

**Commonwealth of Massachusetts
Department of Housing & Community Development**

**Moving To Work Program
Annual Report for Fiscal Year 2011**

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Table of Contents

I. Introduction	1
Overview.....	2
II. General Operating Information	4
A. Housing Stock	4
B. Leasing Information – Planned vs. Actual	11
C. Waiting List Information.....	17
III. Non-MTW Information	19
Sources and Uses of Non-MTW Funds	19
Description of Non-MTW Activities	19
IV. Long Term MTW Plan	21
V. Proposed MTW Activities	23
VI. Ongoing MTW Activities	30
Description and Updates on Ongoing MTW Activities.....	30
VII. Sources and Uses of Funding	43
VIII. Administrative Requirements	44

I. Introduction

On June 19, 2008, the Massachusetts Department of Housing and Community Development (DHCD) entered into an Amended and Restated Moving To Work Agreement (MTW Agreement) with the US Department of Housing and Urban Development (HUD) applicable to DHCD's Housing Choice Voucher Program (HCVP). MTW is a demonstration program authorized by Congress, through which participating agencies are given the flexibility to waive certain statutes and HUD regulations in order to design and test approaches for providing housing assistance that:

- 1) Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- 2) Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
- 3) Increase housing choices for low-income families.

The three objectives listed above are referred to as "MTW statutory objectives".

Through an earlier agreement between HUD and DHCD, DHCD has been a participant in the MTW program since 1999. From 1999 to 2008, the scope of DHCD's MTW participation was limited to a small program that provided a financial assistance package of rent and stipends to participating low-income families. The program, which is ongoing, involves up to 183 families and is administered in the Boston area (61 families) by Metropolitan Boston Housing Partnership and in south Worcester County (122 families) by RCAP Solutions, Inc¹.

The 2008 MTW Agreement replaces the earlier agreement between HUD and DHCD. It provides DHCD with the flexibility to test new approaches to HCVP consistent with the MTW statutory objectives, and to expand the MTW demonstration to include all tenant-based Housing Choice Vouchers administered by DHCD with certain exceptions. Those exceptions are vouchers funded under the 2008 Veterans Affairs Supportive Housing (VASH), Five-Year Mainstream, Family Unification and Moderate Rehab programs - all of which are not covered under the Block Grant funding component of the MTW Agreement. While these special purpose vouchers are not included in MTW Block Grant funding, MTW operating flexibility may be applied to them in accordance with HUD's published guidance.

Under the terms of the MTW Agreement, DHCD is required to prepare and submit to HUD an MTW Annual Plan and Annual Report. The required form and content of the Annual Plan and Report are defined by HUD in HUD Form 50900 "Elements for the Annual MTW Plan and Annual MTW Report". For purposes of this document and the required submission to HUD, an "MTW activity" is defined as any activity that requires MTW flexibility to waive statutory or regulatory requirements.

¹ DHCD subcontracts with eight regional administering agencies (RAA) and one local housing authority to administer its portfolio of vouchers, assuring that all 351 cities and towns in Massachusetts are served by its HCVP.

This document is DHCD's MTW Annual Report for Fiscal Year 2011, i.e. the period from July 1, 2010 through June 30, 2011. The Annual Report focuses primarily on describing the outcomes of existing approved and implemented "MTW activities".

Overview

During Fiscal Year 2011, DHCD undertook a range of MTW-related and other activities in the Housing Choice Voucher Program summarized as follows:

- As of June 30, 2011, DHCD subsidized a total of 19,072 housing units for extremely and very low-income households through its existing network of RAAs, which represents a 98% utilization rate.
- DHCD conducted extensive start up planning activities to prepare for the January 2012 implementation of biennial recertifications. Over the course of the Plan year, DHCD decided – and obtained HUD approval in the FY 2012 Annual Plan - to expand the biennial recertification initiative to cover all households. Forms and procedures were developed, and training related to the implementation of biennial recertification for all households has already begun.
- The existing, small-scale MTW demonstration activities currently administered in the Boston area by Metropolitan Boston Housing Partnership and in south Worcester County by RCAP Solutions, Inc. continued during FY 2011. In FY 2011, the program supported a total of 211 participants, and graduated 37 families. Although the state of the economy had a negative effect on the ability of many participants to find or maintain employment, the program was successful in increasing the average income of some participants and in preventing homelessness for others.
- Work progressed on DHCD's initiative to transition waiting list intake and management functions to Project Based Voucher (PBV) development owners. Owner policies and procedures were developed and focus groups were conducted with management companies which currently oversee PBV units. Further implementation activities are planned in FY 2012.
- The Landlord Incentive Fund, which was implemented in Berkshire Housing Development Corporation's jurisdiction in FY 2010, continued during FY 2011. The program is designed to provide incentives to landlords in support of DHCD and Commonwealth goals including: attracting new owners to the program; expanding housing opportunities in underserved areas; improving the quality of housing units under lease; and, increasing the number of units accessible to households with disabled members. As of June 30th 2011, twenty-three housing units and fourteen owners had participated in the program.
- DHCD's initiative to implement an MTW pilot program to extend the current eighteen-month time limit for youth aging out of foster care participating in the Family Unification Program (FUP) is ongoing. During FY 2011, DHCD and the Department of Children and

Families (DCF) met regularly to plan and implement this program. DHCD developed an Administrative Plan and drafted a Memorandum of Understanding between DHCD and DCF to govern program operations. Program implementation is expected to begin in FY 2012.

- DHCD continued to meet the income targeting requirements for the HCVP established under regulation and through the MTW Agreement. This included assuring that 75% of all applicants selected for assistance were extremely low income, i.e. had incomes that do not exceed 30% of area median income, and that 75% of all participants were very low income, i.e. had incomes that do not exceed 50% of area median income.

Program initiatives that required MTW flexibility to implement are more fully described in Chapter V and VI. Non-MTW initiatives are summarized in Chapter III. DHCD continued to implement the MTW and Non-MTW initiatives proposed in the FY2011 Plan, and as appropriate, the changes have been incorporated into the revised HCV Administrative Plan.

II. General Operating Information

A. Housing Stock

As of June 30, 2011, DHCD was allocated a total of 19,462 vouchers. This represents an increase of 193 vouchers over the prior fiscal year. The increase resulted from an award of 193 Tenant Protection vouchers for Meadowbrook with an ACC effective date of 1/1/2011. DHCD was also awarded 25 additional VASH vouchers with an ACC effective date of 10/1/2010 and 32 Project Based VASH vouchers for which HUD has not yet established an ACC effective date. Because the Project Based VASH allocation was not effective during the Plan year, it was not included in Table 1 or 4 below.

Table 1 indicates both MTW and non-MTW vouchers by category. DHCD does not administer any federally funded public housing. Note that HCV Tenant Based allocation includes units that have been designated by DHCD as Project Based Vouchers (PBV). Additional information on PBV developments, including those project-based during the Plan year, is included in Tables 2 and 5. A total of 932 HCV units were project-based during the Plan year.

Table 1: Vouchers Allocated

	Vouchers Allocated as of 6/30/10	Vouchers Allocated as of 6/30/11
MTW		
HCV Tenant Based*	18,871	18,927
MTW Sub-Total	18,871	18,927
Non-MTW		
FUP 09**	87	87
VASH	180	205
Five Year Mainstream	75	75
Enhanced Vouchers***	56	193
Non-MTW Sub-Total	398	560
TOTAL ALL PROGRAMS	19,269	19,487

*Tenant-based voucher inventory increased through transfer of 56 enhanced vouchers to MTW consistent with the MTW Agreement and HUD guidance.

** DHCD will apply MTW operating flexibility to FUP 09; however, because these are special purpose vouchers which are not fungible under the MTW Block Grant, they are listed in the Non-MTW category.

*** Will be transferred into MTW category as of 1/1/12 consistent with the MTW Agreement and HUD guidance.

Table 2: PBV Developments Under HAP for FY 2011

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description		Total PBVs
								Homeless Individuals	Supp. Services	
HAC	885C State Highway	Eastham	N/A	9/1/2002	9/30/2012		1			1
HAP	451-459 Main St	Holyoke	N/A	10/7/2002	10/6/2012		12			12
MBHP	32 Kent Street 1129	Somerville	N/A	11/1/2002	10/31/2012	2	6			8
MBHP	Dorchester Ave	Dorchester	N/A	11/19/2002	10/31/2012	6	2			8
MBHP	14 - 24 Roach St	Dorchester	N/A	11/19/2002	10/31/2012		8			8
MBHP	1285 -1291 Mass Ave	Dorchester	N/A	11/19/2002	10/31/2012		4			4
BHDC	YMCA	Pittsfield	N/A	12/16/2002	12/15/2012	28		2		30
RCAP	220 Orchard Hill Dr	Oxford	N/A	1/1/2003	12/31/2012	8	17			25
HAP	342-346 Main & 76 Cabot St	Holyoke	N/A	1/21/2003	1/20/2013		15			15
MBHP	48 Water St 979 Falmouth Rd	Wakefield	N/A	4/1/2003	3/31/2013			6		6
HAC	Founders Court	Hyannis	N/A	4/18/2003	4/17/2013		2			2
BHDC	140 East St	Great Barrington	N/A	5/1/2003	4/30/2013	2				2
CTI	Twelve Summer St	Man.by the Sea	N/A	5/1/2003	4/30/2013		4			4
MBHP	430-436 Dudley St	Roxbury	N/A	8/1/2003	7/31/2013			3		3
MBHP	28 Mount Pleasant St 1202	Roxbury	N/A	8/1/2003	7/31/2013			2		2
MBHP	Commonwealth Ave	Allston	N/A	8/1/2003	7/31/2013			6		6
HAP	Westfield Hotel	Westfield	9/1/2002	9/1/2003	8/31/2013				5	5
MBHP	82 Green St	Jamaica Plain	N/A	9/1/2003	8/31/2013			10		10
MBHP	Russell Terrace	Arlington	N/A	10/1/2003	9/30/2013			2		2
MBHP	4-6 Ashland St	Medford	N/A	10/1/2003	9/30/2013			3		3
MBHP	19 Hancock St	Everett	N/A	10/1/2003	9/30/2013			3		3
MBHP	1740 Washington St	Boston	N/A	10/10/2003	9/30/2013			8		8
HAC	32 Old Ann Page Way	Provincetown	N/A	11/1/2003	10/31/2013	1	1			2

