

King County Housing Authority

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King County Housing Authority

Moving to Work Annual Plan FY 2016

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Board of Commissioners
Doug Barnes, *Chair*
Michael Brown, *Vice-Chair*
Susan Palmer
TerryLynn Stewart
John Welch

Executive Director
Stephen J. Norman

Dear Friends,

The King County Housing Authority's 2016 Moving to Work (MTW) plan reflects our steady progress in expanding assistance to low-income, elderly, and disabled residents in the region who are most in need of affordable housing. As we mark our 13th year in the program we will utilize the flexibility MTW offers to extend housing assistance to additional households, expand housing choice, streamline operations, and develop creative solutions for meeting the diverse needs of low-income families in our communities.

KCHA faces an on-going challenge in managing its federally funded programs within an uncertain budgetary and regulatory environment – uncertainty that undercuts strategic and operational planning at a time when the need for affordable housing in our communities is rising dramatically. As the regional economy has expanded, the growing demand for housing has translated into rapidly escalating costs for low-income renters across King County, nearly half of whom are currently rent-burdened. When KCHA opened its Housing Choice Voucher wait list last February, we received more than 22,000 applications within two weeks. The most recent annual point-in-time-count found 3,772 individuals living on our streets. Many more are living in temporary shelters, motel rooms or relative's couches. School districts across the county last year reported over 6,500 homeless schoolchildren in their classrooms. Diminished federal support and heightened local need require KCHA to be nimble, efficient, and innovative in how we use our resources. *The MTW program and the flexibility it provides is our most critical tool for ensuring we can effectively meet this challenge.*

This flexibility enables us to design, evaluate and take to scale innovative housing and service solutions that respond directly to local needs and priorities. During this coming year, we will build upon the successes of prior MTW policy and program initiatives: increasing families served; matching services with housing to support households with special needs; improving access to high opportunity neighborhoods; and connecting housing and education in ways that will allow children to succeed in school and families to achieve economic self-sufficiency. In 2016, we will continue to:

- **Expand access to high opportunity neighborhoods** by implementing small market payment standards, acquiring additional properties and siting subsidies in high opportunity neighborhoods. Using our Community Choice Program, now in its second year, we will provide one-on-one counseling and services to help families with young children make appropriate locational choices and to support them in succeeding in new neighborhoods. KCHA has established the goal of having 30% of its subsidized families with children living in high opportunity neighborhoods by the end of 2020.
- **Combat family homelessness** by expanding our Student and Family Stability Initiative (SFSI) with the Highline School District. SFSI is a Rapid Re-Housing program that provides homeless students and their families with short-term rental assistance, security deposits, and individualized case management and employment services. It has shown promising initial results in both stabilizing children in the classroom and reducing school district McKinney-Vento mandated transportation costs. We expect SFSI to serve 90 families in 2016.
- **Expand and preserve affordable housing opportunities** by leveraging “banked” Public Housing subsidies, by acquiring additional housing along emerging mass transit corridors and by investing in the revitalization of low-income communities. A new senior housing development near our Greenbridge site is already in planning.
- **Support families in achieving greater self-sufficiency** by investing in our FSS program and educational initiatives. Ensuring the academic success of the 14,500 children in our federally assisted housing programs is a cornerstone of our efforts to prevent the multi-generational cycle of poverty. We will continue to work in partnership with school districts, local foundations and neighborhood-based service providers to coordinate and expand our programs and measure impacts.
- **Increase our operational efficiency** through improved technology and re-engineered business processes that assure continued compliance with federal regulatory requirements while providing for streamlined operations and greater customer satisfaction. As part of this effort we will complete our conversion to a new software system, Tenmast WinTen 2+, which will provide easier access to tenant files, improved program efficiency, and more robust customer service, program analytics and quality control. New risk-based Housing Quality Standard inspection policies will provide better service to landlords, a critical issue in an increasingly competitive rental market.
- **Strengthen our research and evaluation capacity** by continuing to develop internal competencies and committing the resources necessary to conduct program evaluations, assess the impact of new policies on our stakeholders, research evidence based best-

practices, and advance a research agenda that contributes to local policy development and the national housing policy conversation. We recognize this as a core objective of the MTW program.

Our MTW designation allows us to pursue each of these priorities in innovative and creative ways. The net effect of these MTW-authorized changes is significant: *more families and individuals are being served, more effectively, than would otherwise have been possible.*

In 2016, our MTW plan proposes two new initiatives that build on our track record of success.

