



VANCOUVER
HOUSING
AUTHORITY

▶ Moving to Work Annual Report

Fiscal Year 2012

▶ Revised and Resubmitted to HUD – July 1, 2013

Moving to Work Annual Report

Vancouver Housing Authority

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Section I. Moving To Work Goals and Objectives

The Vancouver Housing Authority

The Vancouver Housing Authority (VHA) is located in the city of Vancouver in Clark County, Washington. The VHA is the only housing authority in the county and serves the unincorporated areas and the cities of Vancouver, Battle Ground, Camas, Ridgefield, and Washougal through intergovernmental cooperation agreements.

Our mission is to provide opportunities to people who experience barriers to housing because of income, disability, or special needs in an environment which preserves personal dignity, and in a manner which maintains the public trust.

The VHA provides affordable rental housing and housing assistance for more than 12,000 residents of Clark County, Washington. In addition to affordable housing, the VHA's community development activities also shape the lives of the people and neighborhoods we serve.

The Moving to Work Demonstration

The MTW demonstration offers public housing authorities the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies. The program has three statutory objectives and in order to meet these objectives allows certain exceptions from federal rules governing the public housing and Section 8 Voucher programs and in some cases offers flexibility in the funding of these programs.

The VHA was among the original group selected to participate in Moving to Work (MTW) in 1999. More recently, the Department of Housing and Urban Development (HUD) and VHA executed an Amended and Restated Agreement on March 26, 2008. The new Agreement has a term of ten years and will end in 2018.

In 2012 the VHA utilized authority provided by the MTW agreement for 21 separate ongoing initiatives designed to meet one or more of the statutory objectives.

The Moving to Work Statutory Objectives:

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

The Moving to Work Plan and Report

As a MTW agency, the VHA is required to adopt an Annual MTW Plan that describes the activities planned for the next fiscal year. At the end of the year the VHA prepares an Annual MTW Report that compares the activities of the completed fiscal year with what was originally planned for that year. The required format and content of these plans and reports are outlined in an attachment to the MTW Agreement. This MTW Annual Report is for the VHA's 2012 fiscal year that ended on December 31, 2012.

Section II. General Housing Authority Operating Information

Housing Stock Information

Number of Public Housing Units at End of Plan Year

As of the end of 2012 VHA had 575 Public Housing units under contract with HUD. 189 of these units are not currently part of the inventory as they were removed under disposition plans in 2011 and are in reserve pending replacement. The 386 physical units are divided into two Asset Management Properties (AMPS). As this report is being written in early 2013, VHA has received approval for another disposition plan and for two conversion plans under the RAD demonstration. These plans will result in the sale or conversion of the remaining 386 physical units. In addition the RAD conversions will reduce the VHA's Faircloth limit from 575 to 273 Public Housing units.

Significant Capital Expenditures

Planned capital expenditures for 2012 were mostly suspended in anticipation of approval of several disposition and/or RAD applications. During the year VHA relocated a maintenance facility to a warehouse and that required purchasing a forklift and other miscellaneous equipment. \$23,663 in capital funds from the 2011 funding year were also used to complete the conversion of several units to fully ADA accessible.

Figure 1: 2012 Planned vs. Actual MTW Capital Fund Activities

Community	Planned Activities	Budget	Actual
Skyline Crest (AMP 1)	Exterior Upgrades	\$ 113,335	\$ 0
	Exterior Upgrades & Smoke Detectors	\$ 358,350	\$ 7,000
Scattered Sites (AMP 2)	Conversion of 5 Units to Accessible	\$ 0	\$ 23,663
	Program Administration	\$ 75,665	\$ 129,136
VHA Wide	Community Center Program	\$ 200,000	\$ 0
	Grounds keeping Equipment	\$ 9,000	\$ 0
	New Warehouse Equipment	\$ 0	\$ 12,882
Total 2012 Public Housing Capital Budget		\$756,650	\$172,265

New Public Housing Units Added

No new Public Housing units were added in 2012. VHA is continuing to seek opportunities to add Public Housing units to new or existing projects.

Public Housing Units Removed from Inventory

No Public Housing units were removed from inventory in 2012.

Number of MTW Housing Choice Vouchers Authorized

VHA currently has 2086 Housing Choice Vouchers (HCV) funded under the MTW demonstration. Although not part of the MTW ACC, the VHA administers and bills other housing authorities for a large number of port-in vouchers. MTW policies involving occupancy and housing assistance are applied to the families with these vouchers which total 371 as of the end of the year.

Number of non-MTW Housing Choice Vouchers Authorized

VHA is authorized for 225 special purpose vouchers that are not part of the MTW demonstration. These include 75 Mainstream vouchers designated for persons with disabilities, 70 Veteran's Affairs Supportive Housing (VASH) tenant-based vouchers for homeless veterans, 50 Family Unification Program (FUP) vouchers, and 30 VASH project-based vouchers.

Number of Project-Based Vouchers

VHA committed up to 200 vouchers for PBV projects in 2012. This did not include the 98 vouchers awarded the VHA in 2011 as replacement housing for a Public Housing disposition project. Nor does it include 30 VASH PBV awarded the VHA in 2011. As of the end of the year 149 of the 200 committed were under contract.

Overview of Other Housing Managed by the Agency

In addition to the Public Housing and Housing Choice Voucher programs, VHA owns and/or manages a large number of housing units in a variety of projects outside of the MTW demonstration. These projects include two Section 8 New Construction communities, Cougar Homes and Columbia House. Cougar Homes is comprised of 52 three- and four-bedroom single-family homes located in Vancouver and urban Clark County. Columbia House is a high rise building for the elderly, located in downtown Vancouver. The Columbia House property consists of 151 units (143 one-bedroom and 8 two-bedroom), built in 1976.

The VHA owns four shelters: two homeless shelters, one women’s domestic violence shelter, and one youth shelter. All are operated by local nonprofit service providers. The VHA partners with other agencies and service providers to address other specific housing needs in our community. These properties include assisted living facilities, a single room occupancy program located on the Veteran’s Administration campus, apartments for those with chronic mental disabilities, and other special needs housing.

The VHA manages 298 units of housing, in nine different properties, for Columbia Non-Profit Housing (CNPH). All of these properties are designated for elderly or disabled clients and most are federally subsidized under Section 202 or Section 811 funding.

The VHA owns 1,994 units of workforce housing. These properties are located throughout the urban area and are financed with tax exempt mortgage revenue bonds, tax credits, and state and local grants and loans.

Planned Leasing Information

Number of MTW Public Housing Units Leased

As of December 2012 there were 383 Public Housing units leased. This corresponds to an occupancy rate of better than 99%.

Number of Non-MTW Public Housing Units Leased

All of VHA’s Public Housing stock is part of the MTW demonstration.

Number of MTW Housing Choice Vouchers Leased

As of the end of 2012 there were 2019 MTW Vouchers under lease. This corresponds to a utilization rate of 97%.

Number of Non-MTW Housing Choice Vouchers Leased

As of the end of 2012 there were 227 non-MTW Vouchers under lease. This corresponds to a utilization rate of 101%. VHA will allow this rate to drop through attrition in order to maintain the full utilization rate that funding will allow in 2013.

Issues Relating to Leasing

No significant issues related to leasing occurred in 2012.

Number of Project-Based Vouchers In-use

VHA ended 2012 with 277 Project-Based Vouchers (PBV) under contract. This includes 65 units that are part of the MTW Activity that links services with housing in partnership with local agencies and 76 PBV that were utilized for a new project for seniors that VHA opened in February 2012.

Figure 2: Project-Based Properties

Property Name	PBV Units	Total Units	Detail
Anthem Park	3	58	PBV Tied to Services
Esther Short	7	160	PBV Tied to Services
Maple Knoll	25	148	PBV Tied to Services
The Mews	6	51	PBV Tied to Services
Park Lane	8	260	PBV Tied to Services
Plum Meadows	8	162	PBV Tied to Services
Spring Brook	8	290	PBV Tied to Services
Camas Ridge	8	51	Mixed Income Development
Van Vista Plaza	98	98	Previously Public Housing
Vista Court	76	76	New Elderly Project
Central Park Place	30	124	VASH PBV

Waiting List Information

Number and Characteristics of Households on VHA Waiting lists

The following table shows the numbers and characteristics of applicants for HCV waiting lists as of December 2012.

Figure 3: Number and Characteristics of Households on HCV Waiting Lists

	Tenant Based	Camas Ridge	Van Vista	Vista Court
Total Number of Households	1732	61	201	289
Distribution by Family Type				
Elderly	428	12	51	289
Disabled (Under age 62)	510	33	126	0
Other Family	794	16	24	0
Distribution by Household Size				
1 Member	733	44	154	256
2 Members	453	13	46	3
3 Members	233	3	0	1
4 Members	161	0	1	1
5 Members	74	1	0	0
6 Members	40	0	0	0
7 Members	21	0	0	0
8 or More Members	17	0	0	0
Distribution by Income Range				
Below 30% of Area Median	1526	54	179	232
Between 30% and 50%	188	7	21	54
Between 50% and 80%	18	0	1	3
Above 80% of Area Median	0	0	0	0
Distribution by Race of HOH				
White	1408	46	166	255
Black / African American	191	12	24	15
American Indian / Alaska Native	41	0	4	3
Asian	58	1	0	11
Native Hawaiian / Pacific Islander	30	1	6	4
Unknown	4	1	1	1
Distribution by Ethnicity of HOH				
Hispanic or Latino	98	3	9	11
Not Hispanic or Latino	1634	58	192	278

Figure 4 contains the table of number and characteristics of applicants on the general and site-based Public Housing waiting lists. The Ridgefield and Camas lists will be eliminated under an approved disposition plan in 2013, while the general list (scattered sites) and the Skyline and Fruit Valley lists will be converted to PBV list under RAD.

Figure 4: Number and Characteristics of Households on Public Housing Waiting Lists

	General	Skyline	Fruit Valley	Ridge field	Camas
Total Number of Households	1387	561	44	25	55
Distribution by Family Type					
Elderly	148	17	0	1	0
Disabled (Under age 62)	406	40	5	2	7
Other Family	833	504	39	22	43
Distribution by Household Size					
1 Member	559	10	1	0	0
2 Members	263	154	3	0	0
3 Members	226	178	9	5	12
4 Members	161	113	15	9	24
5 Members	94	62	12	7	15
6 Members	58	28	4	4	4
7 Members	19	11	0	0	0
8 or More Members	7	5	0	0	0
Distribution by Income Range					
Below 30% of Area Median	1238	477	34	19	45
Between 30% and 50%	133	73	6	3	6
Between 50% and 80%	14	10	4	3	4
Above 80% of Area Median	1	1	0	0	0
Distribution by Race of HOH					
White	1073	398	32	17	39
Black / African American	148	64	2	2	3
American Indian / Alaska Native	33	14	1	0	2
Asian	33	13	2	3	2
Native Hawaiian / Pacific Islander	89	66	7	3	8
Unknown	11	6	0	0	1
Distribution by Ethnicity of HOH					
Hispanic or Latino	95	53	5	3	7
Not Hispanic or Latino	1292	508	39	22	48

Description of Waiting Lists

Housing Choice Voucher Program

The HCV program had four waiting lists as of the end of 2012; one for tenant-based vouchers and three project specific PBV lists. The HCV tenant-based waiting list has been closed to new applicants since October 2006 and was purged in 2009 and again in 2011. VHA does not anticipate opening this list for new applicants for several more years. The PBV lists were developed as these projects became operational and first placement was offered to applicants on the existing HCV tenant-based list. Currently the PBV lists are closed as well.

The HCV tenant based list utilizes the following local preferences and applicants with preference numbers 1, 2 or 3 make apply when the list is closed for general application.

1. A preference for VHA Public Housing tenants eligible to participate in the HCV Homeownership program.
2. Preference for graduates from an approved two-year transitional or housing-first supportive housing program.
3. Preference for tenants displaced by VHA disposition or condemnation actions.
4. Preference for elderly families, disabled families, and families with children or disabled dependents.
5. Preference for families not already housed in income-based subsidized housing.

Public Housing

The VHA utilizes site-based lists for the two largest Public Housing developments, Skyline Crest and Fruit Valley. Site-based lists are also utilized for two properties located in communities outside the major population area in Clark County. The general list is for smaller properties and various duplexes and triplexes in the city of Vancouver. All of these lists were opened, at least for certain bedroom sizes, as recently as 2010. VHA does not anticipate the need to open them again for several years.

Public Housing lists utilize the following local preferences and applicants with preference numbers 1, 2 or 3 may apply when the list is closed for general application.

1. Preference for applicants selected for participation in the CHASE program.
2. Preference for graduates from an approved two-year transitional or housing-first supportive housing program.
3. Preference for tenants displaced by VHA disposition or condemnation actions.
4. Preference for applicants who agree to participate in the SmartChoices self-sufficiency program.
5. Preference for elderly families, disabled families, and families with children or disabled dependents.
6. Preference for families not already housed in income based subsidized housing.

Non-MTW Waiting Lists

In addition to the waiting lists for housing within the MTW demonstration, VHA operates an additional ten separate waiting lists for the Section 8 New Construction, Section 202, and Section 811 properties it manages.

Section III. Non-MTW Related Housing Authority Information

Planned vs. Actual Sources and Uses of other HUD or other Federal Funds

Figure 5 details the anticipated sources and uses of Federal funding not part of the MTW demonstration. This includes the Section 8 New Construction properties, Mainstream, FUP, and VASH Vouchers, and a number of other grants .

Figure 5: Planned vs. Actual Sources and Uses of other Federal Funds

Sources	Actual	Budget	Variance
Rental Income	582,710	593,800	(11,090)
HUD and Other Grants	2,889,885	3,039,867	(149,982)
Other Revenue	172,231	171,993	238
Investment Income	38,084	38,498	(414)
Transfer from/to Reserves	97,963	108,900	(10,937)
Total	3,780,873	3,953,058	(172,185)
Uses			
Administrative Expenses	1,331,726	1,338,808	(7,082)
Maintenance	146,311	105,612	40,699
Utilities	154,418	163,578	(9,160)
Insurance and other Expenses	44,509	47,369	(2,860)
Housing Assistance Payments	1,315,220	1,366,500	(51,280)
Interest Expense	59,455	75,735	(16,280)
Principle Payment	111,008	111,008	-
Replacement Reserves	295,200	295,200	-
Capital Improvements	151,361	108,900	42,461
Transfers To (From) Reserves	-	-	-
Total	3,609,207	3,612,710	(3,503)
Difference	171,666	340,348	(168,682)

Non-MTW Activities Implemented by the Housing Authority

VHA opened Vista Court in early 2012. The new development includes 76 one and two bedroom units designated for persons age 62 and older whose income is below 50% of area median. It is located in downtown Vancouver close to amenities and transportation. The project utilizes tax credits and housing subsidy is provided by Project-Based Vouchers.

VHA implemented direct deposit for housing assistance payment to landlords in the HCV program in 2012. The new process was generally well received by landlords and has resulted in greater efficiency.

Section IV. Long-Term Moving to Work Plan

Our Mission

The mission of the Vancouver Housing Authority (VHA) is to provide opportunities to people who experience barriers to housing because of income, disability or special needs in an environment which preserves personal dignity and in a manner which maintains the public trust. In carrying out its mission, the Vancouver Housing Authority is committed to: Vital neighborhoods; Respect for VHA clients and employees; Excellence in management and operations; Cooperative and respectful working relationships with the public, neighborhood and community organizations, and other units of local government; and Dispersal of assisted housing throughout Clark County where warranted by need.