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Description			
							Family	Homeless Individuals	Supp. Services	Total PBVs
CTI	Salem Heights (Pope St)	Salem	N/A	12/1/2003	11/30/2013		72			72
CTI	Reviviendo	Lawrence	N/A	12/30/2003	11/30/2013			3		3
HAC	40A Nelson Ave	Provincetown	N/A	2/2/2005	1/1/2015		3			3
HAC	58 Harry Kemp Way	Provincetown	N/A	4/1/2005	3/31/2015		4			4
HAP	Hillside Village	Ware	N/A	4/28/2005	4/27/2015		16			16
SMOC	The Preserve Boston YWCA 140	Walpole	N/A	6/1/2005	5/31/2015		30			30
MBHP	Clarendon St	Boston	N/A	7/14/2005	6/30/2015			20		20
CTI	Conant Village	Danvers	N/A	10/1/2005	9/30/2015		15			15
MBHP	Zelma Lacey Mishawum	Charlestown	N/A	11/1/2005	10/31/2015				20	20
MBHP	Marshall Place Apts	Watertown	N/A	11/17/2005	10/31/2015	8				8
SMOC	Bethany School Apts	Framingham	N/A	12/1/2005	1/30/2015		10			10
SSHDC	Acushnet Commons	New Bedford	N/A	12/19/2005	12/18/2015		3			3
CTI	Stonybrook	Westford	12/30/2004	1/6/2006	12/31/2016		4			4
HAP	Westhampton Senior	Westhampton	N/A	2/1/2006	1/31/2016	3				3
MBHP	Amory St	Roxbury	N/A	2/1/2006	1/31/2016		10			10
SSHDC	Westport Village Apts.	Westport	N/A	2/1/2006	1/31/2016	12				12
MBHP	Pelham House Ruggles Assisted Living	Newton	N/A	3/1/2006	2/28/2016	3				3
MBHP		Roxbury	N/A	3/1/2006	2/28/2016				35	35
CTI	Winter Street	Haverhill	9/13/2005	9/1/2006	8/31/2016	13				13
HAP	Paradise Pond Apts Harbor Cove '63	Northampton	N/A	12/8/2006	12/7/2016		8			8
MBHP	Washington Ave.	Chelsea	8/31/2005	12/21/2006	11/30/2016				24	24
HAP	Earle Street The Moorings Squantum	Northampton	11/28/2005	1/1/2007	12/31/2017		3		12	15
MBHP	Gardens Cordovan at Haverhill Station	Quincy	12/20/2005	3/7/2007	2/28/2017	39				39
CTI		Haverhill	2/10/2006	3/26/2007	3/25/2017		8			8

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Description				
						Elderly or Disabled	Family	Homeless Individuals	Supp. Services	Total PBVs
CTI	Fina House	Lawrence	N/A	4/1/2007	3/31/2017		7			7
CTI	Whipple School Annex	Ipswich	2/6/2006	4/1/2007	3/31/2017	8				8
HAP	Village at Hospital Hill	Northampton	N/A	4/13/2007	4/12/2017	8				8
MBHP	Casa Familias Unidas	Roxbury	6/9/2006	5/14/2007	4/30/2017				8	8
MBHP	Four Addresses in Arlington Morgan Woods Pennywise Path	Arlington	N/A	6/25/2007	5/31/2012		4			4
HAC		Edgartown	6/12/2006	8/1/2007	7/31/2017		6			6
SMOC	Baker St Layfayette Housing Salem Point Rentals	Foxboro	8/16/2006	8/1/2007	7/31/2017		20			20
CTI		Salem	N/A	8/15/2007	8/14/2017		8			8
SSHDC	Bliss School	Attleboro	N/A	9/1/2007	8/31/2017		8			8
MBHP	Janus Highlands	Chelsea	8/4/2006	11/1/2007	10/31/2017		8			8
BHDC	Pine Woods	Stockbridge	N/A	2/1/2008	1/31/2013	3	2			5
MBHP	TILL Building	Chelsea	5/26/2006	5/1/2008	4/30/2018		5			5
CTI	St Joseph's Apts	Lowell	8/1/2007	8/1/2008	7/31/2018		4			4
MBHP	Grandfamilies	Roxbury	N/A	9/1/2008	8/31/2018				8	8
CTI	Sirk Bld	Lowell	N/A	11/1/2008	10/31/2018		8			8
HAP	Prospect Hill	Westfield	11/15/2007	1/1/2009	12/31/2019		4			4
RCAP	9 May Street	Worcester	9/20/2007	1/30/2009	1/29/2024	5	3			8
HAP	46-48 School St	Northampton	9/14/2007	2/1/2009	1/31/2019		2			2
MBHP	Doe House	Mission Hill	N/A	2/1/2009	1/31/2019			5		5
RCAP	5 Benefit St	Worcester	N/A	2/10/2009	2/9/2024		4			4
HAP	Village at Hospital Hill II	Northampton	3/20/2008	2/11/2009	2/10/2019	8				8
CTI	48-54 Middlesex St Salem Point LP (Harbor, Ward, Peabody)	Lowell	N/A	3/1/2009	2/29/2018		6			6
CTI		Salem	N/A	3/10/2009	3/9/2019		7			7

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Description				
						Elderly or Disabled	Family	Homeless Individuals	Supp. Services	Total PBVs
HAP	Sanford Apts	Westfield	1/7/2008	3/10/2009	3/9/2019		2		3	5
MBHP	The Coolidge Barnstable Senior Lombard Farm	Watertown	11/27/2007	3/30/2009	3/29/2019	4				4
HAC	Loring Towers (Loring Ave) Barnstable Family Kimber Woods	W. Barnstable	3/12/2008	5/15/2009	5/14/2024	8				8
CTI	Granite St Housing	Salem	N/A	7/1/2009	6/30/2019		8			8
HAC	High Rock Homes Kensington Court @ Lakeville	W. Barnstable	3/12/2008	7/1/2009	6/30/2025		7			7
MBHP	St. Polycarp	Quincy	7/25/2008	7/1/2009	6/30/2019				5	5
MBHP	St. Polycarp	Somerville	1/2/2008	7/1/2009	6/30/2019	2	6			8
SMOC	High Rock Homes Kensington Court @ Lakeville	Needham	N/A	7/1/2009	6/30/2024		8			8
SSHDC	Hillside Avenue	Lakeville	7/30/2007	7/7/2009	7/6/2024		8			8
BHDC	470 Main St Spencer Green 113 Spencer Ave	Gt. Barrington	3/18/2008	7/13/2009	7/12/2024	2	3			5
RCAP	Residences at Canal Bluff	Fitchburg	1/30/2008	7/24/2009	7/23/2024	2	5			7
MBHP	109 Gilman St	Chelsea	3/3/2008	7/31/2009	7/30/2019	2	6			8
HAC	447 Concord Road	Bourne	6/23/2008	8/3/2009	8/2/2024		3			3
MBHP	*Wilber School	Somerville	N/A	10/1/2009	9/30/2019		1			1
MBHP	*Palmer Cove (Palmer St)	Bedford	1/7/2008	12/1/2009	11/30/2024		4			4
SMOC	*1-7 Piedmont St	Sharon	10/7/2008	3/15/2010	3/14/2025		8			8
CTI	*Capen Court	Salem	N/A	3/18/2010	3/17/2025	3	1		2	6
RCAP	*Hayes Building *Reed House Annex at 182 Main St. *1060 Belmont Street	Worcester	12/5/2008	5/7/2010	5/6/2025	3				3
MBHP	*Main St Ext.- Thankful Chase Path	Somerville	10/23/2008	6/1/2010	5/31/2025	8				8
CTI		Haverhill	7/1/2009	10/1/2010	9/30/2025	3	1			4
HAP		Westfield	9/15/2009	11/3/2010	11/2/2025				8	8
MBHP		Watertown	6/1/2009	11/18/2010	11/17/2025	2	5			7
HAC		Harwich	2/1/2010	12/1/2010	11/30/2025	2	3			5

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Description				
						Elderly or Disabled	Family	Homeless Individuals	Supp. Services	Total PBVs
CTI	*Sacred Heart	Lawrence	12/16/2009	1/1/2011	12/31/2026	8				8
SSHDC	*Village at 815 Main	Wareham	10/19/2008	1/1/2011	12/31/2026		5			5
CTI	*Acre High school Apts.	Lowell	2/1/2010	2/7/2011	2/6/2026	3	5			8
RCAP	*Tritown Landing I	Lunenburg	2/5/2010	2/14/2011	2/13/2026		8			8
CTI	*Saunders School Apartments	Lawrence	6/15/2010	3/1/2011	2/28/2026				16	16
MBHP	*Spencer Row 205-221 Spencer Ave	Chelsea	11/23/2009	3/1/2011	2/28/2026	3	5			8
SMOC	*Cutler Heights	Holliston	1/15/2010	3/15/2011	3/14/2026	3	4			7
CTI	*Cabot St Homes	Beverly	9/21/2009	4/1/2011	3/31/2026	8				8
SSHDC	*Ocean Shores	Marshfield	2/2/2010	4/1/2011	3/31/2026	8				8
RCAP	*Freedom Village	W. Boylston	8/7/2008	4/29/2011	4/28/2026	2	4			6
RCAP	*Southgate Place	Worcester	3/15/2010	6/17/2011	6/16/2026	3	3			6
TOTALS						236	477	73	146	932

Indicates PBV developments placed under HAP contract for the first time in FY2011

In addition to the more than 19,000 households served through the Housing Choice Voucher Program, DHCD serves more than 94,000 households through an array of non-MTW housing programs. Programs include Shelter Plus Care, other Section 8 programs such as New Construction and Substantial Rehab, Rental Vouchers, and State-funded Public Housing. HUD requires that DHCD provide a summary of other housing programs which DHCD manages. This information is provided in Table 3.