- **Adopt a budget-based rent model to support the high quality housing funded through our project-based rental subsidy programs.** This adjustment will ensure that these affordable and well-maintained units are available to extremely low-income households for years to come.
- **Allow entire properties to convert to Public Housing at one time to enable more efficient administration of this transition.** KCHA continues to designate properties, many of them in high opportunity neighborhoods, for conversion to subsidized housing. This authorization would allow KCHA to more effectively set budgets and serve individuals at these sites, while still ensuring that tenants have the right to a voucher if they choose to move.

Our proposed and ongoing MTW-authorized initiatives help more than just the households we serve in King County – the programs and policies that we and other MTW agencies have designed, tested, and evaluated have been included in national legislation and have informed new HUD regulations. While only one percent of all housing authorities participate in the MTW program, our efforts have far-reaching benefits that impact low-income families across the nation.

KCHA's MTW designation continues to be the critical and necessary driver of our success. Recent proposals by HUD to significantly limit the flexibility provided under this program, if implemented, will have a direct and fundamental impact upon our existing partnerships in the region, including partnerships aimed at ending homelessness, improving educational outcomes for all children and expanding housing choice for low-income families. KCHA's ability to support its partners, develop and implement multi-year initiatives, pilot and evaluate new approaches, and serve the current number of families would all be significantly curtailed if this flexibility is lost. It is my hope that a close reading of this plan and of our annual MTW report will provide useful information that can inform HUD and other stakeholders' thinking as we move forward.

Sincerely,

Stephen Norman

SECTION I: INTRODUCTION

A. Overview of Short-term MTW Goals and Objectives

King County Housing Authority (KCHA) continues to focus on ensuring that our housing assistance reaches those with the greatest need and supports educational and economic opportunities that provide our residents and program participants the resources necessary for long-term success and economic independence. In 2016, we will:

- **Increase the number of extremely low-income households we serve.** KCHA employs multiple strategies to expand our reach: property acquisitions; new construction; use of banked Annual Contributions Contract (ACC) authority; project-basing of rental assistance in partnership with non-profit developers and service providers; lease-up of new incremental vouchers; over-leasing of our existing Section 8 baseline; flexible and stepped subsidies for special populations; short-term rental assistance and Rapid Re-Housing programs; and designation of some Public Housing units as MTW Neighborhood Services Units dedicated to meeting unique local needs.
- **Develop a pipeline of new projects intended to increase the supply of housing dedicated to extremely low-income households.** KCHA continues to actively seek out property acquisitions in strategic areas of the county, including current and emerging high-opportunity neighborhoods, and transit-oriented development (TOD) sites. We also continue to invest in the revitalization of some of the poorest neighborhoods in our region. In White Center, planning continues for the development of additional housing as part of the Greenbridge community.
- **Support families in gaining greater economic self-sufficiency.** During 2016, KCHA anticipates assisting more than 300 Public Housing and Section 8 households in the Family Self-Sufficiency program. This program advances families toward economic self-sufficiency through individualized case management, supportive services and program incentives. We are exploring additional strategies to promote improved economic outcomes among residents by engaging local service provider partners in a strategic planning process.
- **Foster partnerships that address the multi-faceted needs of the most vulnerable populations in our region.** More than 35 percent of the households entering into one of our federally assisted programs are homeless. This includes: disabled veterans; individuals living with a chronic mental illness

who often cycle among the street, the criminal justice system and hospital emergency rooms; youth who are homeless or transitioning out of foster care; and high-need, homeless families with children engaged with the child welfare system. In 2016, KCHA will continue to partner with service providers and the behavioral health care system to meet our community's supportive housing needs and regional goals for ending homelessness.

- **Expand assistance to homeless and at-risk households through Rapid Re-housing.** We will continue to partner with the Highline School District and its McKinney-Vento liaisons to implement a Rapid Re-housing approach for addressing the growing number of homeless students in our public schools. This program, launched in November 2013, provides short-term rental assistance to help as many as 65 homeless families attain housing each year. By stabilizing families within or near their children's schools, we anticipate that student attendance will improve and school transportation costs will decrease. The first-year evaluation supports this hypothesis – the district avoided \$81,000 in transportation costs for five families that depended on taxis to attend school. In all, 164 children were re-housed under this program during the 2014-15 school year.

- **Increase housing choices in high-opportunity neighborhoods.** This multi-pronged initiative includes the use of tiered payment standards, mobility counseling and new property acquisitions combined with placement of project-based rental subsidies in targeted high-opportunity neighborhoods. Currently, 24 percent of KCHA's HUD subsidized households with children live in high or very high-opportunity neighborhoods. We are committed to increasing this number to 30 percent by the end of 2020.

