTW than they would pay under conventional income-based rent formula, 154 or 51%, paid lower monthly rents under the MTW formula and 2 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 all bedroom sizes except 3-bedroom units. It was higher in 3-bedroom units.

Chart G MTW Rent vs Income-based Rent 2		
Bedroom Size	Avg. MTW Rent	Avg. Income-based Rent
1 Bedroom	\$ 301	\$ 328
2 Bedroom	\$ 315	\$ 320
3 Bedroom	\$ 383	\$ 372
4 Bedroom	\$ 446	\$ 484

Changes in Gross Income of MTW Participating Households

Of the 477 families participating in the MTW rent structure in the 2012 Plan Year, 341 (72%) were also participants in 2011.

Public Housing MTW Participants

Of the 341 total continuing MTW participants, 132 (39%) were in public housing. Of this number 64 or 48% had an increase in gross household income; 46 or 35% had a decrease in household income and 22 or 17% experienced no change in household income. Of the 64 households that had an increase in household income, the average increase was \$9,374 per household. This average increase was \$1,700 more per household than the previous year. Of the 46 who experienced a decrease the average decrease was \$5,919 per household. This average loss is \$3,163 less per household than for the same population in the previous year.

Tenant-Based Rent Assistance MTW Participants

Of the 341 total continuing MTW participants, 209 or 61% were Section 8 tenant-based voucher participants. Of this number 103, or 49%, had an increase in household income, 72 or 34%, had a decrease in household income and 34 or 16%, experienced no change in household income. Of the 103 households that had an income increase, the average increase was \$7,889 per household. This is \$269 more per household than the previous year. Of the 72 who experienced a decrease, the average decrease in household income was \$7,515. This loss is \$798 less than the previous year.

For both public housing and Section 8 participants in the MTW rent structure the change in household income was taken between 2011 and 2012.

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 through 2012. 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 households during 2012 that took advantage of an interim MTW rent change to return to school.

Maximum Rent Households

There were a total of 137 households at maximum rent for their bedroom size for both public housing and Section 8 TBRA participants. This equals 29% of the MTW participants.

Discretionary Exceptions

During 2012, 40 discretionary exemptions from the rent structure and work requirement were granted, 9 in public housing and 31 in Section 8, including 12

conversion vouchers that could not have MTW flexibilities applied to them during 2012.

Table 18 Activity 99-2 Metrics								
METRIC Avg Gross Income / Participants / Homeownership	MTW YEAR	AVG GROSS INCOME	AVG TENANT RENT	AVG HAP TO OWNER	AVG CONTRACT RENT	AVG FAMILY SIZE	MTW RENT PARTICIPANTS	HOME-OWNERSHIP
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
	2011 YR 12	19,793	355	513	870	3	411	3
OUTCOME	2012 YR 13	21,060	376	350	590	3	477	8
	OVERALL AVERAGE	19,256	334	401	764	3	443	5

Re-Examinations of Annual Rent

During 2012, 11 households, five in public housing and six in Section 8, were granted rent recalculations under the Annual Rent requirement and were recertified to a lower rent because of death, divorce, or where a countable income producing adult child left the household. Another two households were recertified to lower rents because they lost employment income to return to school.

Another 20 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 33 re-examinations outside the annual rent policy.

Hardships

During 2012, 32 hardships were requested and 21 hardships were granted, 11 from public housing and 10 from Section 8. Twenty of the hardships were granted for loss of employment and one for medical reasons. A household may re-

main 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 2012, five MTW households were terminated for failure to pay rent, all in public housing. There were no terminations for failure to pay rent in the Section 8 program.

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 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 CFR 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 CFR 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 CFR 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 CFR 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 CFR 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 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 a termination action begins. Termination actions are handled 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. These senior status households may voluntarily 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 households to work in order to maintain their housing assistance.

C. 2012 Accomplishments under this Activity:

Of the 477 households that participated in the MTW program during the Plan Year there were 50 work requirement enforcement actions: 38 were in Section 8 and 12 in public housing. All households came into compliance.

Of the 477 households, 106 were working full-time and 363 were working part-time.

During the Plan Year, 77 or (16%) 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.

Table 19 Activity 99-3 Metrics			
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	2012 - 100% <ul style="list-style-type: none"> • 106 worked full time • 363 worked part time • 77 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 CFR 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 CFR 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 CFR 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 CFR 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 CFR 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

2012 Consolidated Revenues and Expenditure

The Consolidated Revenues and Expenditures lists all the sources of funds that the agency received in 2012. These sources remain unchanged over previous years. For ongoing previously approved HUD ROSS grants, only the 2012 allocations for multi-year grants are presented.

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

Administrative and Management Salaries includes 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 includes the cost of insurance, PILOT, collection losses.