Table 3: Other Housing Programs Managed by DHCD (Non-MTW)

Housing Program	# of Units/ Households Served	Program Type
Alternative Housing Voucher Program	411	Tenant-Based Vouchers for low-income clients with disabilities
C.707 Rental Assistance (DMH and DPH)	1058	Project-Based Vouchers for low-income clients with disabilities
MRVP	5,056	Tenant – and Project-Based Vouchers for low-income households
Sec 8 Mod Rehab	1,134	Project-Based Vouchers for low-income households
Sec 8 New Construction	1,111	Project-Based Vouchers for low-income households
Sec 8 Substantial Rehab	776	Project-Based Vouchers for low-income households
Shelter Plus Care	250	Tenant-, Project- and Sponsor-Based Vouchers for homeless clients with disabilities
State-Funded Public Housing	47,824	Public Housing
HOME	6,737	Production and preservation of housing for low- and moderate income households
LIHTC	29,695	Tax Credit Affordable Housing

B. Leasing Information – Planned vs. Actual

During Fiscal Year 2011, DHCD served 19,072 households and achieved a 98% overall utilization rate in the MTW and Non-MTW voucher programs. Table 4 provides information on planned versus actual leasing. HCV Tenant Based figures include Project Based Vouchers.

Table 4: Planned vs. Actual Leasing for FY 2011

	Vouchers Allocated as of 6/30/11	Planned Leasing on 6/30/11	Actual Leased on 6/30/11	Actual Percentage Leased
MTW				
HCV Tenant Based*	18,744	18,744	18,529	99%
Other Households Served through MTW Broader Uses of Funds Authority**	183	228	168	92%
MTW Sub-Total	18,927	18,972	18,697	99%
Non-MTW				
FUP 09***	87		68	78%
VASH	205	89	160	78%
Five Year Mainstream	75	75	70	93%
Enhanced Vouchers (Meadowbrook)	193		77	40%
Non-MTW Sub-Total	560	164	375	67%
TOTAL ALL PROGRAMS	19,487	19,136	19,072	98%

* Total includes 932 PBV vouchers under lease. See Table 5 for additional detail.

** The vouchers allocated reflect the households served under MTW-99. Per discussion with HUD, the leased percentage under Broader Uses of Funds Authority should be reported as 100%.

*** DHCD will apply MTW operating flexibility to FUP 09; however, because these are special purpose vouchers which are not fungible under the MTW Block Grant, they are listed in the Non-MTW category.

While overall utilization was at 98%, the number of households served during the Plan year was slightly lower than projected due to the uncertainty of funding for calendar year 2011. DHCD was not provided with funding information for calendar year 2011 until July 2011. For that reason, DHCD instructed the RAAs to stop selecting from the waiting list in May of 2011. The overall leasing rate of 98% of authorized units highlights the success that DHCD has had in effectively managing and maximizing utilization through its network of Regional Administering Agencies.

Table 4 indicates that not all programs were leased at the 98% or higher target rate. Utilization of the Meadowbrook enhanced vouchers was at 40% as of June 30, 2011; however, these vouchers were not awarded to DHCD until January 2011. Thus, this figure reflects only six months of leasing activity. DHCD has also found that there were fewer eligible tenants than projected at both the Meadowbrook and Harborview developments. VASH utilization was at 78% as of June 30, 2011. DHCD is dependent on referrals from the designated Veterans Administration Medical Center for leasing of VASH units, and will continue to collaborate closely in the future to maximize utilization of these vouchers and the newly awarded VASH vouchers previously referenced.

Utilizing its Tenant Based vouchers, DHCD continued to operate an expansive Project Based Voucher program. In the FY 2011 Annual Plan, DHCD had a total of 780 PBV units under lease, and projected that an additional 87 units would come under lease during FY 2011. As noted in Table 2, a total of 932 units were under lease at the conclusion of FY 2011. Of this total, 137 units were placed under HAP Contract in the Plan year. Table 5 provides provides a description of these 137 units as well as descriptions of an additional 158 PBV units under AHAP as of the end of the Plan year.

Table 5: New Project Based Voucher (PBV) Developments Under HAP and Developments Under AHAP for FY 2011

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Description				Total PBVs
						Elderly or Disabled	Family	Homeless Individuals	Supportive Services	
SMOC	*Wilber School	Sharon	10/7/2008	3/15/2010	3/14/2025		8			8
CTI	*Palmer Cove (palmer st)	Salem	N/A	3/18/2010	3/17/2025	3	1		2	6
RCAP	*1-7 Piedmont St	Worcester	12/5/2008	5/7/2010	5/6/2025	3				3
MBHP	*Capen Court	Somerville	10/23/2008	6/1/2010	5/31/2025	8				8
CTI	*Hayes Building	Haverhill	7/1/2009	10/1/2010	9/30/2025	3	1			4
HAP	*Reed House Annex at 182 main st	Westfield	9/15/2009	11/3/2010	11/2/2025				8	8
MBHP	*1060 Belmont Street	Watertown	6/1/2009	11/18/2010	11/17/2025	2	5			7
HAC	*Main St Ext.- Thankful Chase Path	Harwich	2/1/2010	12/1/2010	11/30/2025	2	3			5
CTI	*Sacred Heart	Lawrence	12/16/2009	1/1/2011	12/31/2026	8				8
SSHDC	*Village at 815 Main	Wareham	10/19/2008	1/1/2011	12/31/2026		5			5
CTI	*Acre High school Apts.	Lowell	2/1/2010	2/7/2011	2/6/2026	3	5			8
RCAP	*Tritown Landing I	Lunenburg	2/5/2010	2/14/2011	2/13/2026		8			8
CTI	*Saunders School Apartments	Lawrence	6/15/2010	3/1/2011	2/28/2026				16	16
MBHP	*Spencer Row 205-221 Spencer Ave	Chelsea	11/23/2009	3/1/2011	2/28/2026	3	5			8
SMOC	*Cutler Heights	Holliston	1/15/2010	3/15/2011	3/14/2026	3	4			7
CTI	*Cabot St Homes	Beverly	9/21/2009	4/1/2011	3/31/2026	8				8
SSHDC	*Ocean Shores	Marshfield	2/2/2010	4/1/2011	3/31/2026	8				8
RCAP	*Freedom Village	W. Boylston	8/7/2008	4/29/2011	4/28/2026	2	4			6
RCAP	*Southgate Place	Worcester	3/15/2010	6/17/2011	6/16/2026	3	3			6
LHA	Washington Sq.	Lynn	2/1/2010				8			8
HAP	Villa Borinquent	Springfield	5/1/2010			1	7			8
SSHDC	Ingraham Place	New Bedford	6/1/2010						8	8
CTI	Powderhouse Village	Ipswich	6/7/2010			8				8
CTI	Steven's Corner	North Andover	6/14/2010			1	7			8

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or		Description		Total PBVs
						Disabled	Family	Homeless Individuals	Supportive Services	
CTI	Union Crossing	Lawrence	7/2/2010					8		8
CTI	478-486 Moody St Unity House	Lowell	8/2/2010					2	6	8
HAP	King St	Northampton	9/1/2010						5	5
SMOC	Mayhew Court	Hopkinton	10/14/2010					12		12
MBHP	6 Fort Street	Quincy	11/1/2010			3	5			8
HAC	Veterans Park Apts. Schoolhouse Green	Falmouth	12/24/2010			8				8
RCAP	Bowers Brook	Harvard	1/11/2011			4				4
MBHP	St. Polycarp-Phase II 16 Butler Drive	Somerville	2/9/2011					8		8
MBHP	Putnam Green 625 Putnam Ave	Cambridge	2/10/2011					8		8
MBHP	Hearth at Olmstead Green	Boston	3/2/2011			15				15
CTI	Holcroft Park Apts. Mill & Grant Street	Beverly	3/23/2011			4	4			8
SSHDC	154-168 Eagle Street	Fall River	3/31/2011						8	8
CTI	Firehouse Place 69 Willow Street	Hamilton	4/25/2011			1	3			4
HAP	Cumber Homes Apts. Cumberland & dwight	Springfield	5/4/2011					8		8
SMOC	Old High School Commons	Acton	6/15/2011			1	5			6
TOTAL						105	67	0	53	295

*Indicates PBV developments placed under HAP Contract for the first time in FY2011. All other listed projects were under AHAP as of the end of the Plan year.

The following table provides a summary of participant demographic data for units under lease, and includes data for DHCD's PBV units. Under the MTW Agreement, DHCD is required to ensure that 75% of participants are Very Low Income, i.e. had incomes that do not exceed 50% of area median income. DHCD exceeded this requirement by having 94% of all participants fall under the Very Low Income threshold, including 81% of households meeting the extremely low income threshold.