- **Streamline rental policies to encourage better economic outcomes for working households.** KCHA's rental policies – including revised recertification and utility allowance schedules, and the elimination of flat rents – assist in streamlining our operations. This results in significant savings in staff time, as well as reducing rent burdens for families, and providing them incentives to attain employment and increase economic self-sufficiency. Over the next year, we will be analyzing additional operational modifications that may improve economic outcomes for our residents while streamlining the administration of rent.

- **Improve educational outcomes of more than 14,500 children who live in our federally assisted housing programs.** The academic success of these youth is the cornerstone of our efforts to prevent multi-generational cycles of poverty and promote social mobility. KCHA continues to make educational outcomes an integral element of our core mission and actively partners with local education stakeholders around shared outcomes, including improved attendance, better academic performance

and higher graduation rates. We focus on multiple approaches for achieving grade-level competency while also supporting improved educational outcomes for older youth through after-school programs, parental engagement and mentoring.

- **Invest in the elimination of accrued capital repair and system replacement needs in our federally subsidized housing inventory.** In 2016, KCHA will invest more than \$19 million in public and private financing toward our five-year, \$54 million capital plan, over \$15 million of which is from the capital fund. This investment will improve quality, reduce maintenance costs and energy consumption, and extend the life expectancy of our federally assisted housing stock. KCHA also will work to maintain its record of excellence in the physical condition of its housing. In 2015, we averaged a score of 97.5 percent on property inspections performed by HUD’s Real Estate Assessment Center (REAC).

- **Create more cost-effective programs by streamlining business processes, digitizing client files and implementing a new software platform for core business functions.** By the beginning of 2016, KCHA will have fully converted to a new integrated software system, Tenmast WinTen 2+. Combined with online access to tenant files, our MTW-funded investment in this software will provide greater efficiency in our operations and reporting, allowing for continually improving customer service, program evaluation and quality control.

- **Reduce the environmental impact of KCHA’s programs and facilities.** KCHA’s current Six-Year Resource Management Plan will be in its final year in 2016. The plan includes strategies to save energy and water, divert materials from the waste stream, handle and reduce hazardous waste, and influence tenant behavior. Major initiatives include retrofitting much of our housing portfolio with energy and water saving technologies, augmenting solar production capacity, adding food waste composting services for residents, and continuing to expand utility consumption tracking to additional properties. In 2016, we will be extending our existing Energy Performance Contract (EPC) – a financing tool that enables housing authorities to finance needed energy upgrades of Public Housing stock – and implementing a new 20-year performance contract.

- **Strengthen our research and evaluation capacity.** In 2015, KCHA established its first research agenda. In 2016, we will continue to develop an internal structure and external partnerships to oversee and conduct program evaluation, advance a long-term research agenda, and partner effectively in large regional studies. These actions support the intent of the MTW program to explore new approaches to effectively and efficiently address the housing needs and life outcomes of our communities’ extremely low-income residents.

B. Overview of Long-term MTW Goals and Objectives

Through participation in the MTW demonstration program, KCHA is able to address a wide range of affordable housing needs in the Puget Sound region. We use the single-fund and regulatory flexibility offered through MTW to support our overarching strategic goals:

- **Strategy 1:** Continue to strengthen the physical, operational, financial and environmental sustainability of our portfolio of more than 9,000 affordable housing units.
- **Strategy 2:** Increase the supply of housing in the region that is affordable to extremely low-income households – those earning below 30 percent of Area Median Income (AMI) – through developing new housing, preserving existing housing, and expanding the size and reach of our rental subsidy programs. Currently, more than 87 percent of the households served through our Public Housing and Section 8 programs have incomes below 30 percent of AMI.
- **Strategy 3:** Provide greater geographic choice for low-income households – including disabled residents and elderly residents with mobility impairments – so that our clients have the opportunity to live in neighborhoods with high-performing schools and convenient access to services, transit and employment.
- **Strategy 4:** Coordinate closely with behavioral health care and other social service systems to increase the supply of supportive housing for people who have been chronically homeless and/or have special needs, with the goal of ending homelessness.
- **Strategy 5:** Engage in the revitalization of King County’s low-income neighborhoods, with a focus on housing and other services, amenities, institutions and partnerships that create strong, healthy communities.
- **Strategy 6:** Work with King County, regional transit agencies and suburban cities to support sustainable and equitable regional development by integrating new affordable housing into regional growth corridors aligned with mass transit.
- **Strategy 7:** Expand and deepen partnerships with school districts, Head Start programs, after-school program providers, public health departments, community colleges, the philanthropic community, and our residents, with the goal to eliminate the achievement gap, and improve educational and life outcomes for the low-income children and families we serve.
- **Strategy 8:** Promote greater economic self-sufficiency for families and individuals in subsidized housing by addressing barriers to employment, and facilitating access to training and education programs, with the goal of enabling moves to market-rate housing at the appropriate time.