Pine Tree Vouchers In 2011 the agency was awarded 140 Tenant Protection Vouchers. These vouchers were renewed and for part of the year were included in the agency's ACC. 34 were added on April 1, and the remaining 106 on August 1, 2012. The amount in Non-MTW Revenues represents the funds utilized for these vouchers prior to them being added to LDCHA's ACC.

Resident and Social Services includes 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 2012 for the intended purposes of the specific federal, state, local and resident services programs even though it operated the Public Housing, Section 8 HCV, 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 2012. 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 HCV 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 2012 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.

2012 Consolidated Revenues and Expenditures

2012 Consolidated Revenues: January - December 2012

A. Sources of Funds (MTW Revenues)	Planned	Actual
Public Housing Operating Subsidy	749,554	499,917
Public Housing Rental Income	1,223,830	1,241,597
Capital Fund	541,887	485,662
Public Housing Investment Income	12,230	7,840
Public Housing Other Income – Cell Tower/Laundry/Bus/Operations	107,850	132,571
Public Housing Non Dwelling Rent	400	400
Public Housing Other Income – Late Fees/Damages/Work Orders	35,000	33,008
Section 8 Housing Choice Voucher Funding Allocation	4,038,770	4,558,828
Section 8 Housing Choice Voucher Interest Income	10,914	8,043
Section 8 Housing Choice Voucher Fraud Recovery	0	696
Section 8 Housing Choice Voucher - Administrative Fees (Portables & HOME TBRA Management Fees)	2,000	16,037
MTW Historical Reserves and 2012 HCV Allocation Reserves	319,790	0
TOTAL MTW REVENUES:	7,042,225	6,984,599
B. Sources of Funds (Non-MTW Revenues) State, Local, and other HUD Grants	Planned	Actual
HUD Resident Services Grants (HCV/FSS; State & Local Grants)	208,733	296,162
Section 8 Multi Family Operating Subsidy and Rental Income	368,438	388,579
Section 8 Multi Family Investment Income	850	351
Section 8 Multi Family Other Income – Vending, Laundry	3,600	4,391
Section 8 Multi Family Other Income – Tenant Late Fees/Damages	1,300	6,747
HOME Investment Partnership Program TBRA	392,941	224,850
HOME Investment Partnership Program TBRA Interest Income	379	192
COC; Permanent Supportive Housing	100,796	87,729
COC; Permanent Supportive Housing Tenant Rental Income	5,000	1,895
COC; Permanent Supportive Housing Work Order Charges/Damages	0	0
COC; Permanent Supportive Housing LDCHA Match Requirement	0	13,067
Component Unit: Peterson Acres II Tenant Rental Income	43,650	50,942
Component Unit: Peterson Acres II Investment Income	250	142
Component Unit: Peterson Acres II Tenant Late Fees/Damages	300	740
Building Independence III (Baldwin)	0	20,588
Homelessness Prevention & Rapid Re-Housing (HPRP)	0	37,735
Douglas County Housing, Inc. Local Grants	0	5,850
Pine Tree Vouchers	0	470,228
TOTAL NON MTW REVENUES:	1,126,237	1,610,188
TOTAL REVENUES ALL SOURCES:	8,168,462	8,594,987

2012 Consolidated Expenditures: January - December 2012

A. Uses of Funds (MTW Expenditures)	Planned	Actual
Administration & Management Salaries	894,496	967,477
Employee Benefits	269,687	283,913
Auditing Fees	9,450	10,160
Other Operating – Administrative	318,750	246,163
General Expenses	247,730	267,132
Utilities	322,000	256,538
Protective Services	12,400	13,056
Resident & Social Services	117,830	107,170
Ordinary Maintenance & Operations (Labor)	443,100	443,905
Maintenance Materials & Other Operations	72,000	83,745
Maintenance Contract Costs	39,250	29,775
Extraordinary Maintenance/Capital Improvements/Equip	340,319	311,313
Debt Service/Replacement Reserve	0	0
HAP/Leasing	3,084,507	3,602,213
2012 MTW Initiatives (Continued)	257,260	226,028
2012 MTW Initiatives (New & Re-Proposed Initiative)	62,630	17,152
TOTAL MTW EXPENDITURES:	6,491,409	6,865,740
B. Uses of Funds (Non-MTW Expenditures) State, Local, and other HUD Grants	Planned	Actual
Administration & Management Salaries	262,430	355,771
Employee Benefits	67,196	79,286
Auditing Fees	1,470	720
Other Operating – Administrative	32,092	48,136
General Expenses	21,660	111,608
Utilities	34,450	33,534
Protective Services	0	6,848
Resident & Social Services	57,316	66,513
Ordinary Maintenance & Operations (Labor)	43,580	44,910
Maintenance Materials & Other Operations	10,160	10,429
Maintenance Contract Costs	8,380	10,663
Extraordinary Maintenance/Capital Improvements/Equipment	41,700	43,804
Debt Service/Replacement Reserve	15,000	0
HAP/Leasing	389,006	552,620
TOTAL NON MTW EXPENDITURES:	984,440	1,364,842
TOTAL EXPENDITURES ALL SOURCES:	7,475,849	8,230,582