Table 6: Participant Information for DHCD Housing Choice Voucher Program*

	# of participants	% of total participants
Household Served Total	19,349	100%
Income		
Extremely low income <30% AMI	15,759	81%
Very low income >30% but <50%	2,546	13%
Low income >50% but < 80%	418	2%
Above Low Income >80%	47	0%
Income Data Not Available	579	3%
Family Type		
Elderly, No Children, Non-Disabled	517	3%
Elderly, with Children, Non-Disabled	48	0%
Non-Elderly, No Children, Non-Disabled	1,871	10%
Non-Elderly, with Children, Non-Disabled	7,111	37%
Elderly, No Children, Disabled	1,732	9%
Elderly, with Children, Disabled	180	1%
Non-Elderly, No Children, Disabled	5,335	28%
Non-Elderly, with Children, Disabled	2,555	13%
Race for Head of Household		
White Only	13,686	71%
Black/African American Only	5,056	26%
American Indian or Native Alaska Native Only	123	<1%
Asian Only	336	2%
Native Hawaiian/Other Pacific Islander Only	37	0%
White, American Indian/Alaska Native Only	6	0%
White, Black/African American Only	38	0%
White, Asian Only	18	0%
Any Other Combination	49	0%
Ethnicity for Head of Household		
Hispanic or Latino	6,347	33%
Non-Hispanic or Latino	13,002	67%
Household Size		
1 person	6,197	32%
2 persons	4,601	24%
3 persons	3,869	20%
4 persons	2,512	13%
5 persons	1,173	6%
6 persons	387	2%
7 persons	154	1%
8 persons	52	0%
9 persons	16	0%

10+ persons	10	0%
Voucher Size		
0 bedrooms	480	2%
1 bedroom	5,834	30%
2 bedrooms	6,148	32%
3 bedrooms	5,420	28%
4 bedrooms	1,230	6%
5+ bedrooms	205	1%

**Data from DHCD central database on 9/15/11.*

C. Waiting List Information

As of June 30, 2011 there were 98,551 households on the Housing Choice Voucher Program waiting list as summarized in Table 7. This is an increase of 9,392 applicants since June 30, 2010, which reflects the enormous ongoing demand for affordable housing throughout Massachusetts. Moreover, there has been a considerable increase in the percent of extremely low income families on the wait list. DHCD anticipates that the total number of waiting list households will continue to increase substantially in FY 2012 due in part to statewide and national economic conditions. In order to maintain an updated waiting list, DHCD anticipates conducting a purge of the waiting list within the next year.

As was described in the FY 2011 Annual Plan, DHCD is in the process of making changes to the waiting list methods used for Project Based Voucher (PBV) developments. The changes will allow PBV owners to maintain their own site-based waiting lists. Some or all PBV waiting lists may be closed during the transition period. DHCD will issue public notices of waiting list openings and closings.

Table 7: Waiting List Information for DHCD Housing Choice Voucher Program

	As of 6/30/10		As of 6/30/11	
	# of families	% of total families	# of families	% of total families
Waiting List Total	89,159	100%	98,551	100%
Income (1)				
Extremely low income <30% AMI	79,059	88.7%	89,410	90.7%
Very low income >30% but <50%	7,063	7.9%	6,988	7.1%
Low income >50% but < 80%	751	0.8%	723	0.7%
Family Type				
Families with children (2)	57,411	64.4%	63,100	64.0%
Elderly families (3)	4,046	4.5%	4,667	4.7%
Families with disabilities (3)	27,895	31.3%	30,750	31.2%
Race/ethnicity (4)				
White/Hispanic	10,590	11.9%	11,330	11.5%
White/non-Hispanic	28,617	32.1%	31,824	32.3%
White/no ethnicity specified	3,807	4.3%	4,322	4.4%
Black/African American/Hispanic	1,494	1.7%	1,615	1.6%
Black/African American/non-Hispanic	15,916	17.9%	17,569	17.8%
Black/African American/no ethnicity specified	3,677	4.1%	3,901	4.0%
American Indian/Alaskan Native/Hispanic	207	0.2%	221	0.2%
American Indian/Alaskan Native/non-Hispanic	1,021	1.1%	1,138	1.2%
American Indian/Alaskan Native/no ethnicity specified	168	0.2%	171	0.2%
Asian or Pacific Islander/Hispanic	143	0.2%	141	0.1%
Asian or Pacific Islander/non-Hispanic	1,525	1.7%	1,662	1.7%
Asian or Pacific Islander/no ethnicity specified	439	0.5%	483	0.5%
Native Hawaiian/Other Pacific Islander/Hispanic	717	0.8%	811	0.8%
Native Hawaiian/Other Pacific Islander/non-Hispanic	548	0.6%	591	0.6%
Native Hawaiian/Other Pacific Islander/no ethnicity specified	120	0.1%	122	0.1%
Hispanic, no race specified	18,549	20.8%	20,660	21.0%
Non-Hispanic, no race specified	2,449	2.7%	2,728	2.8%
No race or ethnicity specified	1,167	1.3%	1,495	1.5%

(1) Based on HUD income limits effective of 5/14/10 and 5/31/11.

(2) This number represents households with more than one member

(3) Includes households with only one member

(4) Applicants may specify more than one race therefore an applicant may be counted more than once

III. Non-MTW Information

In Fiscal Year 2011, DHCD continued to administer non-MTW programs including VASH, Five Year Mainstream and Moderate Rehab programs. DHCD also administers 87 Family Unification Program vouchers that are not part of the MTW Block Grant; however, DHCD utilizes MTW operating flexibility in the administration of the FUP program.

Sources and Uses of Non-MTW Funds

Table 8 compares projected versus actual Non-MTW sources and uses for Fiscal Year 2011.

Table 8: Non-MTW Sources and Uses: Projected vs. Actual

Sources	Estimated Amount	Actual Amount
HUD Subsidy – VASH	\$724,00	\$1,362,481
HUD Subsidy – FUP FY 2008 and 2009	\$925,128	\$1,300,053
HUD Subsidy – Five Year Mainstream	\$715,000	\$730,065
HUD Subsidy – Enhanced Vouchers	\$616,211	\$1,339,409
HUD Administrative	\$306,200	\$330,445
Non-MTW Sources Total	\$3,286,539	\$5,062,453
Uses		
HAP Payments	\$2,980,339	\$3,973,621
Administrative	\$306,600	\$330,445
Non-MTW Uses Total	\$3,286,939	\$4,304,066

Variations between budgeted and actual sources of non-MTW funds can be attributed to various factors including but not limited to the following:

- An additional allocation of VASH vouchers resulting in an increased HAP subsidy
- An additional allocation of Enhanced Vouchers resulting in an increased HAP subsidy

Description of Non-MTW Activities

The following Non-MTW activities were continued in FY 2011:

VASH

Established by Housing and Urban Development (HUD) and the Department of Veterans Affairs (VA), this program serves homeless veterans with disabilities and/or severe psychiatric and/or substance abuse disorders. The program combines an allocation of Section 8/HCVP rental vouchers from HUD with ongoing case management and clinical services provided by Veterans Administration Supportive Housing (VASH). Services include: housing search assistance; community-based management services; outpatient health services; hospitalization; and other services on a regular basis. DHCD administered 180 VASH vouchers in FY 2011. As noted,

DHCD has been awarded additional VASH Tenant Based and Project Based vouchers effective in FY 2012

Five Year Mainstream:

The Mainstream Housing Program provides tenant-based housing assistance in the form of a Section 8/HCVF Voucher to very low- income disabled families and individuals. Households are directly referred by disability and homeless service providers, who in turn provide supportive services to the household. DHCD administers 75 Five Year Mainstream Vouchers.

FUP

The Family Unification Program (FUP) is a collaborative effort between the DHCD and the Department of Children and Families (DCF). The Family Unification program provides housing assistance to: (1) battered women and their children who have been displaced because of the battering situation and have not secured permanent, standard, replacement housing; and (2) families with children in placement who have substantially complied with all the DSS service plan tasks, but do not have permanent or adequate housing to which their children can be returned.

In 2009 DHCD and DCF expanded their partnership to include the FUP Adolescent Outreach program. This program serves DCF-affiliated youth, 18 -22 who have aged out of the foster care program but who wish to receive additional services to support their transition to independent living. The FUP-AOP vouchers are limited to 18 months.

DHCD administers 87 FUP vouchers, which includes the FUP-AOP vouchers. While FUP is not part of the MTW block grant, DHCD intends to apply MTW operating flexibility to FUP.

Section 8 Mod Rehab

The Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) program provides project-based rental assistance for homeless individuals. Tenants pay no more than 30% of their adjusted income for rent and utilities. Supportive services are generally required to be made available to the tenants; and a project sponsor arranges for the provision of these services. Acceptance of these services, however, is not a tenant eligibility requirement.

DHCD administers five Section 8 Moderate Rehabilitation SRO developments, as follows: In Lowell, 8 units targeted to persons living with AIDS/ HIV; in Worcester, 38 units for homeless individuals; in Gardner, 15 units targeted to homeless veterans; in Haverhill, 19 units targeted to homeless veterans; and in Springfield 44 units targeted to homeless individuals.

FSS

In FY 2011, DHCD continued to operate its Family Self-Sufficiency (FSS) Program, which served 797 families during the reporting period. Of those families, forty-seven percent had positive escrow balances and forty households graduated from the program. For FSS program participants, the average escrow balance at graduation is \$11,897, and the average increase in earned income over the term of the FSS Contract of Participation is \$14,220.