VHA's long-term MTW vision integrates the mission of the agency with the purposes of the MTW statute. The flexibility provided by the MTW Agreement will help the VHA realize its long-term vision and maximize the use of housing programs to meet the needs of the Vancouver/Clark County community.

Aligning With Other Community Housing and Service Plans

The VHA's vision includes aligning its MTW plan with other community housing and service plans to ensure that community resources are used effectively and efficiently.

Excellence in Management and Operations

The VHA was designated a High Performer prior to entering the MTW demonstration and is committed to maintaining that high standard. VHA intends to maximize efficient and effective delivery of its programs and will maintain its properties at or above community standards and demonstrate good stewardship of its properties, preserving them for future generations.

The VHA is committed to simplifying and streamlining program operations, eliminating unnecessary paperwork, and focusing its resources on providing direct service to residents in property management and promoting successful tenancy.

Promoting Resident Empowerment and Self-Sufficiency

VHA will target resources and utilize MTW flexibility to address the statutory requirement of providing “incentives to families with children whose heads of households 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.”

Priority will be given to policies and procedures that will assist residents in achieving self-sufficiency, including developing asset building initiatives, expanding resources and programs that promote self-sufficiency.

VHA is committed to enhancing opportunities for its residents and using its MTW status to create pathways that lead to self-sufficiency through targeted employment programs and opportunities for homeownership.

Promoting Home Ownership

Program participants seeking home ownership will receive one-on-one counseling, attend pre-purchase home ownership classes offered by a local nonprofit, and participate in post purchase follow up. Program participants may receive financial assistance from their Section 8 Housing Choice Voucher.

Maximize the Use of Federally Subsidized Housing and Rent Assistance

The Vancouver/Clark County community has grown rapidly in the past decade and the demand for decent, affordable housing far surpasses the supply. The

VHA is working with community partners to maximize Public Housing and Housing Choice Voucher resources by targeting resources and combining Project-Based Vouchers with service-enriched housing.

The VHA's MTW status allows it to make the best use of its Section 8 Housing Choice Voucher program to establish programs and create partnerships that serve the most vulnerable and expand opportunities for those seeking to break the cycle of poverty.

Building Community

For more than sixty years, the VHA has been engaged in building a healthy Vancouver/Clark County community and ensuring that there is a place for everyone, including low income and vulnerable populations. We have learned that affordable housing, like roads, is part of the infrastructure of a healthy community. We have made some policy decisions that will impact all of our future developments.

- ▶ Future developments will include workforce as well as service-rich housing for special populations.
- ▶ Developments will serve to address one of the following: create affordable housing opportunities in high-cost areas, address a revitalization need of the community, provide housing for special needs populations near services, and provide affordable housing in growth areas and along transportation routes.
- ▶ Replacement of units disposed will be planned in individual projects or accounted for in the overall housing portfolio. The housing portfolio will be reviewed for diversification needs, in that special needs programs requiring financial support will be adequately offset by market/near-market rate developments.
- ▶ Future project and program planning will be inclusive of City and County comprehensive plans. Developments will respond to noted types of populations with housing needs and geographic areas in which affordable housing opportunities are inadequate.

Adopting Sustainable Practices

The VHA's vision includes being a good steward of the resources within its control. We will put into practice decision-making that will result in actions that, in the words of the World Commission on Environment and Development, "meet the needs of the present without compromising the ability of future generations to meet their own needs." The decisions we make today, in operations and in development, will achieve current objectives and also serve to sustain the agency and the community over time. We will practice energy conservation, reduce environmental impacts, increase the durability of building components, reduce solid waste, achieve operational savings, and use sustainable building practices in affordable housing design. We will use the Evergreen Sustainable Development Criteria, developed by the state of Washington, in our new housing development. We will support other governmental, nonprofit, and for-profit entities in building a more sustainable Vancouver/Clark County community.

Community Partnerships

Since its beginning in 1942, the VHA has actively partnered with other community agencies and governmental entities to meet the housing needs of the community. The VHA works in partnership with a variety of local agencies that provide services for residents, and throughout this plan there are references to these partnerships. MTW is a vehicle through which these partnerships can be enhanced.

Residents, program participants, and key community constituencies are at the root of VHA's long term planning. The agency's rich history of partnerships has resulted in innovations that have served the specific needs of residents and the establishment of programs and services, such as the Learn and Play program for the very young and Assisted Living for the frail elderly.

Section V. Proposed MTW Activities: HUD Approval Requested

Activities Approved By HUD But Not Implemented

Activity 2011-01: Minimum Rent/Income for New Public Housing Projects

This activity involves the use of a minimum rent and or a minimum income for residents of new projects utilizing replacement public housing units. As no development opportunities that would allow for the inclusion of Public Housing units occurred last year, this activity was not needed. However, VHA still hopes to be able to incorporate new Public Housing units in future developments so this activity will be retained.

Activity 2011-03: 50% Cap on the Number of Project-Based Units in a Project

As with the previous activity the implementation of this is dependent upon the VHA finding an opportunity for the type of development where this would be appropriate. This activity allows VHA to replace the 25% cap on the number of Project-Based Vouchers (PBV) contracted in a project with a 50% cap. However, this change was not required for the two projects utilizing PBV developed since this activity was approved. One only required eight units out of 51 units to be PBV, and the other was a property designated for elderly residents, which allows up to 100% of the units to be PBV. VHA may still utilize this activity in the future.

Activity 2012-02: Use of MTW Funds for Leveraging the Creation of New Affordable Housing

This activity was approved in an amendment to the 2012 Plan. VHA is still planning to utilize MTW fund to leverage other funding in the creation of a new mixed income project, currently known as First Street. Construction is expected to begin in early 2013. VHA will also seek other development opportunities that may utilize this activity.

Activity 2012-03: Home-Sharing in HCV Program

This activity was also approved later in 2012 as part of a plan amendment. Implementation is planned for early 2013 provided Federal funding issues can be resolved. Currently, with the sequestration, the VHA is not issuing any new vouchers.

Activity 2012-04: Short-Term Rental Assistance

Implementation of this activity has also been delayed due to funding uncertainty. The partnering agencies have been selected and memorandums of understanding have been drafted.

Section VI. Ongoing MTW Activities: HUD Approval Previously Granted

Activity 2012-01: Multi-Disciplinary Team Pilot Project

Description of Activity

Community Supported Self Reliance (CSSR) is a pilot project where housing assistance along with intensive wrap around services are made available through partnering agencies to very-low income clients with multiple barriers to self-reliance. Each partnering agency provides one staff member to serve on the Project Team. The primary role of the Project Team is to screen and refer participants to the project, to support agency case managers, and to ensure that program participants are making steady progress toward self-reliance. In addition to the Project Team, the project is overseen by a Review Board. This board will be comprised of up to 12 members with expertise in a variety of disciplines and, whenever possible, personal experience as a recipient of local support services. The primary function of the Review Board is to provide final approval of resident selection and participation in the program, provide expertise and advice, approve graduation or expulsion processes, and manage tenant disciplinary actions or grievances. The 16 participants initially selected for the pilot project are provided a Housing Choice Voucher with a time-limit of five and a half years (66 months). In addition to the regular HCV program obligations, participants are required to actively participate in their approved self-reliance plans developed with their assigned case manager from a partnering agency; failure to do so results in expulsion from the program. Participants facing expulsion may file a grievance with the project's Review Board. If the expulsion is upheld by the Review Board, the participant will be considered to be in violation of their HCV family obligations and will be terminated from the HCV program. Participants facing termination of housing assistance will have an opportunity for an HCV informal hearing. Participants will also participate in a VHA sponsored Self-Sufficiency program.

Current Status

The activity was implemented at the beginning of 2012 with selection of the partnering agencies and the formation of the Review Board. The first participants were selected and leased up on April 1, 2012. There are currently nine participants, two of which just recently leased.

Impact on Statutory Objective

It is too early to measure outcomes for this activity, however participants are already showing progress as documented on their scoring on the self-sufficiency indicator. The indicator measures 18 different factors relating to self-sufficiency including employment, child care, education, family relations, mental health and substance abuse. Other metrics for the program should demonstrate impact after three years beginning in 2015.

Activity 2012-01 Scorecard

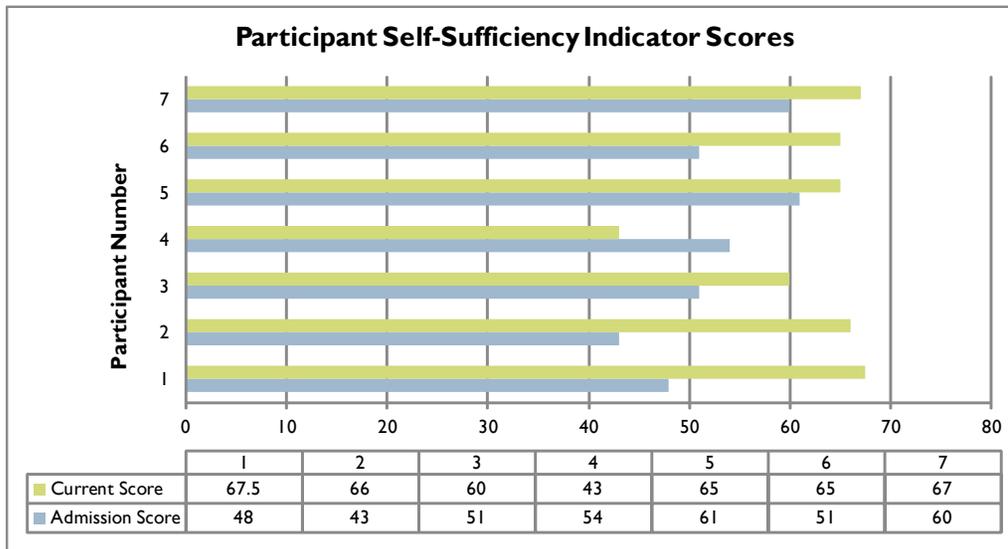
Community Supported Self Reliance

Detail

Plan Year Identified: FY 2012 MTW Annual Plan
Date Implemented: April 1, 2012
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Activity will match housing assistance with wrap-around case management services intended to transition clients to self-sufficiency
Authorization Cited: Sections D.2.d. and E. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of Section 8(o)(7), 8(o)(13) and Section 23 of the 1937 Act and 24 CFR § 982 subpart L and 24 CFR § 984

Metrics

	Apr-2012 Baseline	Benchmark	Dec-2012 Interim Progress
Percent with improved score on self-sufficiency indicator:	0%	85%	✔ 86%
Percent of participants with improved credit scores by year three:	0%	50%	na
Percent of participants with improved financial habits by year three:	0%	50%	na
Percent graduating to self-sufficiency by year five:	0%	75%	na



Key

- ✔ Surpassing Benchmark
- ⚠ Just Missing Benchmark
- ✘ Not Meeting Benchmark

Activity 2011-02: Floating Units in Project-Based Voucher Projects

Description of Activity

This activity allows Project-Based Voucher (PBV) units to “float” or change within a particular project when, for example, a new tenant needs a different size unit or when a current tenant no longer requires the subsidy but wants to remain in-place. Current regulations governing the program require an amendment to Appendix A of the Housing Assistance Payments (HAP) contract when changing specific units within a project. The flexibility this activity provides is being used at PBV projects with participants in the MTW activity that links PBV housing to services provided by local community agencies (MTW Activity 2008-01). One of the goals of that program is to have participants remain in their units once case-management is completed and the PBV subsidy ends (most is time limited from 18 months to three years). The ability to float the PBV subsidy allows graduating participants to stay in their unit paying full rent at the same time the PBV subsidy can move to the next vacant unit to be available for a new participant. This provides for a quick turnover without the added cost and complexity a contract amendment at every changeover.

Current Status

The activity was implemented at the beginning of 2011 and is ongoing in those properties with contracts for PBV tied to services

Impact on Statutory Objective

This activity is one additional component of Activity 2008-01, PBV Tied to Services, and allows households to remain in place after their time limit under that activity. In 2011 at least 10 exits had an opportunity to remain in place rather than be displaced. In 2012 an additional five participants remained in place paying full rent at the end of their time on the program. The success rate of participants maintaining housing stability has been dropping significantly over the last two years. VHA is planning to implement major changes to the PBV Tied to Services activity in 2013. The agreements with the partnering agencies will be revised and consideration is being given to change the housing component from project-based to tenant-based vouchers. Several of the properties involved are currently for sale and it is not known if new owners would be receptive to the program. It's also felt that perhaps tenant-based vouchers would be more of an incentive for participants in the program. Should the PBV Tied to Services activity change over to tenant-based this activity will likely be dropped.

Activity 2011-02 Scorecard

Allow Floating Units in Project-Based Units Tied to Services

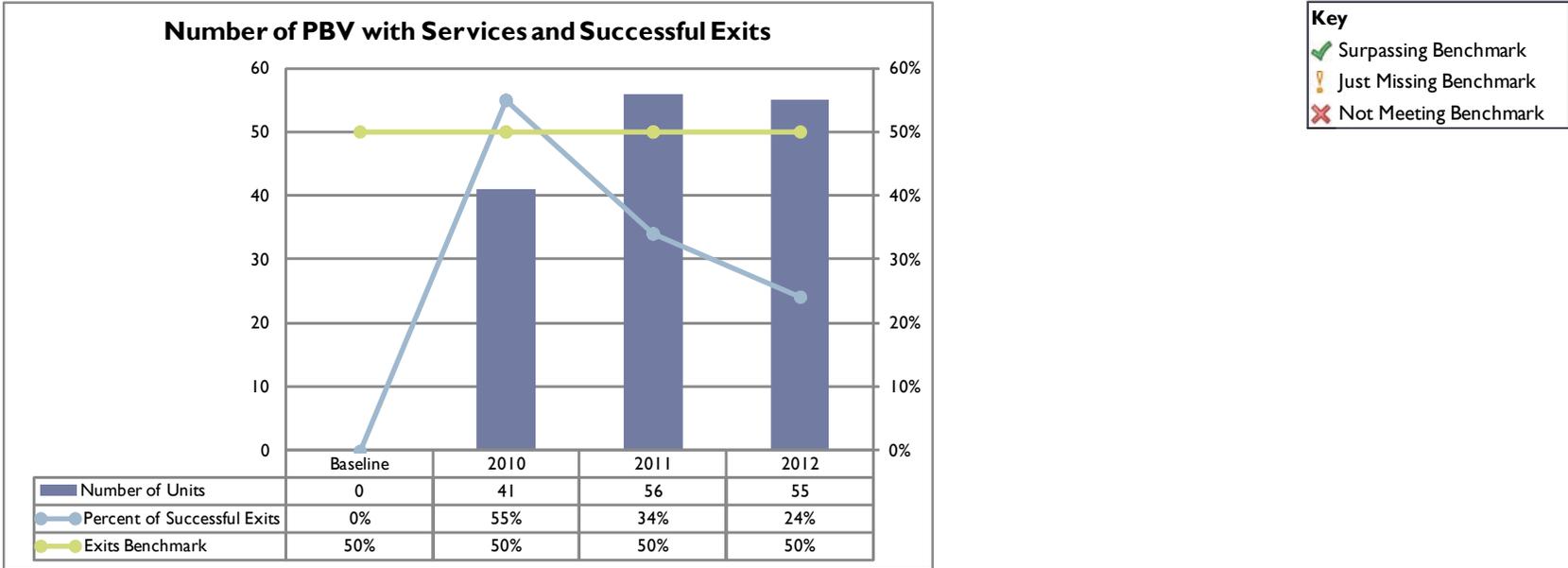
Detail

Plan Year Identified: FY 2011 MTW Annual Plan
Date Implemented: January 1, 2011
Statutory Objectives: Increase Housing Choice
Impact on Objective: Create housing opportunities for low-income families in crisis coupled with the services they require
Authorization Cited: Sections D. 2.d., D. 4. & D.7. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 8(o)(13)(F)-(J) of the 1937 Act and 24 CFR § 983

Metrics

	Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of PBV units with services:	0	50	✗ 41	50	✓ 56	50	✓ 55
Percentage of exits maintaining housing stability:	0	50%	✓ 55%	50%	✗ 34%	50%	✗ 24%

Number of PBV with Services and Successful Exits



Activity 2011-04: VHA Staff to Perform HQS Inspections and Rent Reasonableness on VHA Owned Properties

Description of Activity

This activity allows VHA staff with the Housing Choice Voucher program to complete required HQS inspections and rent reasonableness determinations on HCV units located in VHA owned units or units owned by entities substantially controlled by the VHA. Previously VHA hired outside inspectors for these inspections as well as for rent-reasonableness determinations. The amount charged by the entities providing these inspections significantly exceeded the cost to VHA of our own inspectors.