2012 Moving To Work Revenues and Expenditures

All public housing and Section 8 units (1101 combined) are in the MTW program. Of this number 956 units comprised the General Housing Program which was created under the MTW program. Of this number 477 households participated in the MTW alternative rent structure and work requirement during 2012. The consolidated MTW budget includes the costs associated with the public housing, Section 8 HCV programs, the Capital Fund Program and the specific new 2012 MTW initiatives.

MTW Funds

Sources of Funds	Planned	Actual
Public Housing Operating Subsidy	749,554	499,917
Public Housing Other Income	155,080	173,819
Public Housing Rental Income	1,224,230	1,241,597
Section 8 HCV Allocation	4,038,770	4,558,828
Section 8 HCV Other Income	12,914	24,776
Capital Fund	541,887	485,662
MTW Reserves (Historical/Current Year Reserves) *	319,790	0
Source of Funds Totals	7,042,225	6,984,599
Uses of Funds	Planned	Actual
<i>Previously Approved Initiatives</i>		
09-1 Acquisition / Development		
<i>Total</i>	0	5,500
09-2 Expand Resident Services		
09-3 Expand Case Management Services to MTW Households		
09-5 Homeownership Matching Grant		
10-2 Expand Employment Related Services to MTW Households		
11-1 Vehicle Repair Program		
<i>Total</i>	154,530	133,106
09-8 Douglas County Prisoner Re-Entry		
<i>Total</i>	25,240	9,059
10-3 Energy Performance Contract		
<i>Total</i>	0	100
11-2 Douglas County Housing, Inc		
<i>Total</i>	77,490	78,263
Public Housing Operating	1,999,122	1,816,822
Housing Choice Voucher	3,630,510	4,297,715
<i>Subtotal for all above</i>	5,886,892	6,340,565
12-1 New 2012 Initiative: Re-proposed "Homeless to Housed"		
<i>Total</i>	62,630	17,152
2012 Capital Fund **	541,887	508,023
Use of Funds Totals	6,491,409	6,865,740

* The MTW Historical Reserves & 2012 HCV Allocation Reserves were deleted to correct a prior year reporting error. Previously approved and re-proposed initiatives under the following MTW initiatives (09-2, 09-3, 09-5, 09-8, 10-2, 11-1 and 11-2 were all funded under HUD'S 2012 Section 8 HCV current year allocation. Thus we were double counting as planned revenue under sources of funds.

** Includes expenditures made under 2010, 2011, and 2012 Capital Fund Grants.

A. Single Fund MTW Budget with Full Flexibility

2012 SOURCE OF FUNDS - ACTUAL										
Initiative Number	Operating	Capital Fund	HCV	09-1 Acquisition/ Develop- ment	09-2, 09-3, 09-5, 10-2, 11-1 Resident Services	09-7 Homeless to Housed	09-8 Douglas County Prisoner Re-Entry	10-3 Energy Perfor- mance Contract	11-2 Douglas County Housing Inc.	Single Fund Budget Totals
Federal Grants & Subsidy	499,917	485,662	4,558,828	0	0	0	0	0	0	5,544,407
Tenant Revenue	1,241,597	0	0	0	0	0	0	0	0	1,241,597
Investment Income	7,840	0	8,043	0	0	0	0	0	0	15,883
Other Income	132,571	0	16,733	0	0	0	0	0	0	149,304
Non-Dwelling Rent	400	0	0	0	0	0	0	0	0	400
Other Income (Tenant Damages/ Late Fees)	33,008	0	0	0	0	0	0	0	0	33,008
MTW Historical Reserves/2012 HCV Allocation	0	0	0	0	0	0	0	0	0	0
2012 Source of Fund Totals:	1,915,333	485,662	4,583,604	0	0	0	0	0	0	6,984,599