IV. Long Term MTW Plan

The following information was originally provided in the FY 2010 and 2011 Annual Plans to describe DHCD's long-term vision for its MTW initiatives:

The MTW Agreement and the subsequent "broader uses of funds authority" amendment offer a unique and important opportunity to improve and enhance the HCV program. Building on lessons learned and successes of the existing small-scale MTW demonstration programs, DHCD intends to utilize MTW flexibility to test out the efficacy of new approaches in support of MTW statutory objectives and the Commonwealth's housing goals.

DHCD intends to fully explore the potential benefits of MTW: 1) to demonstrate that housing stabilization can be the foundation for life transformation for extremely and very low-income households; and, 2) to demonstrate that administrative costs savings can be redirected to provide meaningful assistance and, potentially, subsidies to additional program participants and owners. DHCD believes that affordable housing can provide the foundation that allows extremely and very low-income households to access good jobs and education and to enter the economic mainstream. Maximizing the value of limited federal program dollars to help families achieve life goals, and then move on so that program dollars can help serve additional families is a key goal.

Additional principles that guide MTW planning for the long term include:

- All MTW activities must relate to one or more of the three MTW statutory objectives, i.e. reducing cost and/or promoting administrative efficiency, increasing housing choice, and supporting families in achieving economic self-sufficiency.
- MTW flexibility will be utilized to promote tighter linkages and synergy between the HCV program and other related Commonwealth programs and policy goals such as preventing or reducing homelessness, supporting self-sufficiency and welfare to work initiatives; supporting project-based affordable housing for extremely low income households; supporting those who have one or more disabilities and stabilizing neighborhoods.
- By identifying and addressing administrative efficiency opportunities, MTW flexibility will be used wherever feasible to increase the number of extremely and very low-income households served and the overall quality of leased housing units.
- New MTW program initiatives will be developed to respond to differences among regional and local housing markets.
- In addition to expanding and improving the existing MTW demonstrations being implemented by Metropolitan Boston Housing Partnership and RCAP Solutions, Inc., a series of small and large scale initiatives will be implemented over time.

In order to explore the feasibility of various MTW initiatives, DHCD convened a series of planning meetings in FY 2010. Working groups focused on various issues including identifying opportunities for administrative efficiency, improving the HQS inspection process and expanding the existing MBHP/RCAP pilot program models to other regions of the Commonwealth. Initiatives proposed and approved in the FY 2011 and 2012 Annual Plans reflected the input of the working groups. In the future, DHCD will continue to provide opportunities for broad-based input both from its regional administering agencies and outside stakeholders to inform the design of DHCD's MTW initiatives.

V. Proposed MTW Activities

This section of the MTW Annual Report provides information on MTW activities that have been proposed by DHCD and approved by HUD, but not yet implemented.

Activity 2010-4

Description/Update of MTW Activity: Required HCV program forms will be modified as needed to streamline processing, utilize “plain language”, and address local housing market features.

A DHCD-RAA working group will review all existing HUD HCV forms, identify and vet proposed changes, and implement new forms. The forms to be evaluated for modification will include: Voucher, HAP Contract, RFTA and others. As required under the MTW Agreement, any changes to the HAP form will include language noting that funding for the contract is subject to the availability of appropriations.

DHCD has not implemented this activity to date. In light of the level of effort associated with implementation of other MTW initiatives, a determination was made that there was not an urgent need to modify HUD HCV forms at the current time. DHCD is currently reviewing its needs and priorities, and may elect to discontinue this initiative in the future.

Relationship to MTW statutory objective: This activity addresses the statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by simplifying forms that are used by program staff and participants.

Projected impact: The proposed changes to required HCV forms are expected to streamline and simplify program administration, while also improving owner and participant understanding of program guidelines and requirements.

Baseline, benchmarks and metrics: DHCD does not have baseline information on this activity. DHCD will evaluate the feasibility of conducting staff time studies and/or informal owner and participant surveys to measure satisfaction and user-friendliness of the existing versus new forms.

Data collection process: See note above. DHCD is considering conducting surveys to measure owner and participant reactions to new versus existing forms.

MTW authorization: MTW Agreement, Attachment C, paragraph D.1.

Activity 2011-1

Description/Update of MTW Activity: The “MTW value voucher” will provide a lower cost subsidy than a conventional voucher and is targeted to the homeless and those with disabilities. Participants will be offered units in privately assisted housing developments where the rental costs are lower (generally by 25% or more) than current HUD published FMRs but still not affordable to very-low and extremely low-income households. These would be units in LIHTC, 236, and certain state funded developments, for example, where rents are generally set at or below 60% of AMI. For these units, the rent reasonableness determination process will consist of verification of the regulated rent amount, which will always be at or below the Payment Standard. Other HCV program rules may also be waived for these vouchers. The value voucher would make up the difference between the rent and 30% of the tenant’s adjusted income.

Partner agencies will include MassHousing, a quasi- public agency that promotes housing opportunities for low and moderate income households, and various management companies that have a solid track record of providing assisted units to vulnerable populations. MassHousing will make units available to clients of the Massachusetts Departments of Mental Health (DMH) and Developmental Disabilities (DDS) under their 3% set-aside program for this target population in effect since 1978. Participating homeless households must agree to work with a housing stabilization and employment counselor for at least 18 months once housed. Clients of the Massachusetts Departments of Mental Health (DMH) and Developmental Disabilities Services (DDS) will be provided with continuing services and support from these two respective agencies. DHCD’s partnership with MassHousing and certain private management companies will make it possible for the participants to live in good quality housing.

A significant amount of time and resources were devoted to the implementation of other MTW initiatives described herein, including development of policies and procedures, changes to the Trackers system and implementation of statewide training for the biennial recertification, self-certification of assets, and rent simplification programs. These implementation efforts were greater and more complex than originally anticipated, resulting in the temporary deferral of program implementation for this proposed initiative. Although DHCD does not anticipate its implementation during FY 2012, DHCD may elect to implement this activity in future years.

Relationship to MTW statutory objective: This activity addresses the statutory objectives to expand housing choice and to reduce costs and achieve greater cost effectiveness in federal expenditures.

Projected impact: The new policy will expand housing choice by providing affordable decent, safe and good quality housing to eligible households who are homeless and/or have a mental health and/or developmental disability. It is also projected to result in lower HAP costs for these vouchers.

Baseline, benchmarks and metrics: Upon implementation, DHCD plans to measure the number of low-income households served under this program and the average subsidy level. The current baseline of households served under this program is zero. DHCD has established a benchmark of up to 75 households to be served under this initiative during the first year of

operation. The average HAP in 2011 is \$887 with a high of \$1084 in greater Boston and a low of \$514 in Berkshire County. DHCD has established a benchmark of achieving a 20% decrease in the average subsidy paid for value vouchers compared to the average HAP cost in the regions where the units are leased. The average subsidy cost decrease is projected to occur during the first year. No changes are anticipated for these benchmarks.

Data collection process: DHCD will utilize internal reporting systems to collect and analyze data on the number of households served, income levels of households served and the average/median subsidy levels. This information will be reviewed and analyzed as part of the Annual Report process.

MTW authorization: MTW Agreement, Proposed Amendment on Broader Uses of Funds Authority; Attachment C, paragraphs B.2, D.1.a, D.2.a, D.2.b, D.4.

Activity 2011-2

Description/Update of MTW Activity: DHCD will establish an “Opportunity Neighborhood” program in one or more selected neighborhoods in different regions throughout the Commonwealth. To identify Opportunity Neighborhoods, DHCD will use a framework developed by the Kirwan Institute for the Study of Race and Ethnicity at Ohio State University and other research and literature. The majority of academic research and literature indicates that where a person lives determines (to various degrees), the opportunities afforded to them. In 2009, the Kirwan Institute completed an extensive mapping project of the geography of opportunity areas in Massachusetts. They looked at 19 different indicators of opportunity from three different categories of opportunity: educational, economic and neighborhood/housing.

The purpose of DHCD’s “Opportunity Neighborhood” MTW initiative is to provide significant supports and encouragement to existing voucher participants and/or new voucher holders who wish to move to areas with empirically-documented improved educational systems, job opportunities, social services and other opportunities in the expectation that over time their need for housing and other subsidies will abate or diminish. Existing participants and/or voucher holders moving into these areas will be provided with case management support both before and after the move through the participating regional administering agencies. Other incentives may be provided based on family needs and budget availability such as transportation assistance, child care referrals, training stipends, etc. Families will be encouraged or required to develop a family plan to access opportunities in their new neighborhoods with a special focus on positive outcome educational programs for children and available jobs for adults. Where appropriate, participants will also be encouraged to participate in the Family Self Sufficiency Program.

A significant amount of time and resources were devoted to the implementation of other MTW initiatives described herein, including development of policies and procedures, changes to the Trackers system and implementation of statewide training for the biennial recertification, self-certification of assets, and rent simplification programs. These implementation efforts were greater and more complex than originally anticipated, resulting in the temporary deferral of program implementation for this proposed initiative. DHCD plans to conduct an impact analysis for this initiative in FY 2012. DHCD does not anticipate the implementation of this initiative during FY 2012.

Relationship to MTW statutory objective: This activity addresses the statutory objectives to expand housing choice and promote economic self-sufficiency among families with children.

Projected impact: This initiative is projected to expand housing choice by providing supports to low-income households who elect to move to areas with higher educational and job opportunities. The program is also projected to improve educational attainment of children and to increase household income by improving access to better paying jobs.