VHA owned or controlled properties that are able to accept HCV tenants are managed by independent property management firms. They are typically inspected and have their rent monitored by independent agencies already (such as the State agency enforcing tax-credit programs). The rent reasonableness methodology that VHA uses is RentWatch, a web-based application from Nan McKay & Associates that assures an objective comparison regardless of who is requesting the data. For these reasons VHA does not have concerns that this activity will result in any conflict of interest issues.

Current Status

The activity was implemented at the beginning of 2011 and is ongoing.

Impact on Statutory Objective

A comparison between what VHA was previously charged per inspection compared to our actual costs when VHA staff perform inspections results in significant cost savings. \$6,917 for the 239 inspections of this type performed in 2011 and an estimated savings of \$6,669 for 2012.

Activity 2011-04 Scorecard

VHA Staff to Perform HQS and Rent Reasonable on VHA Owned Properties

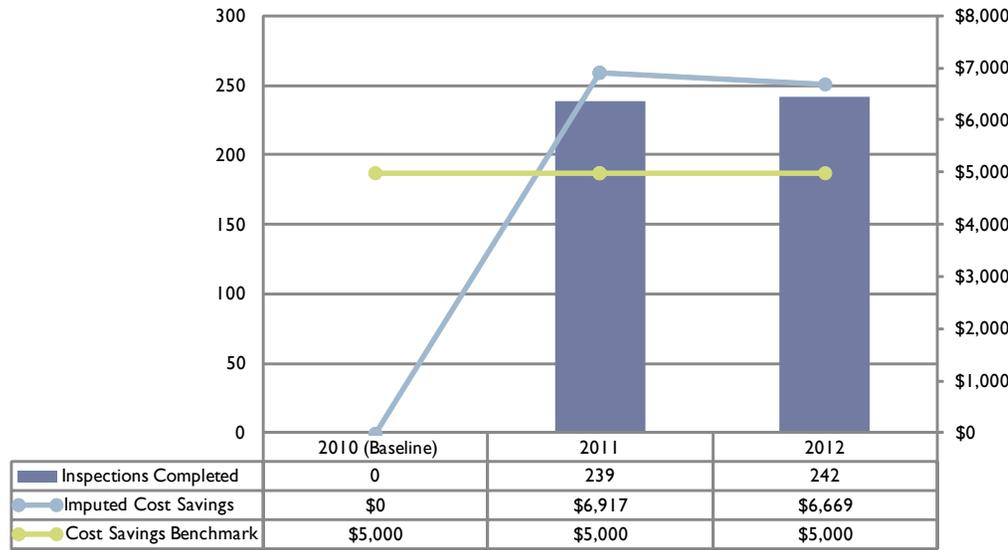
Detail

Plan Year Identified: FY 2011 MTW Annual Plan
Date Implemented: January 1, 2011
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Reduce costs by moving activity in house where it can be completed at lower cost
Authorization Cited: Sections D. 2.c. and D. 5. of Attachment C of the MTW Agreement
Provision/s Waived: Section 8 (o)(11) of the 1937 Act and certain sections of 24 CFR § 982.352(b) and 983.59(b)

Metrics

Metrics	Dec-2010	Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome
Number of HQS inspections on VHA owned units:	0	175	✓ 239	175	✓ 242
Cost savings compared to previous expense:	\$0	\$5,000	✓ \$6,917	\$5,000	✓ \$6,669

Inspections on VHA Owned and Imputed Cost Savings



Key

- ✓ Surpassing Benchmark
- ! Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2010-01: Community Involvement and Educational Initiative

Description of Activity

The Community Involvement and Education Program requires that HCV participants meeting program requirements be actively involved in their community through volunteer and/or educational activities. Adult participants must contribute eight hours per month of community service or participate in eight hours of training, counseling, classes or other activities that encourage self-sufficiency and economic independence. This requirement applies to all adult family members who are over 17 years old and under 62 years old, not disabled under the VHA's disability definition, not caring for a disabled family member, not working 25 hours per week or more, not attending a state recognized school full-time or not participating in a welfare to work program.

Current Status

This new requirement was implemented as HCV households were contacted regarding their required reexamination during 2010. By 2011 the activity was fully implemented as can be seen by the dramatic increase in community service hours performed. Hours are down for 2012 primarily due to more participants beginning activities that exempt them from the requirement.

Impact on Statutory Objective

This activity has not had the impact on employment figures that was anticipated. However both the percentage of work-able households with earnings and the average amount of those earnings have gone up, just not as high as the benchmarks that were established at the beginning. The roughly \$1000 annual increase in average earnings since 2011 represents approximately \$165,000 in reduced housing assistance expense due to potentially higher household share of the rent. This activity is being reconsidered in light of the new minimum income rent reform activity for work-able family members that will be going into effect in 2013. The new activity will impact roughly the same participants as this activity. In addition VHA is considering the need to shift limited staffing resources from tracking participant compliance with this activity to providing assistance with job readiness and search assistance.

Activity 2010-01 Scorecard

Community Involvement and Educational Initiative

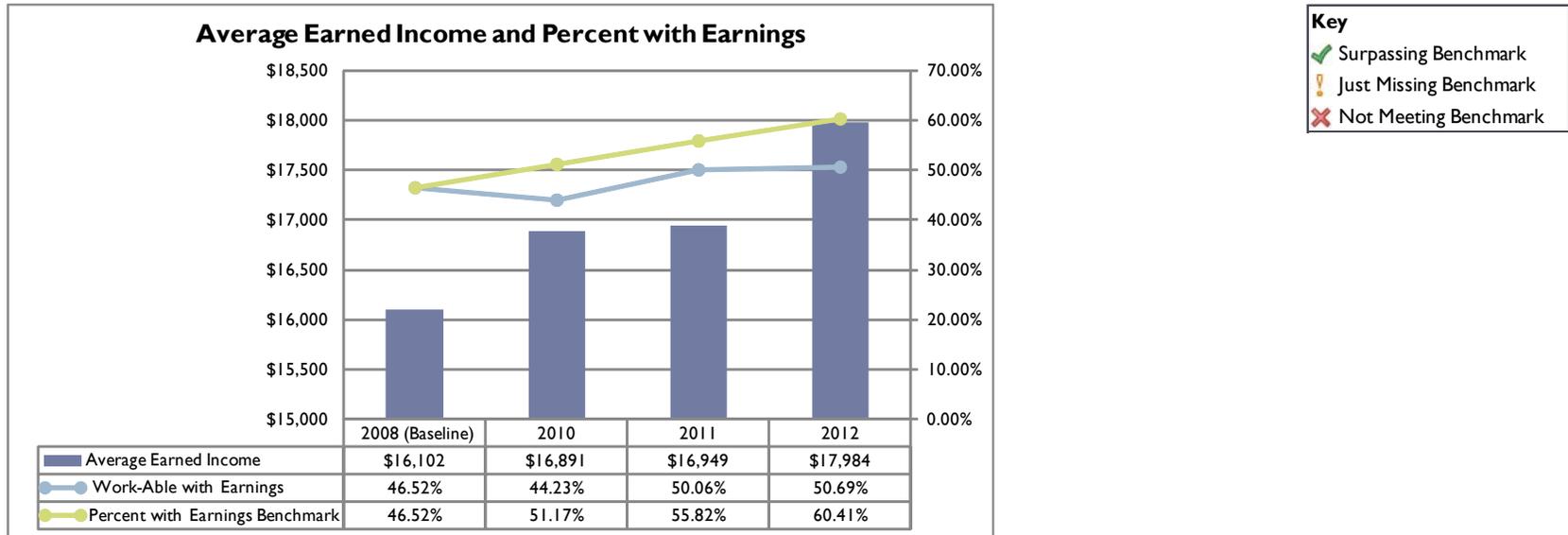
Detail

Plan Year Identified: FY 2010 MTW Annual Plan
Date Implemented: January 1, 2010
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Increase employment and earnings by requiring community service when not employed.
Authorization Cited: Section E. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of Section 23 of the 1937 Act and 24 CFR § 984

Metrics

Metrics	Dec-2009	Dec-2010		Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Average earned income in households with earned income:	\$16,102	\$16,907	⚠️ \$16,891	\$17,712	❌ \$16,949	\$18,517	❌ \$17,984
Percent of work-able households with earned income:	46.52%	51.17%	❌ 44.23%	55.82%	❌ 50.06%	60.41%	❌ 50.69%
Number of community service hours performed annually:	0	36,000	❌ 3,994	36,000	✅ 167,041	36,000	✅ 81,030

Average Earned Income and Percent with Earnings



Activity 2010-02: Skyline Crest Campus of Learners

Description of Activity

Skyline Crest is VHA's oldest and largest Public Housing site. It contains 150 units ranging from one to four bedrooms. There are over 350 children living at Skyline Crest. The VHA community center is located at Skyline and is the location of a number of VHA programs including the Campus of Learners. The Skyline Crest Campus of Learners is a partnership between the VHA and the residents of Skyline Crest to invest in the long-term success of every child and young adult living in the development. VHA provides rich and varied activities to engage Skyline Crest children and young adults and their families in school and community, including homework help and tutoring, enrichment classes, clubs and activities, recreation, mentoring, and early childhood parent/child activities. VHA also supports parents and youth through family support and case management services. Each family develops a success plan centered on their children's school attendance and community involvement, and commits to helping make the community a positive, nurturing place for all youth. Elderly and disabled Skyline Crest tenants are not required to participate; however activities are open for them as well.

Current Status

The Campus of Learners was fully implemented prior to 2012 and is an ongoing activity.

Impact on Statutory Objective

The long-term goal of this program is to increase educational attainment of residents which is directly related to greater economic self-sufficiency and success. The metrics for this activity focus on the graduation rates and attendance of school age children. In addition to these metrics a parental involvement survey was developed and implemented. However it was found that parents did not accurately assess their own involvement and that metric has been dropped. The benchmark for the graduation rates, both on-time and extended (late graduates included) is the school system wide rate for Vancouver. Prior to 2012 the rate for Skyline was far below the school system average. For 2012 the rate was far higher, at 85% for on time and 100% for extended. The metric of average absences per child also dropped significantly but not quite to the system wide level. Note that VHA did not expect the benchmarks for these metrics to be met for several years.

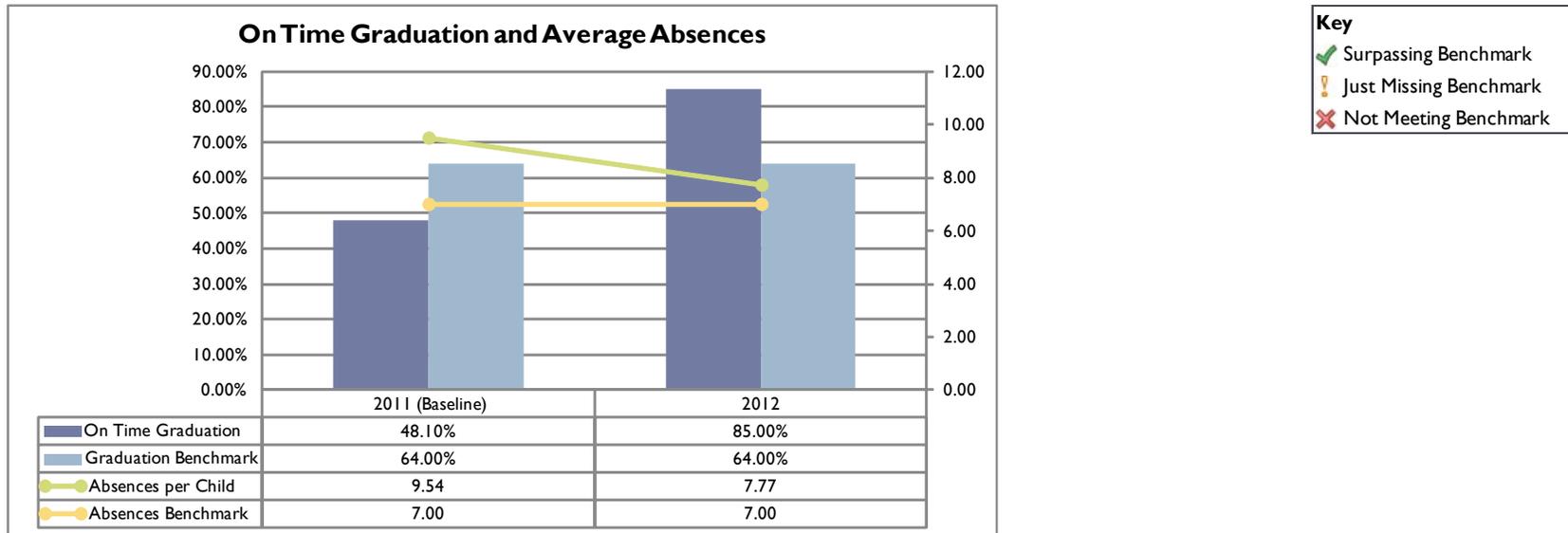
Activity 2010-02 Scorecard Skyline Crest Campus of Learners

Detail

Plan Year Identified: FY 2010 MTW Annual Plan
Date Implemented: January 1, 2010
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Activity will increase educational attainment of residents leading to greater economic self-sufficiency
Authorization Cited: Sections C. 5. and C. 10. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 6(c) of the 1937 Act and 24 CFR § 960.201

Metrics

	Dec-2011 Baseline	Dec-2012 Benchmark	Dec-2012 Outcome
On time high school graduation rate:	48.10%	64.00%	✓ 85.00%
Extended high school graduation rate:	55.20%	70.00%	✓ 100.00%
Average absences per child in school year:	9.54	7.00	✗ 7.77



Key

- ✓ Surpassing Benchmark
- ⚠ Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2010-04: Waiting List Preference for Applicants without Subsidized Housing

Description of Activity

This initiative provides a local preference on the Public Housing and HCV waiting lists for applicants without subsidized housing. This assures that available units and vouchers go first to those most vulnerable and/or rent burdened. It requires authorization under MTW because HCV regulations do not allow a local preference that excludes a Public Housing resident.