- **Strategy 9:** Continue to develop institutional capacity and efficiencies to make the most effective use of federal resources.
- **Strategy 10:** Continue to reduce KCHA's environmental footprint through energy conservation, renewable energy generation, waste stream diversion, green procurement policies, water usage reduction and fleet management practices.
- **Strategy 11:** Develop our capacity as a learning organization that incorporates research and evaluation to drive decisions and shape policy.

SECTION II: GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. Housing Stock Information

In 2016, KCHA will use banked Annual Contributions Contract (ACC) subsidies to migrate as many as four previously purchased developments into our Public Housing inventory. The transition of these properties to the Public Housing program will ensure that these units will be available to extremely low-income households over the long term.

Additionally, we may be adding up to 100 units to our inventory of MTW Neighborhood Services units as opportunities arise to partner with local providers to house high-needs populations.

Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type	Fully Accessible	Adaptable
	0	1	2	3	4	5	6+				
Anita Vista 485	0	0	0	14	0	0	0	14	Other: Victims of Domestic Violence	0	0
Burien Park 390	0	102	0	0	0	0	0	102	Elderly/Disabled	3	99
Brookside 180	0	14	2	0	0	0	0	16	Elderly/Disabled	16	0
Federal Way Duplexes 581	0	0	0	0	4	0	0	4	Elderly/Disabled	0	0
Nike 400	0	0	7	22	0	1	0	31	Other: Homeless	0	0
Northwood 191	0	34	0	0	0	0	0	34	Elderly/Disabled	2	32
Northlake House 290	0	38	0	0	0	0	0	38	Elderly/Disabled	4	34
Shadrach 181	0	0	9	0	0	0	0	9	Other: Homeless	0	0
MTW Neighborhood Services Units	TBD	TBD	TBD	TBD	TBD	TBD	TBD	100	TBD	TBD	TBD
Total Public Housing Units to be Added¹								348			

¹ These, and other properties yet to be identified, may convert to Public Housing in 2016. Additionally, some Public Housing units might be designated MTW Neighborhood Services units over this next year upon approval from the HUD field office.

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
N/A	0	N/A
	Total Number of Units to be Removed	0

New Housing Choice Vouchers to be Project-based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-based	Description of Project
John Gabriel House	8	Senior housing project in Redmond being developed by Providence Health & Services.
Southwood Square	104	KCHA-owned property in Kent that will “opt out” of a multi-family Section 8 contract and convert to project-based assistance.
Ronald Commons	8	Project for homeless families being developed in Shoreline by Compass Housing Alliance.
King County Combined Funders NOFA	16	KCHA, in coordination with other local funders, has made available up to 16 subsidies through a combined Notice of Funding Availability (NOFA) intended to serve homeless individuals and families. These Project-based Housing Choice Vouchers are available for existing housing or new construction projects in King County.

Anticipated Total New Vouchers to be Project-based

136

Anticipated Total Number of Project-based Vouchers Committed at the End of the Fiscal Year²

2,581

² AHAP and HAP.

Anticipated Total Number of Project-based Vouchers Leased-up or Issued to a Potential Tenant at the End of the Fiscal Year³

2,515

Other Changes to the Housing Stock Anticipated During the Fiscal Year

KCHA continues to use banked Public Housing subsidy to provide deep affordability as units turn over in the Pepper Tree, Westminster and Kirkland Place developments, which are all properties we acquired in high-opportunity neighborhoods. These units are added to our Public Housing inventory only when a current resident moves out. Due to the uncertainty surrounding the timing of existing residents' individual housing choices, we are not able to project an exact figure for the number of newly subsidized units to be added to our Public Housing portfolio.

Additionally, KCHA continues to add to its stock of MTW Neighborhood Services Units from both new acquisitions and reclassification of existing Public Housing units. In 2016, upon approval from the local HUD field office, KCHA's Pacific Court Public Housing apartments will be designated as MTW Neighborhood Services Units.