Baseline, benchmarks and metrics: Upon implementation, DHCD will measure the number of households moving and/or residing in opportunity neighborhoods, the increase in household income and the increase in educational attainment. The current baseline of households served under this program is zero. DHCD has established a benchmark of 30 current participating

voucher households to be served under this initiative during the first year of operation. If DHCD cannot identify current participants, it will work with its partners in the targeted neighborhood to identify prospective families, in which case these households would be served under DHCD's MTW broader uses of funds authority. Individual household baseline information will be collected upon move-in to the opportunity neighborhood. Benchmarks related to educational attainment of household youth and household income will be established. No changes are anticipated for these benchmarks.

Data collection process: DHCD will utilize information collected by case managers along with internal reporting systems to collect and analyze data on the number of households served, income levels of households served and educational attainment of household youth. This information will be reviewed and analyzed as part of the Annual Report process.

MTW authorization: MTW Agreement, Attachment C, paragraphs B.1.iii, D.2.a, D.4; Broader Uses of Funds Authority amendment.

Activity 2011-3

Description/Update of MTW activity: DHCD will modify its inspection policies and procedures to: 1) allow biennial inspections of units that are “A” and “B” grade, subject to a review of tenant and owner history, and, 2) allow for owner/tenant self-certification of routine repairs in lieu of a re-inspection. Units inspected biennially will be subject to quality control audits, and owners and tenants may elect to have annual inspections upon request. Self-certification of low-risk or in-progress repairs will be allowed at the discretion of the inspector, and the self-certification form must be signed by both the owner and the tenant. Further verification that repairs were completed will be done at the next scheduled annual or biennial inspection. In tandem with these initiatives, DHCD intends to expand the use of inspectors to provide tenant and landlord training related to HQS standards, unit upkeep, and other related maintenance matters. A key driver for this initiative is to more firmly establish DHCD’s statewide inspection staff as a valuable and accessible resource to property owners in their respective regions that will result in new owner participation and a continued listing of quality housing for program participants.

In FY 2011, DHCD convened working groups to further develop specific policies and procedures related to biennial inspections and self-certification of routine repairs; however, in light of the substantial effort involved in implementing the biennial recertification program including Tracker changes and statewide training as noted above, DHCD has not established a firm implementation timetable for this initiative. DHCD will reevaluate the criteria and the timetable for this initiative in FY 2012.

Relationship to MTW statutory objective: This activity addresses the statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by reducing the amount of time spent by inspection staff on these activities.

Projected impact: DHCD projects that these two inspection-related initiatives will result in administrative efficiencies that will continue to ensure HQS compliance while expanding proactive landlord and tenant training efforts and improve housing choice for tenants in good quality units.

Baseline, benchmarks and metrics: Upon implementation, DHCD will measure reductions in the amount of time spent by inspectors on conducting annual inspections and routine violation re-inspections. The current baseline for an annual inspection and re-inspections is 65 minutes per unit. DHCD has established a benchmark of 4000 units to be subject to this new policy, resulting in a projected reduction of 4333 hours of inspector time over a three year period. Upon implementation, DHCD will also measure the number of owners and tenants who are provided with training on HQS issues. The current baseline is zero. The proposed benchmark is 1500 owners and tenants that will have received training as a consequence of the inspectors’ freed up time over a three year period. No changes are anticipated for these benchmarks.

Data collection process: DHCD will utilize internal reporting systems to collect and analyze data on the number of inspections completed, the estimated time savings as a result of the new

policy over current inspection practices, and the number of owners and tenants who receive HQS-related training.

MTW authorization: MTW Agreement, Attachment C, paragraph D.5.

VI. Ongoing MTW Activities

This section of the MTW Annual Report provides information and updates on MTW activities that have been previously approved by HUD.

Description and Updates on Ongoing MTW Activities

Activity 2000-1

Description/Update of MTW Activity: DHCD's original MTW Agreement and Plan focused on implementation of a small-scale program administered in the Boston area by Metropolitan Boston Housing Partnership (MBHP) and in Worcester County by RCAP Solutions, Inc. (RCAP). This MTW activity tests an assistance model which provides a fixed annual stipend to eligible families, regardless of future income or family composition changes. Families exercise considerable decision-making in the utilization of the funds, within some guidelines. Case management and program coordination is provided by designated MTW Advisors at each agency. Families may select any housing unit which they deem affordable and appropriate for their needs and which meets the occupancy requirements of the local Board of Health and Massachusetts Lead Laws where applicable. There is no HUD Housing Quality Standards inspection or rent-reasonableness test.

Eligibility is targeted to low-income working families who meet the following criteria:

- 1) Receive, or have received in the past 12 months, public assistance: TAFDC, EA, Food Stamps, and
- 2) Are committed to maintaining employment and agree to provide information to assess the effectiveness of the program, and
- 3) In the Boston component only, are currently homeless in a shelter, hotel, or motel placement.

Families participating in the south Worcester County component (122 families) received the following:

- Financial assistance package of \$5,500 per year, of which up to \$250/month can be applied toward the rent and, in some cases security/upfront costs, for the apartment (paid directly to owner), up to \$158/month is available for work-related, utility, or emergency expenses, and \$50/month is set aside in an escrow account that is receivable upon successful program completion.
- If the contract rent for the unit is less than the shallow rent subsidy provided, the participant must pay 30% of their adjusted income toward rent. The participant can opt to pay an increased amount for rent and transfer the remaining subsidy amount to their escrow account.
- Case management support to assist the family in addressing employment, housing, or other issues.
- Financial literacy training and homebuyer preparation workshops.

- Support and resources to assist in home-buying, where desired and appropriate. In FY 2010, the homeownership matching fund program was revised to fund a one-time \$500 first-time homebuyer grant for eligible participants provided DHCD had available funds.

Families participating in the Boston component (61 families) received the following:

- Financial assistance package of \$10,000 per year, of which up to \$700/month can be applied toward the rent and, in some cases, security/upfront costs for the apartment (paid directly to owner), up to \$83/month is available for work-related, utility, or emergency expenses, and \$50/month is set aside in an escrow account that is receivable upon successful program completion. Higher assistance levels may be approved for larger families requiring a 3 bedroom unit or larger if they have a compelling reason for the increased subsidy.
- If the contract rent for the unit is less than the shallow rent subsidy provided, the participant must pay 30% of their adjusted income toward rent. The participant can opt to pay an increased amount for rent and transfer the remaining subsidy amount to their escrow account. Currently, there are no participants enrolled in the program for which the contract rent of the unit is less than the rent subsidy of \$700.
- Case management support to assist the family in addressing employment, housing, or other issues.
- Financial literacy training.
- Support and resources to assist in home-buying, where desired and appropriate. In FY 10, the homeownership matching fund program was revised to fund a one-time \$500 first-time homebuyer grant for eligible participants provided DHCD had available funds.

Participating families recertify once annually. In FY 2010, the term of participation was increased from the existing three-year maximum to an initial three-year term with up to two one-year extensions, for a total possible term of five years. The term of participation may be fewer than three years if a family exceeds the low-income limit for the Boston MSA (80% of area median income), fails to meet ongoing program requirements, or the demonstration is concluded by HUD. Since the term of participation was increased to include a potential extension, the Boston administering agency, MBHP, has granted 14 extensions, and the Worcester administering agency, RCAP, has granted 8 extensions.

The past year has been particularly challenging for program participants given the economic climate, which resulted in greater numbers of program participants using the maximum amount of rent subsidy instead of being able to use their funds for other goals (education, escrow, etc.). Despite these challenges, the program has been successful in preventing participants from becoming homeless and educating participants about other resources available within the community.

DHCD reviews on an ongoing basis the amount of subsidy/stipend levels and the number of program participants.

Although DHCD has not yet authorized additional RAAs to implement small scale programs using this program model, DHCD may, at its option, expand the program to other areas of the state in subsequent program years.

Baseline, benchmarks and metrics: Although this initiative was first implemented in 2000, benchmarks and evaluation metrics for the program were not developed until the 2010 MTW Report. Given that the initiative had already developed into a mature program at the time the benchmarks were developed, the baseline and benchmarks are dissimilar to the metrics expected of newly established initiatives. DHCD established the following program metrics:

- Increase the annual earned income of participants. The following benchmarks are proposed: During Year 1 of participation, participants' income increases by 5%; during Year 2, participants income increases by 3%; during Year 3, participants' income increases by 2%; during Years 4 and 5 (if applicable), participants' income increases by 1% annually.
- Increase the education level of participants. The following benchmarks are proposed: In each year of the program, 2 participants from MBHP and 4 participants from RCAP will obtain a high school equivalency (GED or H.S. diploma), 2 participants from MBHP and 10 participants from RCAP will enroll in college courses or vocational training.
- A benchmark of 6 graduations per year for MBHP and 18 for RCAP is proposed.
- Increased savings and asset building activities for 50% of participant households (i.e., opening a savings account or credit repair activities).
- For RCAP's program, increase the number of homeowners. The following benchmarks are proposed: In each year of the program, 2 participants from RCAP will become homeowners.

The results of the program are included in Table 9.