Current Status

This local preference was implemented in 2010 and is currently ongoing. VHA anticipates that for 2013 much, if not all, of our Public Housing stock will be converted under disposition plans or RAD to tenant-based or project-based vouchers. However at this time we do not expect to change or drop this activity, but the change from public housing to PBV may require waiver of certain provisions of PBV regulations at 24 CFR 983 Subpart F.

Impact on Statutory Objective

Impact on the statutory objective of reducing cost will be through fewer unit turnovers that occur when a Public Housing resident receives a voucher and vacates their unit. Since the wait for a Public Housing unit is typically much shorter than the wait for the HCV program, and because historically both lists were kept open, many applicants choose a Public Housing unit as transitional housing until their name reaches the top of the HCV list. This results in more unit turnovers which on average cost the VHA \$3,000.

The cost saving impact in 2010 was low due to a low number of applicants pulled from the HCV program waiting list. Since then, the estimated cost savings have been significant; \$57,000 in 2011 and \$63,000 for 2012.

Activity 2010-04 Scorecard

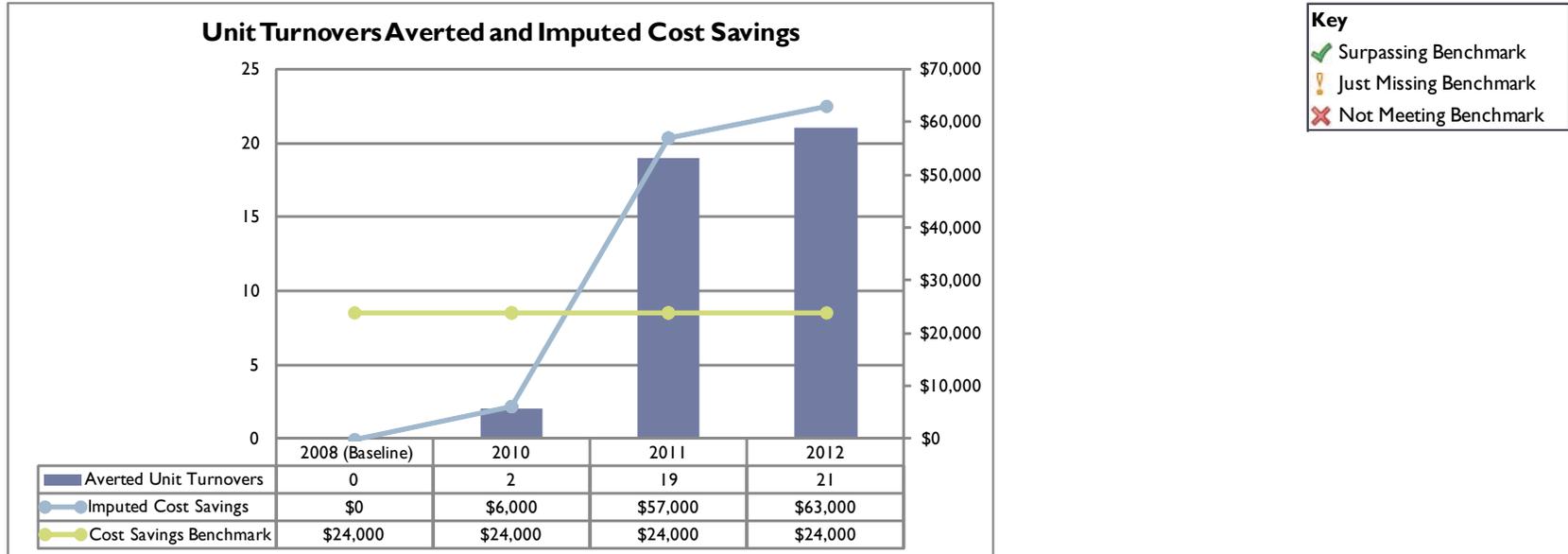
Waiting List Preference for Applicants Without Subsidized Housing

Detail

Plan Year Identified: FY 2010 MTW Annual Plan
Date Implemented: January 1, 2010
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Reduce costs by reducing unit turnovers due to subsidized tenants moving from VHA property to HCV program
Authorization Cited: Sections C. 2. and D. 4. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 3 and 8(o)(6) of the 1937 Act and 24 CFR § 960.206 and 982 Subpart E

Metrics

Metrics	Dec-2009	Dec-2010		Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Potential unit turnovers due to residents on waiting list:	0	8	✗ 2	8	✓ 19	8	✓ 21
Imputed cost savings from averted unit turnovers:	\$0	\$24,000	✗ \$6,000	\$24,000	✓ \$57,000	\$24,000	✓ \$63,000



Activity 2009-02: Imputed TANF Income for Voluntary Grant Closures

Description of Activity

Current regulation (24 CFR 5.615) provides that if a TANF recipient's benefit has been reduced due to fraud or sanction, the housing authority will use an imputed TANF income amount in the calculation of tenant rent and housing assistance. This MTW activity extends this policy to include using the imputed TANF grant amount for income when a TANF recipient voluntarily closes their grant rather than participate in the economic self-sufficiency or work activities requirements of the TANF agency.

Current Status

This policy was in place for both Public Housing residents and Housing Choice Voucher holders in 2013. However the minimum income rent reform activity that VHA will implement in 2013 will render this activity moot and the activity will be dropped.

Impact on Statutory Objective

The number of situations where this policy is applicable continues to be very low and is an additional reason for ending this activity in 2013.

Rent Reform Annual Evaluation and Report on Hardship Requests

One hardship request was made by a resident impacted by this activity in 2011. No hardship was found to exist as the resident did not provide any reasonable explanation as to why she could not participate in the work activities required of the TANF grant. No hardship requests were received in 2012.

Activity 2009-02 Scorecard

Imputed TANF for Voluntary Grant Closures

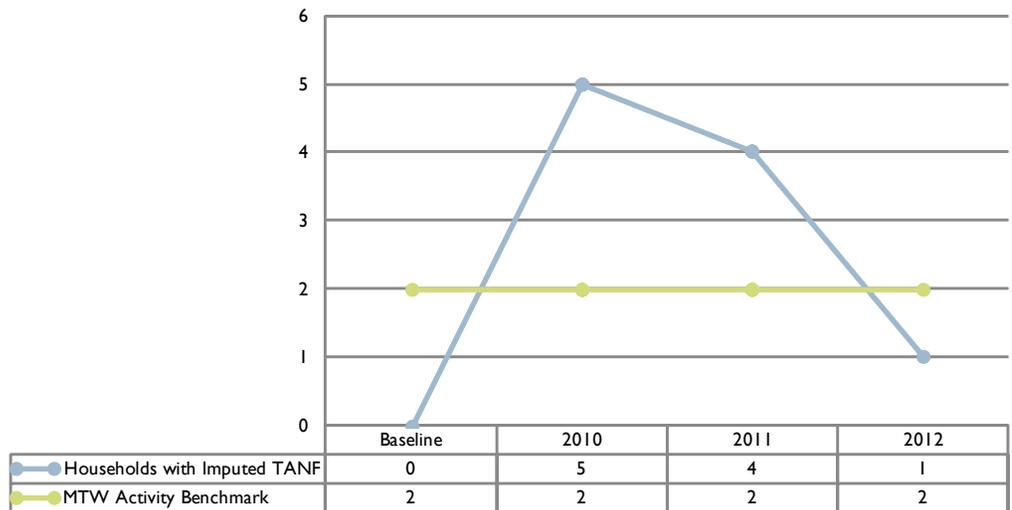
Detail

Plan Year Identified: FY 2009 MTW Annual Plan
Date Implemented: January 1, 2009
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Provides incentive to remain in required work program
Authorization Cited: Sections C. 11. and D. 2. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 3(a)(2) and 8(o)(2) of the 1937 Act and 24 CFR § 5.615

Metrics

	Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of households with imputed TANF due to policy:	0	2	✓ 5	2	✓ 4	2	! 1

Households with Imputed TANF Due to Voluntary Closure



Key

- ✓ Surpassing Benchmark
- ! Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2009-03: No Verification of Assets Less Than \$5,000

Description of Activity

This MTW policy provides that the VHA will not obtain third party verification when a tenant's declared assets are valued at less than \$5,000. The expense of preparing, mailing, following up, and receiving verifications for what are typically bank accounts with little or no balance and/or interest income made little sense. Assets valued at amounts greater than \$5,000 are still verified because they are anticipated to generate enough income to contribute at least a dollar or two to the rent determination.

Current Status

This policy continues to be in effect for both Public Housing and the Housing Choice Vouchers that are included in the MTW funding.

Impact on Statutory Objective

In 2012 VHA calculated that there were 7228 instances where an eligibility action would have required a verification of an asset such as a checking or savings account under the current regulations but were not required due to this activity. The savings in staff time and postage is conservatively estimated to be \$18,949 for 2012. To date the imputed savings for this activity is almost \$50,000.

Activity 2009-03 Scorecard

No Verification of Assets Less Than \$5,000

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: January 1, 2009
Statutory Objectives: Reduce Cost and Greater Cost Effectiveness
Impact on Objective: Eliminating unnecessary verification activity reduces administrative costs
Authorization Cited: Sections C. 4. and D.3.b. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 3(a)(1), 3(a)(2) and 8(o)(2) of the 1937 Act and 24 CFR § 962.259 and 982.516

Metrics

	Dec-2008	Dec-2010		Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of asset verifications required:	3850	385	✓ 82	385	✓ 97	385	✓ 36
Number of asset verifications no longer required:	0	3465	✓ 4730	3465	✓ 6957	3465	✓ 7228
Percent of reported assets valued above \$5,000:	1.27%	1.00%	✓ 1.70%	1.00%	✓ 1.40%	1.00%	✗ 0.50%
Imputed cost savings:	\$0	\$8,500	✓ \$11,707	\$8,500	✓ \$17,717	\$8,500	✓ \$18,949



Activity 2009-06: Alternate Required HQS Inspection Schedule

Description of Activity

This activity is designed to achieve cost savings through a reduction in the number of Housing Quality Standard (HQS) inspections required in the HCV program. VHA staff conduct an inspection at least every two years for ongoing tenancies. On alternate years landlords and tenants are required to inspect the unit and complete a form verifying that they believe the unit meets HQS.

Current Status

The activity was implemented on January 1, 2010 and has been ongoing since then. A modification was proposed in the VHA 2012 MTW Annual Plan that would basically drop the landlord/tenant certifications. Obtaining and tracking these documents has been problematic and since then the activity has continued with the reduced frequency of inspections only.

Impact on Statutory Objective

The activity is intended to reduce costs by significantly reducing staff time dedicated to annual HQS inspections. The imputed cost savings are based on the cost per inspection and an estimate of the number of inspections that are no longer required due to this activity. However in this case the VHA has been able to reduce HCV inspection by one inspector so the actual savings is one FTE. This significant cost savings has been achieved, even though the benchmarks were not met in 2011 and 2012. The benchmarks have been revised to reflect the growth in the program, but may still need further revision to reflect our experience to date.

Activity 2009-06 Scorecard Alternate HQS Inspection Schedule

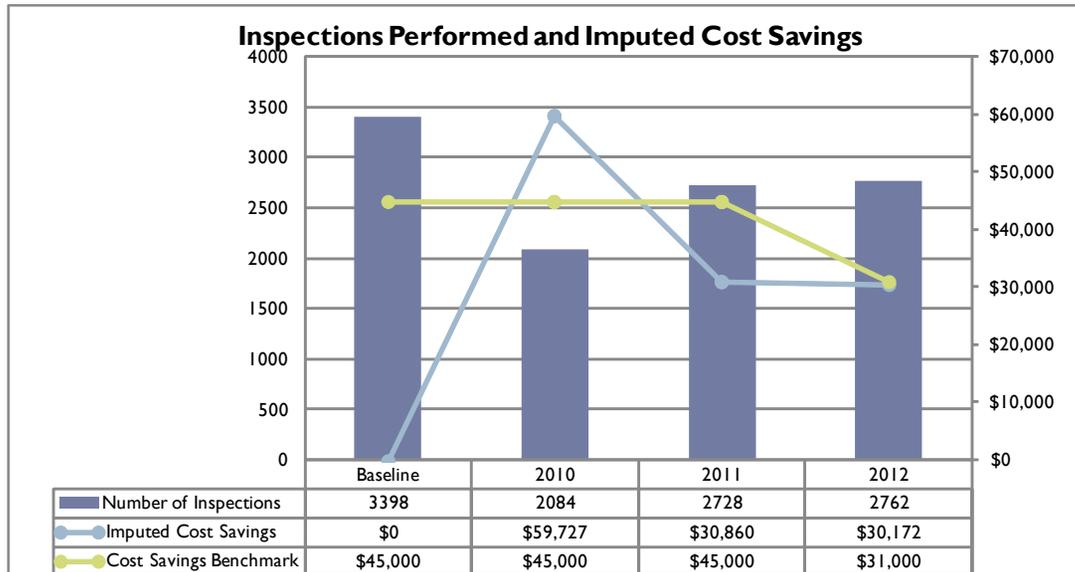
Detail

Plan Year Identified: FY 2007 and FY 2009 Annual Plans
Date Implemented: January 1, 2010
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Reducing the overall number of inspections will reduce administrative costs
Authorization Cited: Section D. 5. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 8(o)(8) of the 1937 Act and 24 CFR § 982. Subpart I

Metrics

	Dec-2008 Baseline	Dec-2010 Benchmark	Outcome	Dec-2011 Benchmark	Outcome	Dec-2012 *Benchmark	Outcome
Number of HQS inspections performed annually:	3398	2378	✓ 2084	2378	✗ 2728	2706	⚠ 2762
Imputed cost savings:	\$0	\$45,000	✓ \$59,727	\$45,000	✗ \$30,860	\$31,000	⚠ \$30,172

*Benchmarks revised due to growth in program size since baseline year



Key

- ✓ Surpassing Benchmark
- ⚠ Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2009-08: Simplified Utility Allowance Schedule

Description of Activity

This MTW initiative simplifies the utility allowance used in the Housing Choice Voucher program to a single schedule based on the number of bedrooms to be used when the tenant is responsible for at least the heating of the unit. The same rate is used for all units with the same number of bedrooms regardless of the type of unit. The simple schedule does away with the need to calculate a utility allowance in order for a new voucher holder to determine whether a prospective rental is below their maximum family share. The simplified utility allowance will also encourage voucher holders to select units where the utility consumption will match the allowance; i.e., newer and more energy efficient units.

Current Status

This simplified utility allowance was used throughout the reporting year for all MTW Vouchers.

Impact on Statutory Objective

VHA is not seeing the amount of impact that was anticipated in the choice of unit that participants are making. However the activity remains popular among staff and participants because it allows for participants to know the exact amount that a prospective unit's rent can be for them to remain below the maximum family share and has almost eliminated the need to deny Requests for Tenancy Approvals for this reason. This year we did see a significant drop in the percentage of households renting single family dwellings but there were likely other contributing factors such as a tightening rent market.