General Description of All Planned Capital Fund Expenditures During the Plan Year

In 2016, KCHA plans to spend over \$15 million to complete capital improvements critical to maintaining our 81 federally subsidized properties. Expenditures include:

- **Unit Upgrades** (\$4.2 million). KCHA's ongoing efforts to significantly upgrade the interiors of our affordable housing inventory as units turn over will continue in 2016. KCHA's in-house, skilled workforce will perform the renovations, which include installation of new flooring, cabinets and fixtures that will extend by 20 years the useful life of 150 additional units.
- **Site Improvements** (\$5.7 million). Paving of parking areas and replacement of curbs, gutters and walkways will take place at Burndale Homes (Auburn) and Firwood Circle (Auburn). Site work including drainage improvements, new walkways, replacement of a pedestrian bridge, repaving of the parking lot and new curbs and gutters will be completed at Forest Glen (Redmond). At Lakehouse (Shoreline), improvements will be made to the site drainage system and brick patio/planter; the parking lot will be

³ This projection takes into consideration the slow and unpredictable nature of leasing up project-based vouchers at Southwood Square. Units turn over to project-based assistance only when current residents decide to move with their tenant protection voucher.

re-graded and repaved; new curbs and gutters will be constructed; and landscaping will be replaced in selected areas. Valli Kee (Kent) will also receive improvements to the site drainage system, the gas main will be relocated, and a school bus turnout will be constructed. At College Place, site improvements include walkway upgrades for ADA accessibility. Improvements including sidewalk replacement, site lighting and repaving of the parking lot at Briarwood (Shoreline) will be designed and constructed in 2016. KCHA will fund improvements at these sites through either MTW single fund or Capital Fund Program funding.

- **Building Envelope and Related Components Upgrades** (\$2.6 million). In 2016, the roofs will be replaced at Firwood Circle (Auburn) and Kirkland Place (Kirkland), and a full envelope project including siding, doors and windows will be completed at Hidden Village (Bellevue). At Shelcor Apartments, the roof, siding, windows, and doors will be replaced while Lakehouse (Shoreline), outdoor decks will receive repairs. The envelope work will be completed with funding from KCHA’s MTW single fund and other sources.

- **“509” Initiative Improvements** (\$1.6 million). Work will be done at several of the sites where Public Housing units were converted to Section 8 project-based subsidy under the previously approved 509 initiative. Evergreen Court (Federal Way) will receive a new roof, siding, doors, and windows. Roofs will be replaced at Green Leaf (Kenmore) and Juanita Trace (Kirkland).

- **Other Improvements** (\$1.1 million). At Forest Glen (Redmond), the in-unit water and waste lines will be replaced while at Peppertree (Shoreline), a new main entry and unit entry doors will be installed.

B. Leasing Information

Planned Number of Households Served at the End of the Fiscal Year

MTW Households to be Served through:	Planned Number of Households to be Served	Planned Number of Unit Months Occupied/Leased
Federal MTW Public Housing Units to be Leased	2,333	27,996
Federal MTW Voucher (HCV) Units to be Utilized	9,407	112,884
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs	0	0
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs	305	3,660
Total Households Projected to be Served	12,045	144,540

Reporting Compliance with Statutory MTW Requirements

KCHA is currently in compliance with the statutory MTW requirements.

Description of Any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers, and/or Local, Non-traditional Units and Possible Solutions

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
Federal MTW Public Housing	No leasing issues are anticipated for this program in 2016.
Federal MTW Voucher (HCV)	King County is experiencing unprecedented growth, decreasing the affordability of available housing stock and increasing competition among renters. We continue to closely monitor our shopping success rate while establishing more fine-grained payment standards that better match a particular area's market. The failure of HUD to provide any inflation factor whatsoever for 2015 while raising our regional Fair Market Rents by 26 percent leaves KCHA with insufficient Section 8 funding to adequately support the number of households we currently subsidize. Our choices are to lag payment standards behind rapidly rising rental costs – leading to lower shopping success rates, rising shelter burdens, and subsidized households being priced out of (or failing to gain access to) high-opportunity neighborhoods – or increase payment standards that necessitate a reduction by KCHA in the number of households served. The solution to this issue is for HUD to issue a revised methodology for calculating inflation factors for 2016 that captures the increases in local Fair Market Rates established by HUD in 2015.
Local, Non-Traditional, MTW Funded Tenant-Based Assistance	Successfully leasing an apartment in a tightening rental market with a population that already faces multiple barriers is a challenge for our local, non-traditional programs. The very design of these programs is intended to provide additional resources including housing search assistance and housing stability support. Limitations on the use of MTW resources for these purposes, as HUD has proposed, would significantly jeopardize KCHA and its local service provider partners' ability to support these vulnerable, high-need populations.

C. Wait List Information

No changes to the organizational structure or policies regarding the wait lists are anticipated in 2016.

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Are There Plans to Open the Wait List During 2016?