Table 9: Small Scale MTW Program Outcomes

Benchmarks	Baseline		Year 1 (7/1/09-6/30/10)		Year 2 (7/1/10-6/30/11)	
	MBHP	RCAP	MBHP	RCAP	MBHP	RCAP
Increase in Earned Income of Participants*						
Year 1 of Participation					-6.5%	+8.4
Year 2 of Participation					-20.2%	+3.2
Year 3 of Participation					-7%	-7.9
Year 4 of Participation	12%	12%	+11.82%	+1.46%	+5.2%	NA
Year 5 of Participation					NA	NA
Total					-5.8%	+2.3
Changes in Education Level of Participants						
Earned GED or High School Diploma	2	4	0	0	0	10
Enrolled in College Courses or Vocational Training	2	10	3	23	1	41
# of Program Graduations***	6	18	6	23	6	31
Increased Savings and Asset Building Activities	15	35	15	35	9	33
Homeownership	N/A	5	N/A	5	N/A	2

* This metric was not being recorded in this way prior to the 2010 Report. Therefore, the baseline is given as an estimated change over the households' participation in the program. Given these limitations, only an aggregate change in gross income (including unearned income sources) was available for Year 1 reporting. RCAP's Year 1 figure reflects the change from 7/1/09 through 6/30/10, while the MBHP figure reflects the increase in participants' income between enrollment and 6/30/10. In Year 2, the data only includes earned income and reflects the change from 7/1/10 through 6/30/11.

**Please note that the RCAP data reported for Year 2 is based on data collection done during the annual program recertification. The number of families reviewed for this report is 68, while the number of families enrolled in MTW is 122.

*** Includes both voluntary graduation and program termination because the household had reached the program time limit.

As illustrated in Table 9, participants' earned income decreased over the past year at MBHP, while participants' earned income increased by 2.3% over the past program year at RCAP. While comparing Year 1 and Year 2 data, it is important to note that the Year 2 data reflects only earned income, while Year 1 data includes an aggregate change in gross income. Although MBHP participants' earned income decreased on the whole during the past year, participants in their fourth year of the program, those participants with extensions, experienced an increase in earned income. Moreover, the majority of MBHP participants and almost half of RCAP participants experienced no change in their earned income over the past year, which is noteworthy given the difficult economic climate. Maintaining employment during these challenging economic times has proven difficult for some participants who have lost employment or have experienced a decrease in wages. Yet, the program was successful in increasing the average income of some participants and in preventing homelessness for others.

No program participants earned a GED or high school diploma during this program year at MBHP; however, 10 participants in RCAP's program earned a GED or high school diploma during this program year. A combined 42 participants enrolled in college or vocational classes. Six families graduated from MBHP's program, and 31 families graduated from RCAP's program. Between MBHP and RCAP, 42 participants had increased savings or participated in other asset building activities. 2 of RCAP's program participants became homeowners, and program participants in both programs continued to accrue escrow.

In addition, program participants were informed of fuel assistance programs, credit repair and financial literacy workshops, education and/or job training programs and employment opportunities. MTW program staff also advised participants on resume writing and job search techniques, and also assisted clients by participating in rent negotiations with landlords on behalf of their clients. Also not reflected in the above table, sixteen participants in RCAP's program enrolled in English classes in order to improve their employment prospects.

Data collection process: DHCD's software system has been updated to include a tracking module for this program. This feature will enable closer monitoring and expanded reporting on this initiative's activities. Prior to the implementation of the monitoring feature in Tracker, the majority of program data was maintained in Excel spreadsheets with hard copies of documentation maintained in client files. Both MBHP and RCAP have maintained records of family composition, income, educational achievement, rent and participation in outside programs for participating clients.

MTW authorization and waived provisions: Prior approval was granted by HUD for this initiative as part of the original MTW Agreement. Subsequently, DHCD has utilized the Broader Uses of Funds Authority amendment for this initiative.

Activity 2010-1

Description/Update of MTW Activity: Owner/managers of PBV developments authorized by DHCD will be responsible for all PBV waiting list intake and management functions. Generally, DHCD will require PBV owners to assume and manage these functions; however, exceptions may be made at DHCD's option. Under the new system, applicants will contact the owner/manager of a specific development in order to file an application. Application files and the waiting list itself will be maintained at the development site. Owner/managers will be responsible for contacting and screening applicants who come to the top of the waiting list, collecting all needed information from the applicant, and then forwarding the applicant to the RAA for eligibility determination and processing.

The transition to site-based waiting lists is anticipated to be implemented in stages, with new PBV projects being the first to assume waiting list management responsibilities, followed by projects managed by larger and/or more experienced management companies. For existing PBV developments, all current applicants will maintain their waiting list places; however, the waiting list will be updated prior to transitioning to the owner/managers. During the transition period, waiting lists may be temporarily closed. DHCD will either use existing staff or contract with a Fair Housing organization to conduct periodic reviews of the system to ensure compliance with DHCD's approved tenant selection plan for each respective project and conformance to fair housing guidelines.

All PBV developments utilizing the new waiting list management methods will be required to modify their tenant selection plans and related documents as needed. DHCD will modify its PBV Administrative Plan as well.

Transition activities began in July 2009. Extensive planning has been conducted over the past year including development of owner policies and procedures. In FY 2011, focus groups were conducted with management companies which currently oversee PBV units. Transition of the WL functions to some select management companies is expected to start in FY 2012 upon finalizing the procedures manual and conducting training for management companies and RAA staff. Training materials are currently under development.

Relationship to MTW statutory objective: This activity addresses the statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by reducing the amount of time spent by staff on processing PBV applications.

Projected impact: The new policy is expected to streamline and expedite the timetable for filling vacant PBV units, by reducing the number of referrals required to occupy each unit. Reductions in RAA staff time needed to support the re-occupancy of PBV units are also projected.

Baseline, benchmarks and metrics: Upon implementation, DHCD will utilize information from a sample of existing PBV developments to measure impacts. The current estimated baseline for filling PBV units is an average of 60 days. A benchmark of reducing PBV vacancy turnaround time to less than 30 days has been established, following full implementation of

owner management of the waiting list. DHCD projects that this goal will be achieved within 18 months for projects involving 20 or more units, and within 24 months for smaller projects. No changes are anticipated for these benchmarks.

Data collection process: RAAs responsible for the PBV developments used to benchmark this activity will collect information from waiting list and occupancy reports maintained by PBV owner/managers. This information will be reviewed and analyzed as part of the Annual Report process upon implementation of the site-based waiting lists.

MTW authorization and waived provisions: MTW Agreement, Attachment C, paragraph D.4

Activity 2010-2

Description/Update of MTW Activity: DHCD may approve any documented and reasonable exception to payment standards as a reasonable accommodation for HCV households with disabled household members without HUD approval. This policy will be utilized without regard to the percentage increase requested over the payment standard.

Additionally, DHCD may approve other documented and reasonable exceptions to payment standards without seeking HUD approval if such requests will support participants' ability to find suitable rental housing in "low poverty, high-opportunity" neighborhoods, and clearly achieves the statutory objectives of the MTW program.

Implementation began in July 2009 and is ongoing. To date, 3 requests for "reasonable accommodation-related payment standard exceptions" have been received. Of the 3 requests, 2 were withdrawn by the RAA. The one that proceeded was received from the RAA on 9/21/2010 and approved by DHCD on 9/22/2010. There has not been any exception requests associated with participants' ability to find suitable rental housing in "low poverty, high opportunity" neighborhoods.

Relationship to MTW statutory objective: This activity addresses the statutory objective to expand housing choice by improving responsiveness to the needs of persons with disabilities and by encouraging the leasing of units in non-poverty impacted areas.

Projected impact: This policy is projected to expedite the approval and processing of reasonable accommodation requests by eliminating HUD review. The policy is also projected to increase the number of units leased in non-impacted areas.

Baseline, benchmarks and metrics: A benchmark of 3 business days from RAA request to DHCD final action (approval or disapproval) on reasonable accommodation-related payment standard exceptions has been established. The current baseline is approximately 10 business days, including time currently required for HUD final action on the request.

Data collection process: DHCD will continue to track and report annually on the turnaround time for processing these requests.

MTW authorization and waived provisions: MTW Agreement, Attachment C, paragraph D.2.a. waivers were utilized to allow DHCD to approve exception payment standards without approval from HUD.

Activity 2010-3

Description/Update on MTW Activity: An Owner Incentive Fund pilot program has been established to promote upgrades to the housing stock in areas of the state with a large percentage of older, deteriorated housing stock. When this type of housing is the prevailing housing available to HCV participants in a community/region, it has several undesirable consequences including: 1) limiting the tenants' ability to secure better quality housing in neighborhoods of lower concentrations of poverty; 2) resulting in inefficient use of the HCV inspection staffs' time by continually having to re-inspect units that frequently fall out of compliance; 3) resulting in few, if any, handicapped accessible units; and 4) discouraging new owners with better quality housing from making their units available to HCV households.

The program goals for this activity are: leasing higher quality units including incentivizing owners to upgrade existing housing at least one grade level, i.e. from a "C" to a "B" grade, or from a "B" to an "A" grade²; increasing the number of units that are accessible to persons with disabilities; expanding the number of units leased in currently underserved neighborhoods, and encouraging new owner participation.

The program was piloted by the Berkshire Housing Development Corporation (BHDC) beginning in January of 2010. Participating owners were eligible for a flat fee financial incentive (initially established at \$900 or \$1,200) payable in 4 quarterly installments over the first year of the HAP contract. At the end of the first year under HAP contract, owners are eligible for an additional one-time payment (initially established at \$500) if one or more of the following applied: the owner was not previously part of the HCV program; the unit was not previously under contract to an HCV participant; the unit was new construction or substantial rehabilitation; or, the unit was a foreclosed property prior to leasing and at least a "B" grade level. In the first year of the pilot, BHDC waived the requirement that the tenant remains in occupancy, or that the owner has agreed to lease to another HCVP referral from the RAA to receive the \$500 bonus payment in order to attract a higher level of interest. In the second year of the pilot, starting January 1, 2011, this requirement was implemented due to the strong response from owners in the first year.