Rent Reform Annual Evaluation and Report on Hardship Requests

No hardship requests have received since 2010 for this activity.

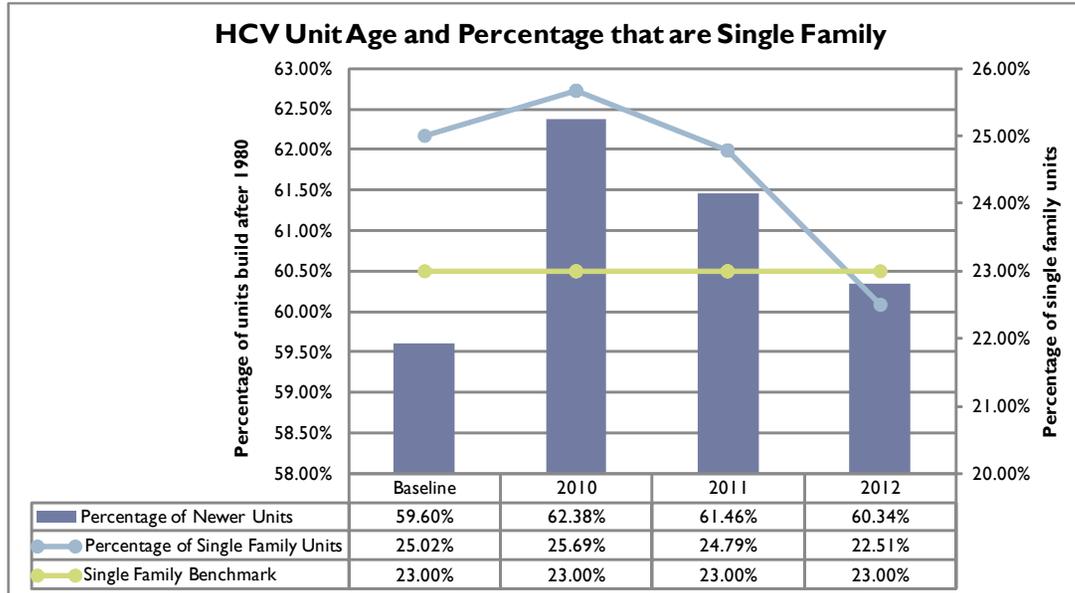
Activity 2009-08 Scorecard HCV Simplified Utility Allowance Schedule

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: September 24, 2009
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Activity will provide financial incentive for participants to choose newer more energy efficient units and apartments over single family units
Authorization Cited: Section D. 2.a. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 8(o)(2) of the 1937 Act and 24 CFR § 982.517

Metrics

	Dec-2008 Baseline	Dec-2010 Benchmark Outcome	Dec-2011 Benchmark Outcome	Dec-2012 Benchmark Outcome
Percentage of assisted units built after 1980:	59.60%	na 62.38%	65.00% ✗ 61.46%	65.00% ✗ 60.34%
Percentage of assisted units that are single family:	25.02%	na 25.79%	23.00% ✗ 24.79%	23.00% ✓ 22.51%



Key

- ✓ Surpassing Benchmark
- ! Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2009-09: Limited Utility Allowance Payments

Description of Activity

Families in the Public Housing and the HCV program whose rent calculation results in a negative rent or Utility Allowance Payment (UAP) are limited to receiving the UAP for a period of up to six (6) months. After this six month period, The UAP is not paid and the tenant rent goes to zero. Families will be able to retain their UAP if they agree to participate in an approved self-sufficiency program, or if they are granted a waiver through the VHA hardship policy.

Current Status

This activity was in effect throughout the reporting year. This activity is currently being considered for elimination due to the new minimum income rent reform activity to be implemented in 2013. We are estimating that the minimum income will eliminate many of the utility payments making this activity redundant.

Impact on Statutory Objective

This activity is expected to provide incentive toward economic self-sufficiency by allowing those to join a self-sufficiency program to retain their UAP. In addition, others may attain higher income due to no longer receiving a check along with a rental unit at no charge. In 2012 the number of these participants opting for participation in a self-sufficiency program dropped significantly. In addition reports received from the programs indicate that participants who joined under this circumstance show little motivation or progress (with one notable exception). This is another reason VHA is considering elimination of this activity.

Rent Reform Annual Evaluation and Report on Hardship Requests

VHA received two requests for an exemption under the hardship policy in 2012. Both participants received short-term hardship exemptions from the policy.

Activity 2009-09 Scorecard Limited Utility Allowance Payments

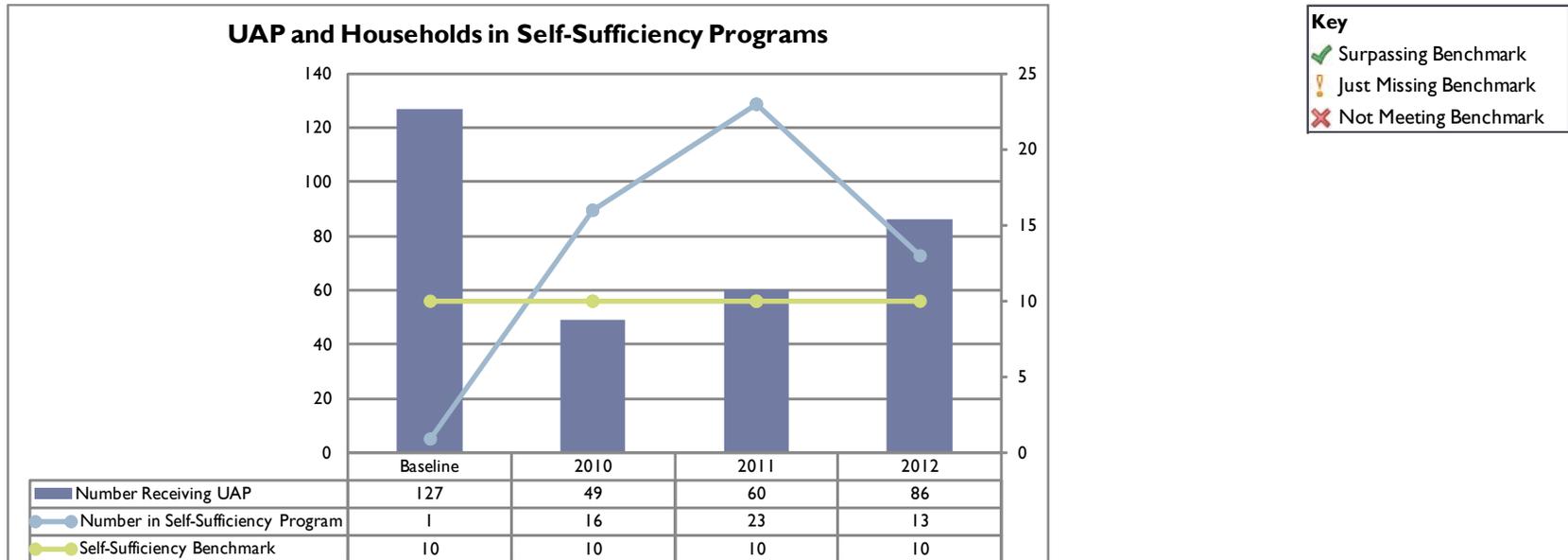
Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: October 1, 2009
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Activity will provide financial incentive for participants to join a self-sufficiency program
Authorization Cited: Sections C. 11. and D. 2. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 3(a)(1), 3(a)(2) and 8(o)(2) of the 1937 Act and 24 CFR § 960.253 and 982.505

Metrics

	Dec-2008 Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of households receiving a UAP:	127	95	✓ 49	95	✓ 60	95	✓ 86
Number of UAP households enrolled in self-sufficiency:	1	10	✓ 16	10	✓ 23	10	✓ 13

UAP and Households in Self-Sufficiency Programs



Activity 2009-10: Replacement of Medical Expense Deduction

Description of Activity

For Public Housing and Housing Choice Vouchers included in the MTW demonstration, VHA has removed the deduction for medical expenses incurred by Elderly and Disabled families and replaced it with an increase in the standard deduction received by all Elderly and Disabled families from \$400 to \$700. This activity is estimated to be revenue neutral for the VHA as any decrease in subsidy due to no longer deducting medical will be offset by a corresponding increase due to the higher standard deduction.

Current Status

This activity was implemented in 2009 and continues to be in effect.

Impact on Statutory Objective

This activity continues to meet the benchmarks set for cost savings due to reduced administrative time. The actual cost saved is likely much higher since the metric measures staff time saved from no longer obtaining verifications. Now that the activity is in place and generally accepted and understood, there is probably additional savings from staff no longer having to communicate the old verification and deduction procedures which were often confusing to participants.

Rent Reform Annual Evaluation and Report on Hardship Requests

Two requests for an exemption from this activity under the VHA hardship policy were received in 2012. In one case the hardship committee found that no hardship existed because the participant's recent rent change was not due to this policy and the participant's estimated anticipated medical cost was not well documented. In the other case the hardship committee found that a long-term hardship existed and the household was made exempt from the policy.

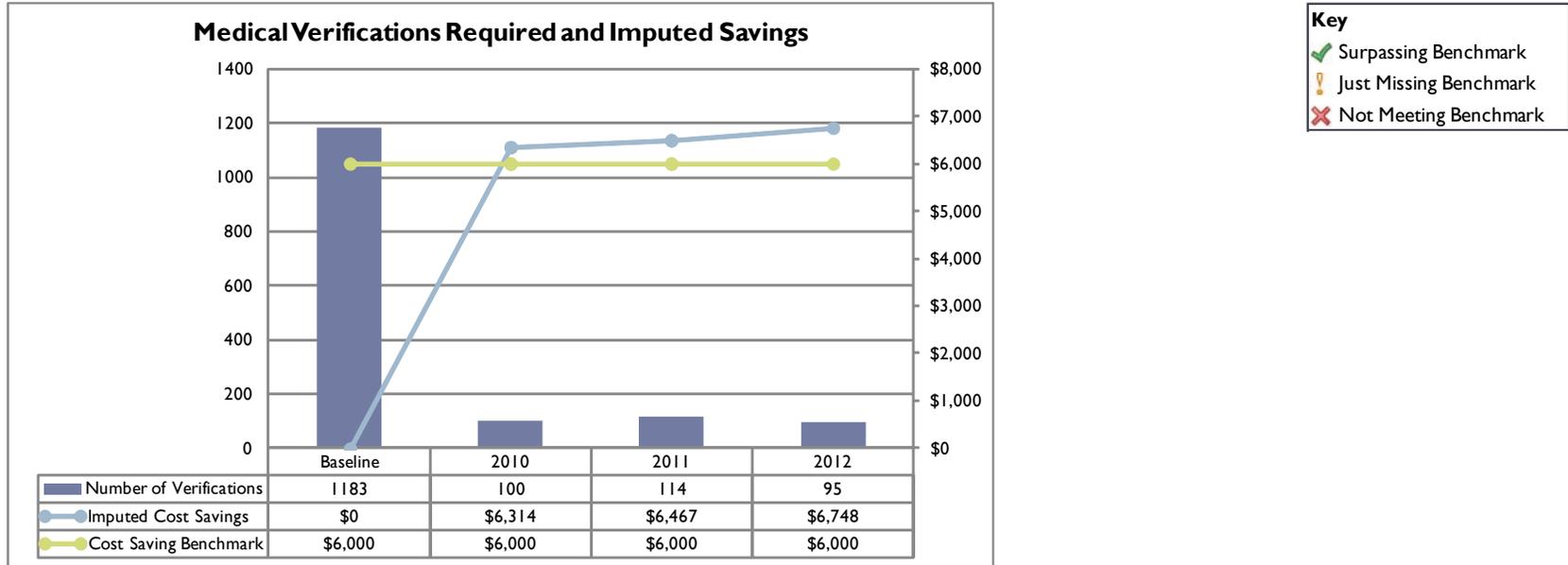
Activity 2009-10 Scorecard Replacement of Medical Expense Deduction

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: November 5, 2009
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Activity will reduce costs by greatly reducing the administrative cost of obtaining verifications
Authorization Cited: Sections C. 11. and D. 2. Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 3(b)(5) of the 1937 Act and 24 CFR § 5.611

Metrics

	Dec-2007 Baseline	Dec-2010 Benchmark	Dec-2010 Outcome	Dec-2011 Benchmark	Dec-2011 Outcome	Dec-2012 Benchmark	Dec-2012 Outcome
Number of medical deductions requiring verification:	1183	118	100	118	114	118	95
Imputed cost savings:	\$0	\$6,000	✓ \$6,314	\$6,000	✓ \$6,467	\$6,000	✓ \$6,748



Activity 2009-11: 40% Maximum Family Share Expanded to Ongoing Tenancy

Description of Activity

The MTW activity expands the current 40% maximum family share at initial occupancy to ongoing tenancy in the HCV program. If, after moving into a unit, a subsequent reexamination results in the family share of the rent and utilities exceeding 40% of their adjusted monthly income they are notified that they must remedy the situation within 12 months. They must either increase their adjusted income enough to drop back below 40%, join a VHA approved self-sufficiency program, or relocate to a less expensive rental. After receiving numerous public comments during the planning process, the policy was modified to exempt families who were above the maximum family share prior to August 10, 2009 as long as they remain in the same rental unit.

Current Status

This policy was in effect throughout 2012. Due to a number of factors, including the low number of participants opting for participation in self-sufficiency, the large amount of staff time required for tracking and enforcing this policy and the fact that the reason the majority of participants whose family share increased to over 40% in 2012 was due to owner rent increases or the loss of TANF income due to the State decision to enforce time limits in 2012, the VHA has decided to eliminate this activity in 2013. Elimination will provide staff with more time to focus on the upcoming minimum income rent reform activity to be implemented in 2013. VHA will continue to require that the family share at initial occupancy be below 40%.

Impact on Statutory Objective

This activity began to impact participants in late 2011 because 12 months had passed since their notification that they must resolve the fact they were over the 40% maximum family share. Two households did opt to join a self-sufficiency program in 2011, but only one in 2012. This is a total of three out of 110 households who were required to resolve their rent burden by the end of 2012. Most of these moved to less expensive units and only 10% increased their income enough to fall below 40% within 12 months.

Rent Reform Annual Evaluation and Report on Hardship Requests

Two hardship exemption requests were received in 2012 due to this activity. The Hardship Committee found that one did not have a hardship but instead needed an accommodation for a second bedroom on her voucher. The second was found to have a long-term hardship because her rent was just over the 40% cap but her income was so low that a move would create more of a hardship than the rent burden.