Section 8 Housing Choice Voucher	Community-wide	2,050	Partially open (<i>accepting targeted voucher referrals only</i>)	No
Public Housing	Other: Regional	5,912	Open	N/A
Public Housing	Site-based	5,332	Open	N/A
Project-Based	Other: Regional	2,556	Open	N/A
Public Housing – Conditional Housing	Program-specific	37	Open	N/A
Local Non-Traditional	N/A	N/A	N/A	N/A

Description of Other Wait Lists

Public Housing, Other. Applicants are given the choice among three regions, each with its own wait list. The applicant is able to choose two of the three regions. KCHA uses a rotation system among this applicant pool and among those who enter through specialized programs, such as our transitional housing program, when assigning a household to a unit in its region of choice.

Project-based, Other. This wait list mirrors the Public Housing program’s regional wait lists. An applicant is given the opportunity to apply for a number of KCHA’s subsidized housing programs. KCHA then pre-screens a cluster of applicants prior to receiving notice of available units from an owner in order to ensure eligibility and increase efficiency.

Description of Partially Open Wait List

Section 8 Housing Choice Voucher (HCV) Program. The general Section 8 HCV program wait list last opened to the general public in February 2015. More than 22,000 applications were received in a two-week period. There are currently no plans to reopen the process in 2016. However, we continue to serve targeted populations, such as survivors of domestic violence, those who are facing a terminal illness and the homeless through referrals from targeted programs such as Veteran Affairs Supportive Housing (VASH), the Family Unification Program (FUP), and the Housing Access and Services Program (HASP).

SECTION III: PROPOSED MTW ACTIVITIES

ACTIVITY 2016-1: Budget-based Rent Model

A. Proposed MTW Activity Description

KCHA requests authorization to adopt a budget-based approach to calculating the contract rent at its Project-based Section 8 developments. Currently, KCHA sets rent in accordance with Rent Reasonableness statutes. These statutes require that a property's costs reflect the average costs of a comparable building in the same geographic region. Using these costs, an agency sets the comparable rent as determined at that time. However, a property's needs and purpose can change over time and this set of rules does not take into consideration variations in costs, which might include added operational expenses, necessary upgrades and increased debt service to pay for renovations. Consider an aging former Public Housing development utilizing Project-based Section 8 rental subsidies that is nearing the end of its useful life and in need of capital upgrades. Under current rules, this property could not achieve a rent structure high enough to support the capital improvements and debt service necessary to extend its life as a Project-based Section 8 development.

We are proposing a budget-based rent model that allows KCHA to create an appropriate annual budget for each property from which a reasonable, cost-conscious rent level would derive. These budgets may set some units above the Rent Reasonableness rent level and in that case, KCHA will contribute more toward the rent, not to exceed 120% of the payment standard. The calculation of the resident's rent payment will not change as it will still be determined by a resident's income level. KCHA will pay any increase in rent, increasing a property's ability to support debt without any undue burden on residents.

With affordable housing stock decreasing across the county, KCHA wants to ensure that these properties remain livable and available to tenants for the long term. The ability to fine-tune a property's rent model allows us to do so.

B. Statutory Objective

This initiative increases housing choice by ensuring that KCHA properties are financially supported and available to low-income residents for the long term.

C. Anticipated Impact

By setting rent at a level that aligns with a property’s costs, KCHA ensures that these properties are financially supported and sustained.

D. Schedule

We plan to implement this initiative in early 2016, pending HUD’s approval.

E. Activity Metrics Information

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark	Projected Outcome	Data Source
Increase housing choices for low-income families	HC #2: Units of Housing Preserved	0 units	700 units ⁴	Project-based units are preserved for the long term	Property Management Database

F. Need/Justification for MTW Flexibility

Authorizations Related to Section 8 Housing Choice Vouchers Only (Attachment C, Items D.2, (a), (b), and (c) and D.7) are required in order to adopt this initiative. Items D.2 (a), (b), and (c) provide the flexibility needed to set rent levels and establish a local process for determining Rent Reasonableness. Item D.7 is necessary in order to relate these flexibilities to the Project-based Voucher program.

ACTIVITY 2016-2: Conversion of Former Opt-out Developments to Public Housing

A. Proposed MTW Activity Description

KCHA requests authorization to convert entire Project-based Section 8 opt-out properties to Public Housing at once. Currently, there is one development⁵ already approved for inclusion in the Public Housing portfolio where units convert only when the original resident moves out with a voucher. This transition is gradual, and at properties housing seniors or disabled residents, turnover of units tends to

⁴ Includes 509 units from KCHA’s “509” Initiative and as many as 262 units at Birch Creek.