In order to be eligible for incentive payments, the unit is required to be compliant with HQS at all times during the HAP term. An agreement was signed certifying that the incentive payments are not part of the monthly rent to owner.

In the first year of the program, BHDC established an initial cap of five units per owner per year, and a total program cap of seven percent of BHDC's voucher allocation (approximately thirty-eight units). The annual cap for year two of the demonstration was increased to ten units per owner and a total of forty units. The incentive was and remains capped at \$1,700 per unit. DHCD will adjust the program criteria and payment amounts as needed to respond to local market conditions, particularly when planning an expansion of this program to additional RAAs.

² DHCD grades each unit during initial, renewal and mid-lease inspections. Chapter Eight of DHCD's HCV Administrative Plan found on DHCD's website explains in detail the unit grading system employed.

Relationship to MTW statutory objective: This activity addresses the statutory objective to expand housing choice by increasing the range and quality of housing that can be leased by HCV participating households.

Baseline, benchmarks and metrics: The program has been piloted in Berkshire County since January 2010. The following benchmarks have been established.

- Increase the number of units that move up at least one grade, i.e. from a C to a B grade, or from a B to an A grade. Currently, the baseline is that 95% of units are rated C. The following benchmarks were proposed: in year 1, 3 units move up 1 grade; by year 3, a total of 12 units move up one grade; by year 5, a total of 15 units move up 1 grade.
- Increase the number of accessible units that are leased. The baseline was that less than 1% of leased units are accessible. A benchmark of 3% accessible units is proposed by year 5.
- Increase the number/percentage of units that are rented in underserved areas. The baseline was that 13% of all Berkshire units are located outside Pittsfield. The following benchmarks are proposed: in year 1, increase the percentage leased outside of Pittsfield to 14%; in year 3, to 16%; and, in year 5, to 18%.

The results of the program to date are included in Table 10.

Table 10: Landlord Incentive Program Outcomes

Benchmarks	Baseline	Year 1	Year 2	Total
		(1/1/10-12/31/10)	(1/1/11-6/30/11)	
Upgraded Units				
From "C" to "B"	0	2	4	6
From "B" to "A"	0	0	0	0
From "C" to "A"	0	0	1	1
Accessible Units as a percentage of BHDC's portfolio	> 1%	>1%	>1%	
Units Leased in Underserved Areas (i.e., outside of Pittsfield, MA) as a percentage of BHDC's portfolio	13%	16%	17%	

As illustrated by Table 10, the program resulted in an increased number of units at a "B" or higher grade with a total of 6 units moving up 1 grade and 1 unit moving up 2 grades. To date, the number of accessible units has not been increased, but there has been an increase in the number of units leased in underserved areas.

In addition to the above benchmarks, other outcomes include adding eight owners in CY 2010 and 6 owners in CY 2011 who had not previously leased units to an HCV client and adding fifteen "A" grade units which had not previously been leased to an HCV client.

Data collection process: Data will continue to be collected by Berkshire Housing Development Corporation using the Trackers system, and will be reported and analyzed as part of the Annual Report process.

MTW authorization and waived provisions: MTW Agreement, Attachment C, paragraph D.2.a. waivers were utilized to allow DHCD to establish subsidy levels that differ from the currently mandated program requirements, specifically to enable landlord incentive payments.

Activity 2011-4

Description/Update of MTW activity: DHCD will modify its initial and annual recertification policies to: 1) allow biennial recertifications for all households; and, 2) allow household self-certification of assets valued up to \$50,000. Applying the passbook rate to assets valued at \$50,000 results in asset income of \$500. At the present time, only 37 (less than .001%) of DHCD's current participants (n=18,969) report assets at greater than \$50,000.

Any household that believes they would benefit by an annual recertification is free to request an annual income recertification.

DHCD originally intended to apply the biennial recertification policy to households on fixed income only; however, DHCD subsequently modified the initiative in the FY 2012 Annual Plan to include biennial recertification for all households in its portfolio to further the original goal of administrative efficiencies. Draft policies, procedures and forms were developed in FY 2011 and training scheduled for the first quarter of FY 2012. Biennial recertification will begin for all HCVP households beginning in January 1, 2012.

The facet of this initiative that allowed household self-certification of assets valued up to \$50,000 has begun and will be fully implemented during FY 2012.

Relationship to MTW statutory objective: This activity addresses the statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by reducing the amount of time spent by staff on these activities.

Projected impact: DHCD projects that these initiatives will result in administrative efficiencies for staff as well as time and cost savings for participants.

Baseline, benchmarks and metrics: Upon implementation, DHCD will measure reductions in the amount of time spent by staff performing certifications. DHCD has established a benchmark of 100% of MTW households (n=18,765), including FUP participants, that are subject to the new biennial recertification schedule and new asset verification policy. The transition to this new process will occur over a two year period.

Data collection process: DHCD will utilize internal reporting systems to collect and analyze data on the number of households impacted and the estimated time savings achieved. DHCD will also work with the RAAs to develop a baseline of the time spent on average recertifications under the annual certification system. DHCD will also utilize relevant data on recertification processing times as published by the Cambridge Housing Authority in 2007.

MTW authorization and waived provisions: MTW Agreement, Attachment C, paragraph D.1.c.

Activity 2011-5

Description/Update of MTW activity: Among the most often cited concerns for youth aging out of foster care is the lack of adequate and affordable housing. Youth who lack housing may have difficulty staying in school and/or maintaining employment. These youth are expected to succeed on their own long before a vast majority of their peers. By the time they receive their FUP voucher, they have already experienced more challenges than many people experience in a lifetime.

DHCD, through its MTW program, intends to design and implement a time-limited pilot program to provide continued support to and build upon the successes of youth currently participating in its Family Unification Program Aging Out of Foster care program that are facing the current 18 month expiration date. Designed similarly to the stipend program DHCD currently administers in MBHP and RCAP's region, this initiative will provide a shallow short-term and time-limited subsidy, supportive services funds for education, training and employment related expenses, an escrow account and case management. Up to 25 current participants facing the expiration date for the Family Unification Program Aging Out of Foster care program will be eligible to participate in the extension. Eligible participants for the extension must be in good standing and be making progress toward their education and employment goals.

During FY 2011, DHCD and the Department of Children and Families (DCF) met regularly to plan this program, the Youth Transition to Success Program (YTTSP). DHCD has developed an Administrative Plan and drafted a Memorandum of Understanding between DHCD and DCF to govern program operations. The YTTSP will target DCF-referred youth who have successfully completed the FUP AOP voucher program and have demonstrated an ongoing commitment to completing their education and/or training in order to improve their economic opportunities.

Program components that were developed in FY 2011 include:

- A rent subsidy, which will be time limited for 36-months and will be stepped down each year. The rent subsidy will be based on regional costs.
- An Escrow Account- up to \$800 per year leveraged by individual savings.
- Support Account—up to \$500 per year available to support the completion of Service Plan Goals. These funds are reverted back to DHCD if they are not used by the participant.

Full program implementation is expected to begin in FY 2012.

Relationship to MTW statutory objective: This activity will support the statutory objective of promoting economic self-sufficiency.

Projected impact: Helping youth to become stable and productive citizens will produce substantial social and economic benefits and would reduce the potentially substantial costs to the Commonwealth if these youth do not succeed.

Baseline, benchmarks and metrics: In FY 2011, the following benchmarks and evaluation metrics were established:

- Increase the number of FUP AOP participants who continue or complete their progress in post-secondary education and/or complete a job training program. The following benchmark is proposed: 100% of participants will complete or continue their progress in post-secondary education and/or complete a job training program while in the program.
- Increase the earned income of participants. The following benchmark is proposed: 80% of working participants will increase their earned income.
- Increase the number of participants who establish and/or maintain savings accounts with balances sufficient to leverage maximum of escrow. The following benchmark is proposed: 70% will establish and/or maintain savings accounts with balances sufficient to leverage maximum of escrow (\$600 savings/\$2400 escrow).
- Improve the credit score of participants. The following benchmark is proposed: 70% will establish or improve their credit score.

Data collection process: RAAs and case managers will collect all relevant participant data to measure benchmarks.

MTW authorization and waived provisions: MTW Agreement, Broader Uses of Funds Authority amendment.

VII. Sources and Uses of Funding

DHCD's operates an MTW program that involves only Housing Choice Vouchers. Table 11 provides projected and actual sources and uses for the MTW program for Fiscal Year 2011.

Table 11: MTW Sources and Uses: Estimated and Actual

Sources	Estimated Amount	Actual Amount
HUD Subsidy – MTW Tenant Based	\$206,341,101	\$207,180,632
HUD Administrative	\$19,193,000	\$19,150,869
MTW Sources Total	\$225,534,101	\$226,331,501
Uses		
HAP Payments	\$203,341,101	\$197,201,508
MTW Local Initiatives *	\$3,000,000	\$1,328,421
Administrative	\$19,193,000	\$20,073,786
MTW Uses Total	\$225,534,101	\$218,603,715

**The MTW Local Initiatives estimated amount includes the cost of the proposed Value Voucher initiative, the Owner Incentive Fund, and expansion of MTW Activity 2000-1 to additional RAA sites. The actual amount used reflects households served through MTW Activity 2000-1 at the pilot sites, RCAP and MBHP.*

VIII. Administrative Requirements

- A. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, or other oversight and monitoring mechanisms, if applicable.**

Not applicable.

- B. Results of latest Agency-direct evaluations of the demonstration, as applicable.**

Not applicable.

- C. Performance and Evaluation Report for Capital Fund activities.**

Not applicable.

- D. Certification that agency has met the three MTW statutory requirements.**

See attached certification.