Activity 2009-11 Scorecard

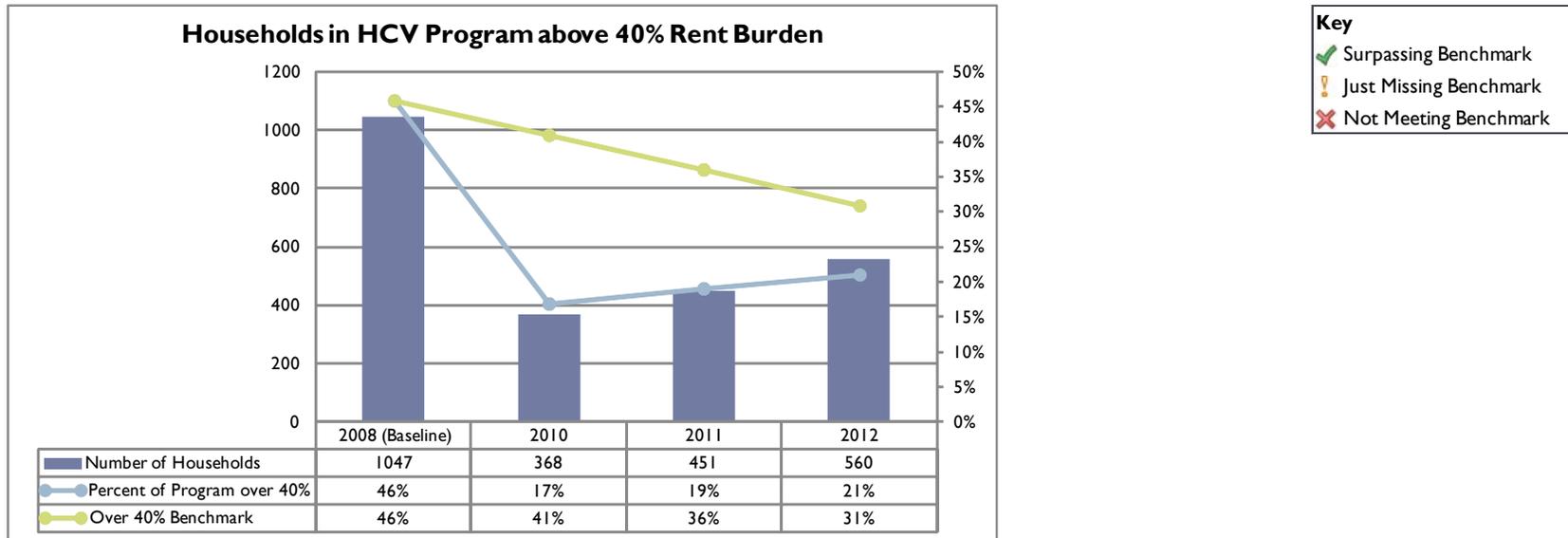
40% Maximum Family Share Expanded to Ongoing Tenancy

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: September 1, 2009
Statutory Objectives: Provide incentive toward self-sufficiency
Impact on Objective: Decrease the number of households with excessive rent burden and increase participation in self-sufficiency programs
Authorization Cited: Section D.2.a. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 8(o)(3) of the 1937 Act and 24 CFR § 982.508

Metrics

	Dec-2008 Baseline	Dec-2010 Benchmark Outcome		Dec-2011 Benchmark Outcome		Dec-2012 Benchmark Outcome	
Number of households choosing self-sufficiency option:	0	5	✗ 0	5	✗ 2	5	✗ 1
Number of households above 40% rent burden:	1047	933	✓ 368	819	✓ 451	706	✓ 560
Percentage of households above 40% rent burden:	46%	41%	✓ 17%	36%	✓ 19%	31%	✓ 21%



Activity 2009-13: Next Required Reexamination 12 Months after Interim

Description of Activity

This activity is intended to further reduce the number of reexaminations and their attendant costs. For those families who are not on the new three-year schedule for fixed income, the due date for their next required reexamination will be updated if they have an interim review. The effective date of their next required review will be 12 months after the effective date of the interim.

Current Status

This activity was in effect throughout the reporting year.

Impact on Statutory Objective

The metrics for this activity has been revised to better demonstrate cost savings. The number of interim reexaminations completed in the year is tracked and an estimate of the number of annual reexaminations not required due to this activity is estimated. The savings are imputed by multiplying the number of annual reexaminations that would have been required absent this activity by the average staffing cost per reexamination. Savings for 2012 is just under \$24,000.

Activity 2009-13 Scorecard

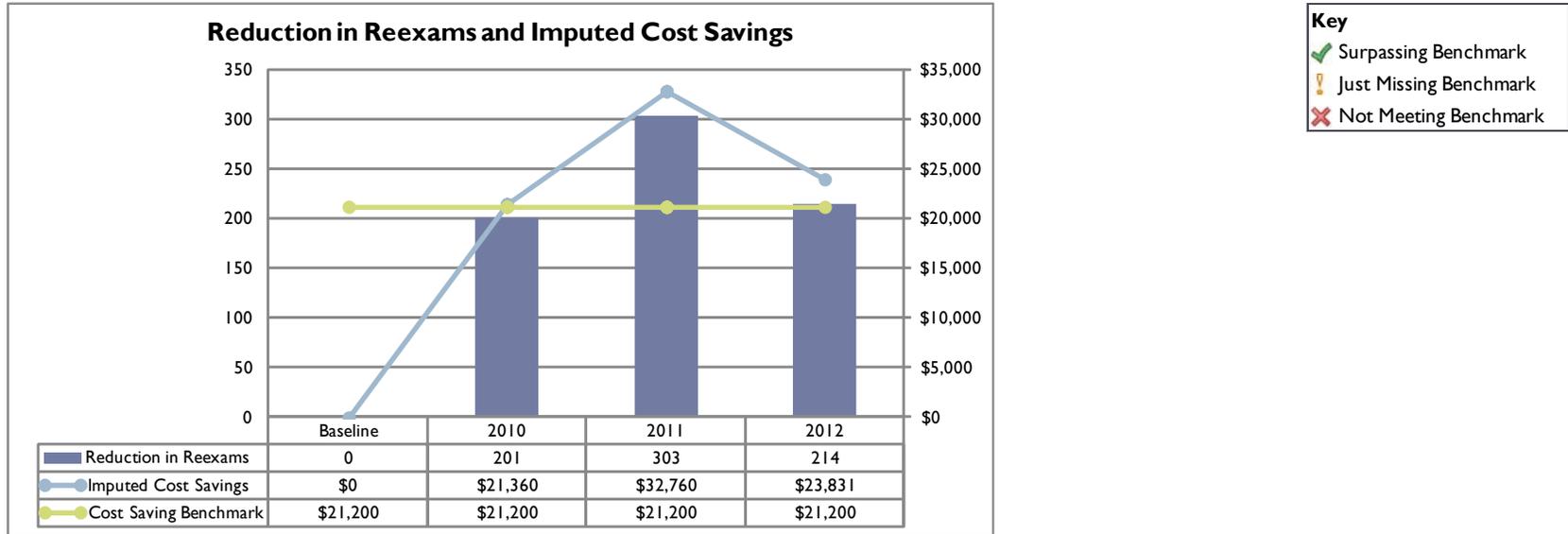
Reset of Required Reexamination Schedule after Interim

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: October 1, 2009
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Activity will reduce costs by lowering the number of required reexaminations each year thereby reducing administrative costs
Authorization Cited: Section D.I.c. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 8(o)(5) of the 1937 Act and 24 CFR § 982.516

Metrics

	Dec-2008 Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of full interim actions completed:	na	na	402	na	606	na	428
Estimated reduction in number of required reexaminations:	0	200	✓ 201	200	✓ 303	200	✓ 214
Imputed cost savings:	\$0	\$21,200	✓ \$21,360	\$21,200	✓ \$32,760	\$21,200	✓ \$23,831



Activity 2009-15: Owners Restricted to Annual Rent Increases

Description of Activity

In addition to the current regulatory restriction that requires the initial term of a HCV lease to be one-year and does not allow the owner to increase the rent during that year, this MTW policy will restrict subsequent rent increases to no more than one per year. This policy came about due to a small number of owners on the program requesting rent increases as frequently as every four or five months after the first year of tenancy.

Current Status

This MTW activity was implemented in 2009 and is ongoing.

Impact on Statutory Objective

The metrics for this activity show a significant reduction in the number of 50058 actions completed solely for an owner request for a rent increase in previous years. For 2012 the benchmark was not met due to a large number of owner requested rent increases. However VHA believes this was due more to changing market conditions than a failure of this policy. The local vacancy rate went down and rents went up significantly in 2012. This change in the market is coming after a long flat period where rents remained fairly flat so many owners are considering rent increases after not implementing any for a number of years. It is likely that absent this policy there would have been even more requests and subsequent reexaminations required.

Activity 2009-15 Scorecard

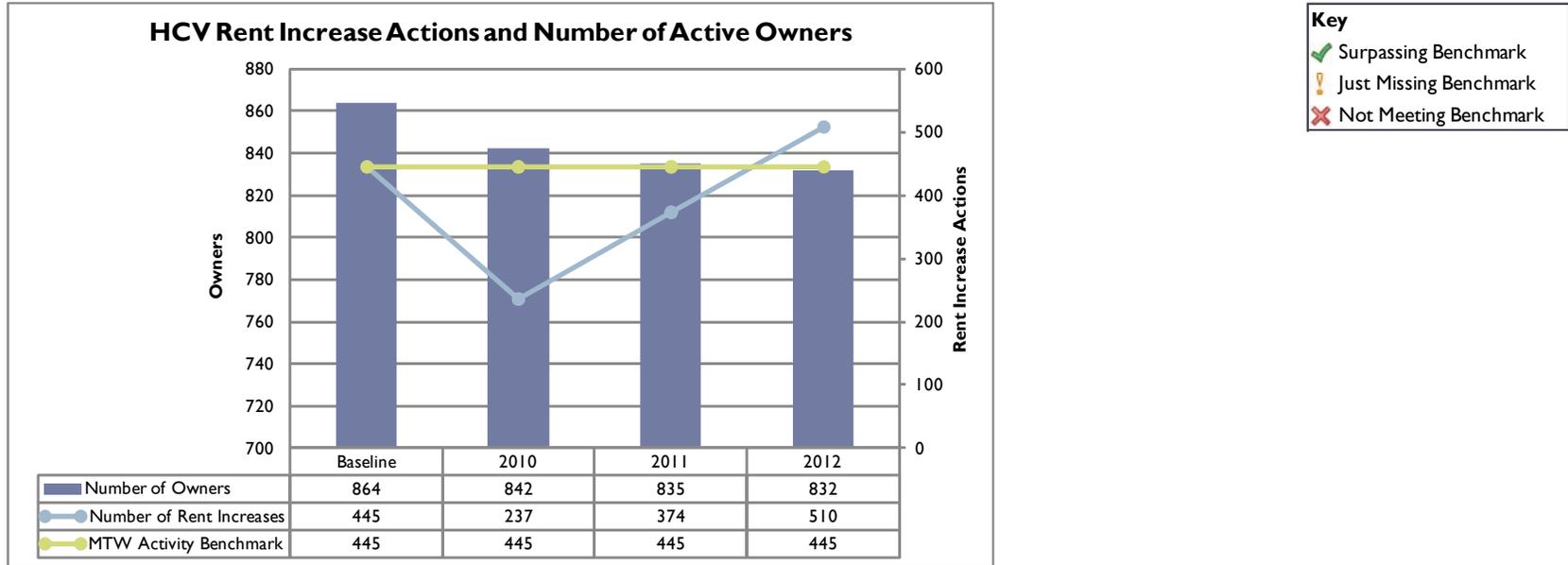
Owners in HCV Program Restricted to Annual Rent Increase

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: September 1, 2009
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Activity will reduce costs by lowering the number of rent increase actions thereby reducing administrative costs
Authorization Cited: Section D. 2.a. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 8(o)(7) of the 1937 Act and 24 CFR § 982.308 and 982.451

Metrics

	Dec-2008 Baseline	Dec-2010 Benchmark	Outcome	Dec-2011 Benchmark	Outcome	Dec-2012 Benchmark	Outcome
Number of 50058 actions for rent increase only:	495	445	✓ 237	445	✓ 374	445	✗ 510
Number of active owners:	864	864	✓ 842	864	! 835	864	! 832



Activity 2009-16: Renter Education Required for Applicants

Description of Activity

Applicants are required to complete a six week course in tenant education prior to being housed in the Public Housing or HCV programs. The course, titled Excellent Renting, is offered by a local non-profit that VHA has contracted with to provide this service. The course covers topics including money management and credit, landlord/tenant rights and responsibilities, how to be a good renter, and how to find landlords that will rent to you. Applicants who complete the course receive a certificate of completion that is recognized by many landlords in the community and can substitute for good credit and references in tenant screening policies.

Current Status

This activity has been ongoing since 2009.

Impact on Statutory Objective

This activity will increase housing choice for HCV participants by increasing both their options and chances when locating a rental unit after being issued a voucher. The activity will also increase self-sufficiency for both HCV and Public Housing residents through the money management and budgeting components of the training. VHA continues to receive anecdotal accounts from participants stating how much the class helped them. VHA continues to see a much improving success rate for new voucher holders; an average of 92.4% for 2012. The time required for new voucher holders to lease went up and just missed the benchmark this year but VHA believes this was due to a much tighter rental market in 2012. The negative exit metric continues to show no real improvement and at this point should probably be dropped as it would appear that this activity has little effect on those who fail to meet their lease or program obligations.

Activity 2009-16 Scorecard

Renter Education Required for Applicants

Detail

Plan Year Identified: FY 2009 MTW Annual Plan Amendment
Date Implemented: September 1, 2009
Statutory Objectives: Increase Housing Choice
Impact on Objective: Housing Choice will be increased through more households successfully leasing and maintaining their housing
Authorization Cited: Sections C. 2. and D. 4. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of Sections 3 and 8(o)(6) of the 1937 Act and 24 CFR § 960.202 and 982.305

Metrics

	Average of 2006 to 2008		Dec-2010		Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome	
Success rate of new voucher holders:	87%	89%	✓ 90.38%	89%	✓ 94.95%	89%	✓ 92.40%	
Average number of days for new voucher holders to lease:	45	40	✓ 34	40	✓ 38	40	✗ 43	
Negative program exits in PH and HCV programs:	86	78	✗ 104	78	✗ 88	78	✗ 105	

Negative Exits and HCV Leasing Success Rate



Activity 2009-19: No Waiting List for Assisted Living Facility

Description of Activity

The VHA operates a 60 unit assisted living facility within Van Vista Plaza, a 100 unit high-rise building in downtown Vancouver that was previously a Public Housing Project. The property recently underwent disposition and now utilizes Project-Based Vouchers. The waiting list requirement has always been problematic for the assisted living facility. Assisted living eligible clients are usually in a state of crisis at the time they are seeking a facility. Their advocates search for available vacancies until one can be located and then that is the unit they move into. If a facility has no vacancies, they search for one that does rather than go on a waiting list. When the facility was under Public Housing we attempted to operate a separate waiting list but that did not offer much advantage over the previously used general or site-based lists. Applicants that did go on the waiting list were not interested in a unit when it became available because they had moved into another facility rather than wait. When the property converted to PBV on August 1, 2011, it was decided to modify this MTW activity and operate with no waiting list.

Current Status

The previous program-based waiting list for assisted living was eliminated effective August 1, 2011. The facility has operated without a waiting list since that time.