⁵ Westminster.

be especially slow. In the meantime, two sets of rules – project-based Section 8 and Public Housing – simultaneously govern the management of the development, adding to the administrative complexity of providing housing assistance.

This activity would build upon KCHA’s previously approved initiative (2008-1) to expand housing through use of banked Public Housing ACC units. As proposed, KCHA would seek to convert former project-based “opt-out” sites to Public Housing through the development process outlined in 24 CFR 905, rather than through gradual transition outlined above. As a result, KCHA anticipates this activity will greatly streamline operations and increase administrative efficiency. With transition to Public Housing subsidy, current enhanced voucher participants will retain protections against future rent increases in much the same manner currently provided. As a Public Housing resident, these households will pay an affordable rent (based upon policies outlined in KCHA’s Public Housing ACOP) thus remain protected from a private owner’s decision to increase the contract rent. At the same time, KCHA’s MTW-enhanced Transfer Policy will ensure that former enhanced voucher recipients retain the same (if not greater) opportunity for mobility by providing access to transfer to other subsidized units within KCHA’s portfolio or use of a general Housing Choice Voucher should future need arise.

Upon approval of this activity, KCHA will work with affected residents of selected former opt-out properties⁶ - providing ample notification and information to residents (including the right to move using a general voucher for current enhanced voucher participants) in order to ensure the development’s seamless transition to the Public Housing program.

B. Statutory Objective

This initiative achieves greater cost effectiveness by streamlining the conversion process and operating certain developments under a single set of rules.

C. Anticipated Impact

By streamlining the conversion of opt-out development to Public Housing, KCHA can administer housing assistance in a more simplified, efficient way. The governance of these properties under a single set of rules saves staff time, cuts down on the complexity of administering housing assistance, and increases cost savings.

⁶ Burien Park, Northwood, and Northlake House. Additionally, the Chaussee portfolio may be converted to Public Housing in the future.

D. Schedule

We plan to implement this initiative in early 2016, pending HUD's approval. No development would be converted using this flexibility prior to the initial renewal of the voucher increment.

E. Activity Metrics Information

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark	Projected Outcome	Data Source
Reduce costs and achieve greater cost effectiveness	CE #1: Total cost of task in dollars	\$0 saved	\$2,560 ⁷	Increased cost savings	Administrative Data
Reduce costs and achieve greater cost effectiveness	CE #2: Total time to complete task in staff hours	0 hours saved	80 hours saved	Reduced staff time	Administrative Data

F. Need/Justification for MTW Flexibility

Authorizations Related to Section 8 Housing Choice Vouchers Only (Attachment C, Item D.1, D.4, and D.7) are necessary to transition these opt-out properties to Public Housing at once while prioritizing these particular residents on the general tenant-based voucher wait list, should they ever wish to move.

⁷ This figure was calculated by multiplying the median hourly wage and benefits (\$32) of staff who oversee this activity by the number of hours saved. This number represents an estimate of the dollar amount that could be saved in staff hours by implementing this activity. It is a monetization of the hours saved through the implementation of this program.

SECTION IV: APPROVED MTW ACTIVITIES

A. Implemented Activities

The following table provides an overview of KCHA's approved activities, the statutory objectives they aim to meet, and the page number in which more detail can be found.

Year-Activity #	MTW Activity	Statutory Objective	Page
2015-1	Flat Subsidy for Local, Non-traditional Housing Programs	Cost Effectiveness	18
2015-2	Reporting on the Use of Net Proceeds from Disposition Activities	Cost Effectiveness	18
2014-1	Stepped-down Assistance for Homeless Youth	Self-sufficiency	20
2014-2	Revised Definition of "Family"	Housing Choice	21
2013-1	Passage Point Prisoner Re-entry Housing Program	Housing Choice	21
2013-2	Flexible Rental Assistance	Housing Choice	22
2012-2	Community Choice Program	Housing Choice	23
2009-1	Project-based Section 8 Local Program Contract Term	Housing Choice	24
2008-1	Acquire New Public Housing	Housing Choice	24
2008-3	FSS Program Modifications	Self-sufficiency	25
2008-10 & 2008-11	EASY & WIN Rent Policies	Cost Effectiveness Self-sufficiency	27
2008-21	Public Housing and Section 8 Utility Allowances	Cost Effectiveness	28
2007-6	Develop a Sponsor-based Housing Program	Housing Choice	29
2007-14	Enhanced Transfer Policy	Cost Effectiveness	30
2007-18	Resident Opportunity Plan (ROP)	Self-sufficiency	31
2005-4	Payment Standard Changes	Cost Effectiveness Housing Choice	32
2004-2	Local Project-based Section 8 Program	Cost Effectiveness Housing Choice	33
2004-3	Develop Site-based Waiting Lists	Cost Effectiveness Housing Choice	36
2004-5	Modified Housing Quality Standards (HQS) Inspection Protocols	Cost Effectiveness	36
2004-7	Streamlining Public Housing and Section 8 Forms and Data Processing	Cost Effectiveness	37
2004-9	Rent Reasonableness Modifications	Cost Effectiveness	39
2004-12	Energy Services Company (ESCO) Development	Cost Effectiveness	39
2004-16	Section 8 Occupancy Requirements	Cost Effectiveness	40