2012 USE OF FUNDS - ACTUAL										
Administration & Management Salaries	395,894	66,951	504,632	0	50,293	11,234	0	0	45,938	1,074,942
Employee Benefits	172,985	12,205	98,723	0	10,573	2,043	0	0	9,441	305,970
Auditing Fees	3,770	0	6,390	0	0	0	0	0	0	10,160
Other Operating Administrative	53,954	126,295	65,914	0	7,789	2,168	220	100	2,175	258,615
General Expenses	254,842	1,951	10,339	0	0	0	0	0	0	267,132
Utilities	256,538	0	0	0	0	0	0	0	0	256,538
Protective Services	13,056	0	0	0	0	0	0	0	0	13,056
Resident & Social Services	104,287	0	2,883	0	64,451	1,707	0	0	20,709	194,037
Ordinary Maintenance & Operations (Labor)	443,905	0	0	0	0	0	0	0	0	443,905
Maintenance Materials & Other Operations	83,745	0	0	0	0	0	0	0	0	83,745
Maintenance Contract Costs	29,775	0	0	0	0	0	0	0	0	29,775
Extraordinary Maintenance / Capital Improvements	4,071	300,621	6,621	0	0	0	0	0	0	311,313
Debt Service / Replacement Reserve	0	0	0	0	0	0	0	0	0	0
HAP / Leasing	0	0	3,602,213	0	0	0	8,839	0	0	3,611,052
Development	0	0	0	5,500	0	0	0	0	0	5,500

2012 Use of Funds Totals	1,816,822	508,023	4,297,715	5,500	133,106	17,152	9,059	100	78,263	6,865,740
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B. Non-MTW Budget: State and Local Funds and other HUD Grants

2012 SOURCE OF FUNDS - ACTUAL											
	PHSG/ HCV ROSS Federal / Local Grants	Section 8 Multi-Family	Pine Tree Vouchers	City HOME	State HOME	Continuum of Care	Component Unit Peter- son Acres II	Building Indepen- dence III	HPRP ARRA Stimulus	Douglas County Housing Inc.	Non-MTW Budget Totals
Federal Grant/Subsidy	296,162	245,256	470,228	0	0	87,729	0	15,502	0	0	1,114,877
State Grants	0	0	0	135,184	89,666	0	0	0	37,735	0	262,585
Local Grants	0	0	0	0	0	0	0	0	0	0	0
Private Donations	0	0	0	0	0	0	0	0	0	5,850	5,850
Tenant Revenue	0	143,323	0	0	0	1,895	50,942	3,585	0	0	199,745
Other Income (LDCHA Match Requirement)	0	0	0	0	0	13,067	0	0	0	0	13,067
Interest Income	0	351	0	192	0	0	142	33	0	0	718
Other Income (Laundry Revenue)	0	4,391	0	0	0	0	0	0	0	0	4,391
Other Income (Tenant Damage/Late Fees)	0	6,747	0	0	0	0	740	1,468	0	0	8,955
2012 Source of Funds Totals	296,162	400,068	470,228	135,376	89,666	102,691	51,824	20,588	37,735	5,850	1,610,188

2012 USE OF FUNDS - ACTUAL											
Administration & Management Salaries	245,311	61,624	0	0	0	35,844	3,215	0	9,777	0	355,771
Employee Benefits	50,945	19,140	0	0	0	5,631	871	151	2,548	0	79,286
Auditing Fees	0	550	0	0	0	0	110	0	60	0	720
Other Operating Administrative	6,661	8,119	2,025	15,000	4,280	4,624	1,223	5,287	917	0	48,136
General Expenses	0	91,207	0	0	0	0	2,492	17,909	0	0	111,608
Utilities	0	33,314	0	0	0	0	0	220	0	0	33,534
Protective Services	0	6,848	0	0	0	0	0	0	0	0	6,848
Resident & Social Services	26,304	1,092	0	0	0	19,312	0	0	0	19,805	66,513
Ordinary Maintenance & Operations (Labor)	0	42,548	0	0	0	0	1,388	974	0	0	44,910
Maintenance Materials & Other Operations	0	9,761	0	0	0	0	419	249	0	0	10,429
Maintenance Contract Costs	0	6,718	0	0	0	0	2,212	1,733	0	0	10,663
Extraordinary Mtncce/Capital Improvements	0	40,445	0	0	0	0	885	2,474	0	0	43,804
Debt Service / Replacement Reserve	0	0	0	0	0	0	0	0	0	0	0

HAP / Leasing	0	0	208,486	184,526	100,248	34,927	0	0	24,433	0	552,620
Development	0	0	0	0	0	0	0	0	0	0	0
2012 Use of Funds Totals	329,221	321,366	210,511	199,526	104,528	100,338	12,815	28,997	37,735	19,805	1,364,842

C. Central Office Cost Center

Not applicable. LDCHA has 369 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 will also make 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 households, 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 had no corrections to perform in 2012.

B. Results of Agency-Directed MTW Demonstration Evaluations

The LDCHA does not currently have any agency directed evaluation of the MTW Demonstration.

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 2012 Annual Plan Statement and are not presented in this document.

D. Certification that LDCHA has Met Statutory Requirements

The Certification of Compliance with the Statutory Requirements is attached.