Impact on Statutory Objective

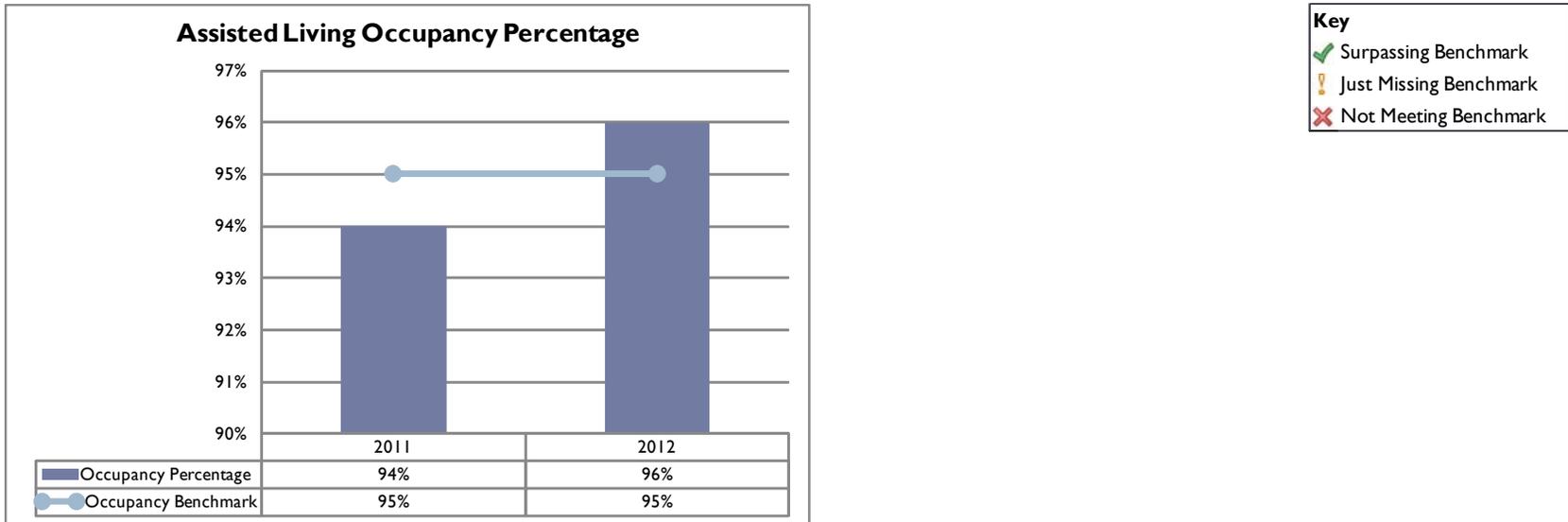
This activity allows for a more efficiency run housing choice for tenants that would normally not be served in the Public Housing or HCV programs. We are measuring the number of admissions and whether there are any complaints or requests for a waiting list. For 2012 the occupancy percentage was better than the benchmark and VHA received no requests to be on a waiting list and no complaints or concerns from the public.

Activity 2009-19 Scorecard

Alternative Admissions for Assisted Living Units

Detail	
Plan Year Identified:	FY 2009 MTW Annual Plan Amendment
Date Implemented:	September 1, 2009
Statutory Objectives:	Increase Housing Choice
Impact on Objective:	Create housing opportunity and facilitate placement of residents in need of assisted living services with housing subsidy
Authorization Cited:	Section D.4. of Attachment C of the MTW Agreement
Provision/s Waived:	Certain provisions of section 8(o)(6) of the 1937 Act and 24 CFR § 983 subpart F

Metrics	Baseline	Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome
Number of new admissions under this policy	0		9		18
Occupancy percentage of project	95%	95%	! 94%	95%	✓ 96%
Number of requests for placement on a waiting list	0	0	✓ 0	0	✓ 0



Activity 2008-01: Project-Based Vouchers Tied to Services

Description of Activity

VHA is using the ability to project-base Housing Choice Vouchers and the flexibility provided by MTW together with community partners to provide housing assistance tied to case management and other services. MTW allows the VHA to waive the bidding process for VHA owned units, and enables us to offer the rental units along with the needed subsidy to the partnering agency. Tenant selection may be done by the partner so that appropriate clients they have already identified can be readily served. The partnering agency may also place time limits on assistance and the availability of a tenant based voucher after one-year is also eliminated. The partnering agencies and the VHA enter into a Memorandum of Understanding (MOU) that details the responsibilities of both parties.

Current Status

This activity was ongoing in 2012. VHA is planning to implement major changes to this activity in 2013. The agreements with the partnering agencies will be revised and consideration is being given to change the housing component from project-based to tenant-based vouchers. Several of the properties involved are currently for sale and it is not known if new owners would be receptive to the program. It's also felt that perhaps tenant-based vouchers would be more of an incentive for participants in the program.

Impact on Statutory Objective

The program increases housing choice by making a housing subsidy quickly available to low-income families in crisis or otherwise identified for services by a partnering agency. In addition incentive toward financial self-sufficiency is provided through the case management services and the time limit on assistance. The metrics for this activity are the number of units made available and the number or percentage of participating household who maintain stable renting after their housing subsidy and case management end. In 2012 just five participants out of 32 remained in place paying full rent at the end of their time on the program. This is a significant drop from previous years and the primary reason VHA is making the changes noted above.

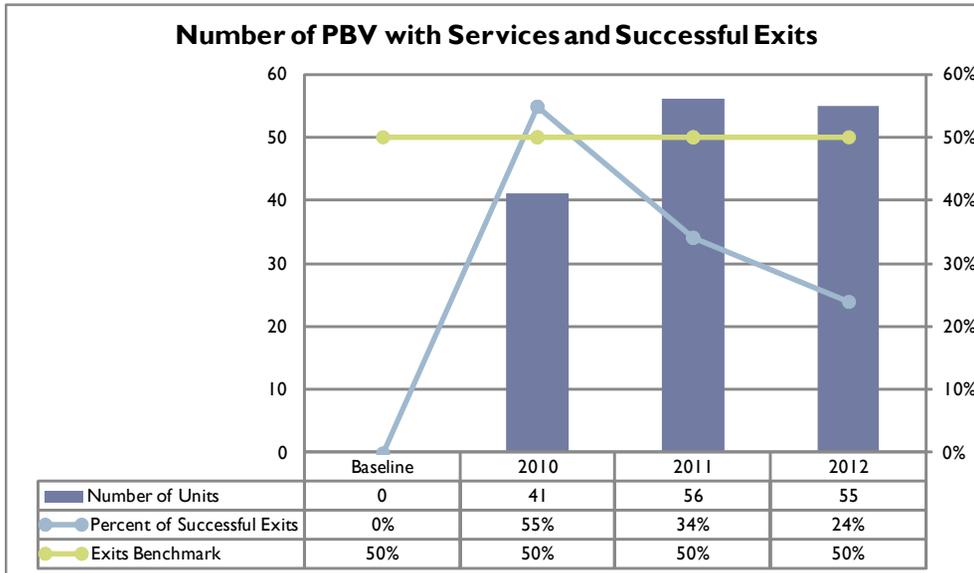
Activity 2008-01 Scorecard Project-Based Vouchers Tied to Services

Detail

Plan Year Identified: FY 2008 MTW Annual Plan
Date Implemented: May 28, 2008
Statutory Objectives: Increase Housing Choice
Impact on Objective: Create housing opportunities for low-income families in crisis coupled with the services they require
Authorization Cited: Sections D. 2.d., D. 4. & D.7. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 8(o)(13)(F)-(J) of the 1937 Act and 24 CFR § 983

Metrics

	Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of PBV units with services:	0	50	✗ 41	50	✓ 56	50	✓ 55
Percentage of exits maintaining housing stability:	0	50%	✓ 55%	50%	✗ 34%	50%	✗ 24%



Key

- ✓ Surpassing Benchmark
- ! Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 2007-02: Alternate Required Reexamination Schedule

Description of Activity

VHA has tried several alternative schedules for reexaminations before settling on the current schedule. Beginning in 2010 elderly and disabled families on fixed incomes are on schedule to have a required reexamination every three years. During years where a reexamination is not required the VHA revises rent and housing assistance by applying current payment standards and/or current utility allowances, and by applying the COLA published by the Social Security Administration. For households not considered elderly or disabled, or those that contain a Work-Able member in addition to the elderly or disabled member/s, an annual reexamination is required.

Current Status

The activity was in effect throughout the reporting year.

Impact on Statutory Objective

This activity creates significant cost savings through the reduction in staff time devoted to reexaminations. Metrics include the number of “required” (formally “annual”) reexaminations completed and the number of interim reexaminations requested. The benchmarks were set at the beginning of this activity and appear to have been more optimistic than our experience is demonstrating. One factor that was not considered when the benchmarks were set was the number of persons without fixed income residing in households designated elderly or disabled due to the head of household. Instead it was assumed that almost all households designated elderly or disabled would be on the every three year schedule. We now know that over 350 of these households do not have fixed income due to younger and/or work-able members. Never-the-less estimated saving in staff time and dollars justifies continuation. VHA believes that the upcoming minimum income rent reform policy will result in reduced interims and will perhaps allow us to consider an every other year instead of an annual schedule for the non fixed-income households.

Activity 2007-02 Scorecard Alternate Required Reexamination Schedule

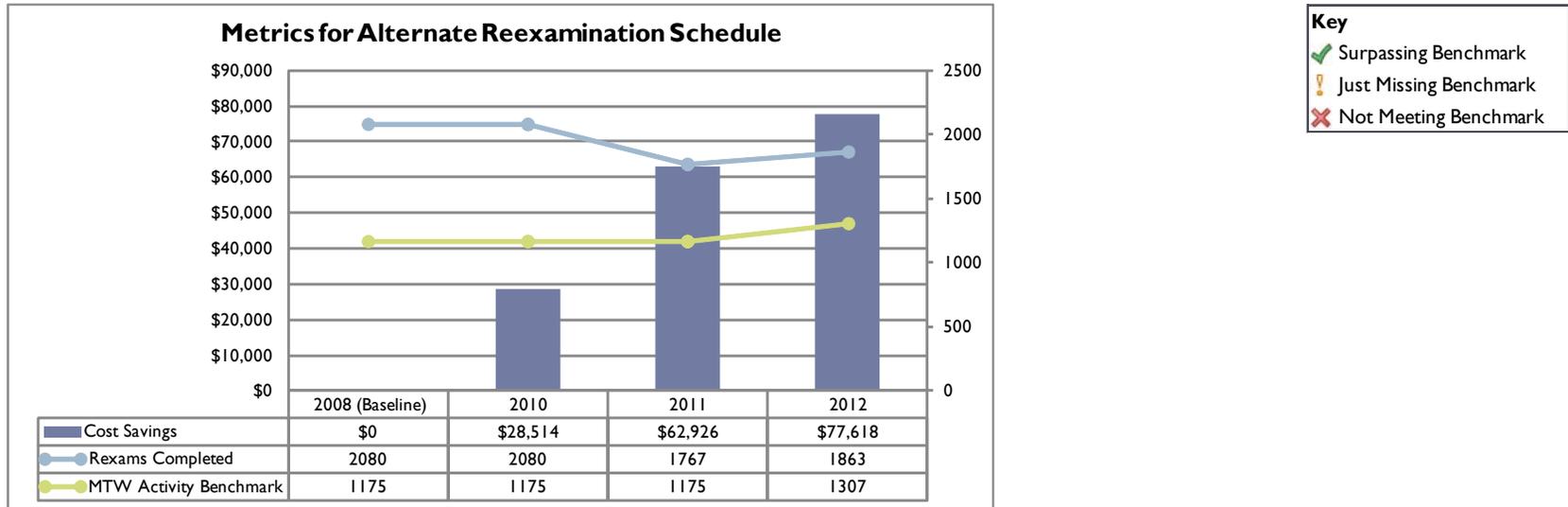
Detail

Plan Year Identified: FY 2007 MTW Annual Plan
Date Implemented: January 1, 2008
Statutory Objectives: Reduced cost and greater cost effectiveness
Impact on Objective: Reduce administrative costs by reducing the number of reexaminations of household eligibility that are performed each year
Authorization Cited: Sections C. 4. and D.1.c. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of sections 3(a)(1), 3(a)(2) and 8(o)(5) of the 1937 Act and 24 CFR § 960.257 and 982.516

Metrics

Metrics	Dec-2007	Dec-2010		Dec-2011		Dec-2012	
	Baseline	Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of required reexaminations completed:	2349	1175	✗ 2080	1175	✗ 1767	*1307	✗ 1863
Number of interim reexaminations completed:	947	1184	✓ 458	1184	✓ 606	*1314	✓ 938
Imputed cost savings from reduced staff time:	\$0		✓ \$28,514		✓ \$62,926		✓ \$77,618

*Benchmark revised upward due to growth in program size since baseline year



Activity 1999-08: No Flat Rent Option Offered in Public Housing

Description of Activity

VHA's initial program utilizing the MTW demonstration was to implement time limits and a mandatory self-sufficiency program. This was intended in part to turnover badly needed subsidized housing units and create more opportunities for applicants on the waiting list. When the flat rent option was introduced under the Quality Housing and Work Responsibility Act (QHWRA) VHA determined that it would be counter to VHA's goals and it was decided to not implement flat rents. Instead VHA continues to use ceiling rents and to limit occupancy for residents at ceiling rent to one-year. By doing this the VHA makes more subsidized units available to low-income families through greater turnover.

Current Status

This activity has been in effect since VHA entered the MTW demonstration in 1999.

Impact on Statutory Objective

This activity provides some administrative savings through the elimination of the need to offer the flat rent option to all residents each year and the associated notifications, communication and documentation. More importantly however, it encourages residents who have attained higher incomes to move to private housing and create vacancies for applicants. However over the last few years we have seen a major drop in the number of families reaching ceiling rent and exiting due to the ceiling rent policy compared to previous years. However, rather than drop this activity we are planning to let it sunset as the Public Housing stock is converted under the recently approved RAD applications.

Activity 1999-08 Scorecard

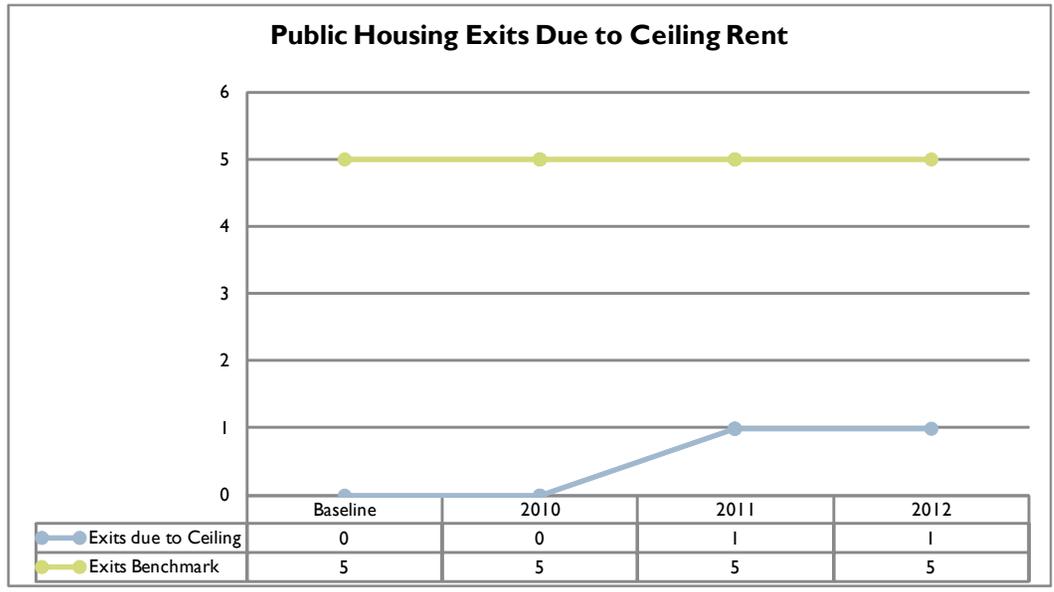
No Flat Rent Option Offered in Public Housing

Detail

Plan Year Identified: 1999 Moving to Work Agreement
Date Implemented: April 1, 1999
Statutory Objectives: Increase housing choice
Impact on Objective: Achieve administrative cost saving by eliminating a time consuming tracking activity
Authorization Cited: Section C.II. of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 3(a)(2) of the 1937 Act and 24 CFR § 960.253

Metrics

	Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of households at ceiling rent:	0	10	✗ 1	10	✗ 1	10	✗ 1
Number of exits due to ceiling rent:	0	5	✗ 0	5	✗ 1	5	✗ 0



Key

- ✓ Surpassing Benchmark
- ! Just Missing Benchmark
- ✗ Not Meeting Benchmark

Activity 1999-09: No Earned Income Disallowance in Public Housing

Description of Activity

As in the case of the flat rent policy, this activity began when the VHA chose to use authorization under the MTW demonstration to not implement an element of the Quality Housing and Work Responsibility Act. In VHA's earlier MTW self-sufficiency program all families with new earned income were able to have that income apply toward an escrow account. If the newly earned income had been disallowed, then it would not have contributed to the escrow account. It was decided that building an asset was a more effective tool for eventual self-sufficiency than a temporary disallowance of income. The mandatory program no longer exists, but VHA still offers an escrow account through the Public Housing FSS program.

Current Status

This policy continues to in effect. However note that VHA has been approved for RAD in 2013 for the remaining Public Housing stock and as a result this activity will end due to conversion to PBV.

Impact on Statutory Objective

Measuring the impact of this activity has been challenging in the past because VHA does not have any baseline data regarding the cost of providing an earned income disallowance. In 2011 we obtained information from another MTW Agency that estimates the time spent annually tracking each disallowance. This information allows us to impute a cost savings by tracking the number of potential earned income disallowances we would be required to track absent the demonstration, assuming that we would spend an equal amount of time tracking as the agency that provided us an estimate, and by applying out staffing cost for that kind of activity. By doing this we estimate a cost savings of over \$17,000 in 2011. However for 2012 the savings was far lower due to a low number of potential EID participants. This is probably due to a smaller Public Housing population due to reductions in units from dispositions.

Activity 1999-09 Scorecard

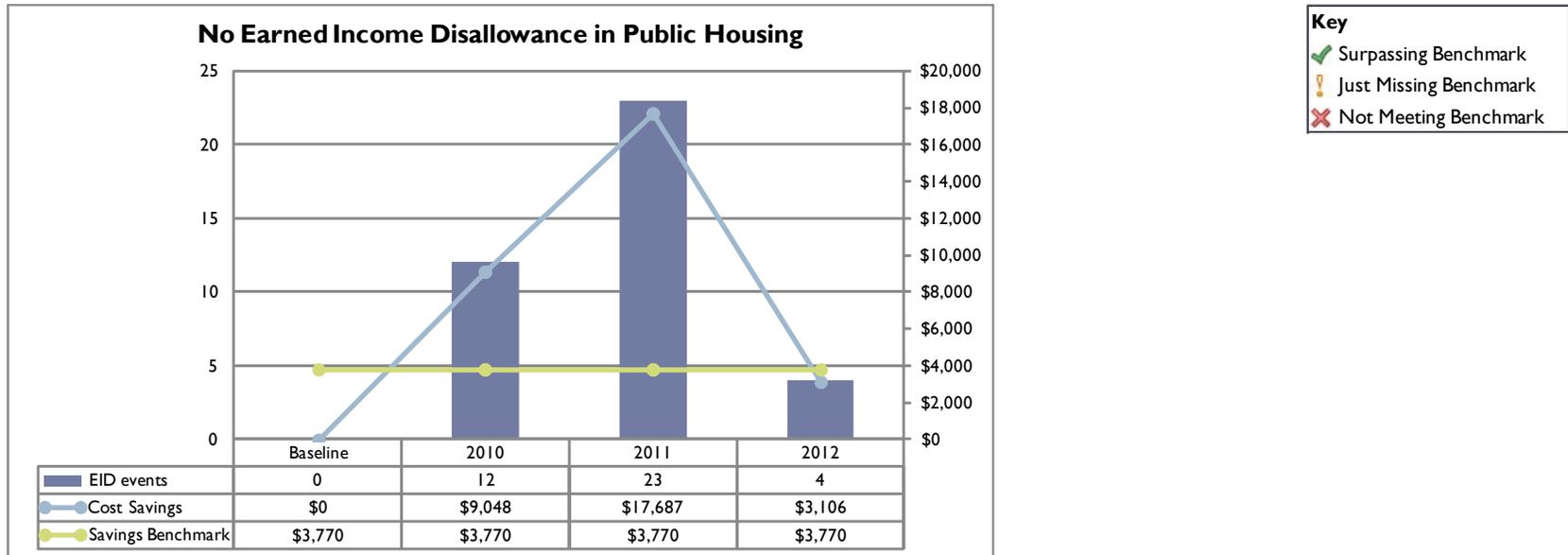
No Earned Income Disallowance in Public Housing

Detail

Plan Year Identified: 1999 Moving to Work Agreement
Date Implemented: April 1, 1999
Statutory Objectives: Reduce cost and greater cost effectiveness
Impact on Objective: Achieve administrative cost saving by eliminating a time consuming tracking activity
Authorization Cited: Section C.11 of Attachment C of the MTW Agreement
Provision/s Waived: Certain provisions of section 3(a)(2) of the 1937 Act and 24 CFR § 960.255

Metrics

	Baseline	Dec-2010		Dec-2011		Dec-2012	
		Benchmark	Outcome	Benchmark	Outcome	Benchmark	Outcome
Number of reexaminations that would have required EID:	0	5	✓ 12	5	✓ 23	5	⚠ 4
Cost savings imputed from reduced staff time:	\$0	\$3,770	✓ \$9,048	\$3,770	✓ \$17,687	\$3,770	⚠ \$3,106



Section VII. Sources and Uses of Funding

A. Planned vs. Actual Sources and Uses of MTW Funds

The following table shows the planned vs. actual sources and uses of the three funding streams that together make up the MTW single fund. HCV subsidies were prorated lower than expected in 2012, causing a reduction in subsidy and requiring more MTW reserves to be used to house families. Public Housing funding in 2012 was reduced by \$412,000 and VHA was required to use its Public Housing reserves to pay for operations. Disposed Public Housing units were transferred to a related nonprofit. Redevelopment will be completed as approved by HUD. We reduced capital spending as planned in anticipation of using those funds to refinance Public Housing through the RAD program.

Figure 6: Planned vs. Actual MTW Funds

Sources	Housing Choice Vouchers			Public Housing			Capital Fund			Total MTW		
	Actual	Planned	Variance	Actual	Planned	Variance	Actual	Planned	Variance	Actual	Planned	Variance
Rental Income	-	-	-	851,521	873,616	(22,095)	-	-	-	851,521	873,616	(22,095)
HUD and Other Grants	12,611,869	13,178,667	(566,798)	1,267,137	1,703,719	(436,582)	66,481	118,462	(51,981)	13,945,487	15,000,848	1,055,361
HUD Capital Grants	-	-	-	-	-	-	40,323	531,513	(491,190)	40,323	531,513	(491,190)
Other Revenue	3,670,238	3,882,969	(212,731)	5,910	(1,488,500)	1,494,410	72,219	72,219	0	3,748,366	2,466,688	1,281,678
Investment Income	12,003	30,000	(17,997)	125,458	20,240	105,218	-	-	-	137,462	50,240	87,222
Transfer from/to Reserves	1,200,000	958,952	241,048	130,000	130,000	(20,000)	-	-	-	1,330,000	1,108,952	221,048
Public Housing Sales Proceeds	-	-	-	0	1,500,000	(1,500,000)	-	-	-	0	1,500,000	(1,500,000)
Total	17,494,110	18,050,588	(556,478)	2,759,075	2,759,075	(379,049)	179,023	722,194	(543,171)	20,053,159	21,531,857	(1,478,698)
Uses												
Administrative Expenses	2,162,999	2,427,273	(264,274)	1,632,524	1,778,116	(145,592)	132,387	145,320	(12,932)	3,927,911	4,350,709	(422,798)
Maintenance	6,884	9,500	(2,616)	365,425	309,975	55,450	1,722	-	1,722	374,032	319,475	54,557
Utilities	-	-	-	287,031	317,600	(30,569)	-	-	-	287,031	317,600	(30,569)
Insurance and other Expenses	5,839	3,484	2,355	112,229	81,099	31,130	-	10,000	(10,000)	118,068	94,583	23,485
Housing Assistance Payments	15,388,132	15,841,519	(453,387)	-	-	-	-	-	-	15,388,132	15,841,519	(453,387)
Interest Expense	-	-	-	291	200	91	-	-	-	291	200	91
Principle Payment	-	-	-	1,100	1,100	-	-	-	-	1,100	1,100	-
Replacement Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Capital Improvements	38,765	-	38,765	84,633	-	84,633	44,913	531,513	(486,600)	168,311	531,513	(363,202)
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to (from)	(73,121)	(99,521)	(652,756)	73,121	73,121	0	-	-	-	0	(26,400)	26,400
Total	17,529,499	-	-	2,556,355	2,561,211	(4,856)	179,023	686,833	(507,810)	20,264,877	21,430,299	(1,165,422)
Difference	(35,389)	(131,667)	96,278	(176,328)	197,864	(374,193)	-	35,361	(35,361)	(211,718)	101,558	(313,276)

B. Planned vs. Actual Sources and Uses of State or Local Funds

The following table details sources and uses of funds for State and local activities. VHA owns or manages approximately 2500 units of bond and tax credit financed properties. Most properties have reduced rents and serve families at 30% of Area Median Income and higher.

Figure 7: Planned vs. Actual State or Local Funds

Sources	Actual	Planned	Variance
Rental Income	20,589,191	20,097,713	491,478
HUD and Other Grants	-	78,000	(78,000)
HUD Capital Grants	-	-	-
Other Revenue	3,682,183	3,223,846	458,337
Investment Income	3,040,979	3,039,544	1,435
Transfer from/to Reserves	444,471	530,300	(85,829)
Public Housing Sales Proceeds	1,298,006	500,000	798,006
Total	29,054,830	27,469,403	1,585,427
Uses			
Administrative Expenses	9,093,214	9,210,543	(117,329)
Maintenance	2,044,723	1,996,996	47,727
Utilities	1,997,092	2,002,621	(5,529)
Insurance and other Expenses	1,486,461	980,366	506,095
Housing Assistance Payments	18,246	-	18,246
Interest Expense	8,777,311	8,972,750	(195,438)
Principle Payment	2,142,280	2,192,557	(50,277)
Replacement Reserves	746,821	807,900	(61,079)
Capital Improvements	519,649	525,300	(5,651)
Adjustments	-	-	-
Transfer to (from)	(0)	26,400	(26,400)
Total	26,825,796	26,715,433	110,363
Difference	2,229,034	753,971	1,475,064

C. Planned vs. Actual Sources and Uses of the COCC

We have rolled our COCC into Local Fund as permitted by HUD, so no special report is available.

D. Cost Allocation or Fee-for-Service

No deviations were made from the 1937 Act to allocate costs.

E. Planned vs. Actual Use of Single-Fund Flexibility

VHA used single fund flexibility amongst all three Federal programs of Housing Choice Voucher (HCV), Capital Fund Program and Low Rent Public Housing in the following manner.

HCV

We used Section 8 funds to create programs to promote work and self sufficiency. Activities benefited participants in Section 8 and Public Housing as well as those on the waiting list.

We did not use HCV funds towards the creation of additional affordable housing in 2012, but committed funds to be used in 2013 for new development as permitted in the Agreement.

Capital Fund Program

During 2012, we scaled back the use of capital funds in anticipation of changes to be made in 2013 under the RAD conversions.

Low Rent Public Housing

We utilized Public Housing operating funds to help pay for activities promoting resident empowerment and self sufficiency through tenant education and counseling.

F. Planned vs. Actual Reserve Balances

The following table contains a comparison of reserve level between December 31, 2011 and December 31, 2012. In 2012 we did transfer \$1.5M of MTW reserves to Local Fund to be used for 1st Street.

Figure 8: Planned vs. Actual Reserve Balances

Program	2011	2012
MTW	5,045,899	2,003,990
Other Federal Funds	774,118	1,092,480
Local Programs	12,042,870	16,353,905
Total	17,862,886	19,450,375

G. Actual Sources and Uses by AMP

Figure 9 shows all three Public Housing AMPs and a separate fund to track the disposition of 89 Public Housing single family homes.

Figure 9: Planned vs. Actual Sources and Uses by AMP

Sources	AMP 1		AMP 2		AMP 3		PH Disposition	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Rental Income	548,119	529,200	303,381	344,416	21	-	-	-
HUD and Other Grants	795,388	1,050,736	471,749	652,983	-	-	-	-
HUD Capital Grants	-	-	-	-	-	-	-	-
Other Revenue	102,219	3,000	5,691	8,500	-	-	(102,000)	(1,500,000)
Investment Income	8,725	6,120	9,418	6,120	-	-	107,316	8,000
Transfer from/to Reserves	-	-	-	-	-	-	130,000	150,000
Public Housing Sales Proceeds	-	-	-	-	-	-	0	1,500,000
Total	1,454,451	1,589,056	790,239	1,012,019	21	-	135,316	158,000
Uses								
Administrative Expenses	998,141	1,066,129	572,937	559,850	2,966	-	58,481	152,137
Maintenance	154,349	206,375	89,490	103,600	-	-	121,586	-
Utilities	155,897	188,700	121,695	121,060	-	-	9,439	7,840
Insurance and other Expenses	39,444	44,816	45,785	36,283	-	-	27,000	-
Housing Assistance Payments	-	-	-	-	-	-	-	-
Interest Expense	162	100	129	100	(0)	-	-	-
Principle Payment	-	-	1,100	1,100	-	-	-	-
Replacement Reserves	-	-	-	-	-	-	-	-
Capital Improvements	84,633	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
Transfer to (from)	43,683	43,683	29,438	29,438	-	-	-	-
Total	1,476,309	1,549,803	860,574	851,431	2,966	-	216,506	159,977
Difference	(21,858)	39,253	(70,335)	160,588	(2,945)	-	(81,190)	(1,977)

Section VIII. Administrative

A. Correction or Elimination of Observed Deficiencies

VHA had no cited deficiencies requiring correction in FY 2012.

B. Agency Directed Evaluations

The VHA has no agency directed evaluations outside of the required elements in the Annual MTW Plan and Report.

C. Performance and Evaluation Report for Non-MTW Capital Fund Activities

Not applicable, the entire VHA Public Housing portfolio along with the capital fund is in the MTW block grant.

D. Agency Certification

The VHA certifies that it has met the three statutory requirements of:

- 1) Assuring that at least 75 percent of the families assisted by the Agency are very low-income families;
- 2) Continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and
- 3) Maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.