ACTIVITY 2015-1: Flat Subsidy for Local, Non-traditional Housing Programs

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2015

Implemented: 2015

Data Source: Service Provider Partner

Challenge: KCHA's service provider partners estimate spending more than 400 additional hours each year in the administration of federal housing rules. These are 400 hours that could be dedicated to case management and client support but instead are spent calculating tenant rent for homeless individuals whose income is very small or non-existent.

Solution: This local, non-traditional housing program revises the administration of a portion of our project-based assistance, allowing our partners to better meet the needs of extremely low-income homeless individuals and families. Under existing policies, the subsidy may be applied to the unit only after an extensive eligibility determination and an income-based rent calculation has been conducted. The administrative costs of determining incomes and calculating tenant rent responsibility are high and often duplicative of the service provider's eligibility determination. Additionally, individuals transitioning out of homelessness typically have extremely low incomes and are highly mobile, adding to the challenges of tracking and managing frequent moves.

Instead, KCHA is providing a flat, per-unit subsidy in lieu of monthly Housing Assistance Payments (HAP) and allowing the service provider to dictate the terms of the tenancy (such as length of stay and the tenant portion of rent). The funding is block-granted based on the number of units authorized under contract and occupied in each program. This flexibility allows KCHA to better support a "Housing First" approach that places high-risk homeless populations in supportive housing programs tailored to nimbly meet an individual's needs.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2015-2: Reporting on the Use of Net Proceeds from Disposition Activities

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2015

Implemented: 2016

Data Source: Administrative Data

Challenge: The reporting process for the use of net proceeds from KCHA's disposition activities is duplicitous and burdensome, taking up to 160 hours to complete each year. The reporting protocol for the Moving to Work program aligns with the Section 18 disposition code reporting requirements, allowing for an opportunity to simplify reporting.

Solution: KCHA reports on the use of net proceeds from disposition activities in the annual Moving to Work report. This streamlining activity allows us to realize time-savings and administrative efficiencies while continuing to adhere to the guidelines outlined in 24 CFR 941 Subpart F of Section 18 demolition and disposition code.

We use our net proceeds from the last HOPE VI disposition, Seola Gardens, in some of the following ways, all of which are accepted uses under Section 18(a)(5):

1. Repair or rehabilitation of existing ACC units.
2. Development and/or acquisition of new ACC units.
3. Provision of social services for residents.
4. Implementation of a preventative and routine maintenance strategy for specific single-family scattered-site ACC units.
5. Modernization of a portion of a residential building in our inventory to develop a recreation room, laundry room or day-care facility for residents.
6. Funding of a HUD-approved homeownership program authorized under Section 32, 9, 24 or any other Section of the Act, for assistance to purchasers, for reasonable planning and implementation costs, and for acquisition and/or development of homeownership units.
7. Leveraging of proceeds in order to partner with a private entity for the purpose of developing mixed-finance Public Housing under 24 CFR 905.604.

We report on the proceeds' uses, including administrative and overhead costs, in the MTW reports. The net proceeds from this project are estimated to be \$5 million.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2014-1: Stepped-down Assistance for Homeless Youth

MTW Statutory Objective: Increase Self-sufficiency

Approval: 2014

Implemented: 2014

Data Source: Service Provider Partner

Challenge: During the January 2015 point-in-time homeless count in King County, 824 youth were identified as homeless or unstably housed, a 6 percent increase over 2014.⁸ Local service providers have identified the need for a short-term, gradually diminishing rental subsidy structure to meet the unique needs of these youth.

Solution: KCHA has begun to implement a flexible, "stepped-down" rental assistance model in partnership with local youth service providers. Our service provider partners find that a short-term rental subsidy, paired with supportive services, is the most effective way to serve homeless youth as a majority of these young adults do not require extended tenure in a supportive housing environment. By providing limited-term rental assistance and promoting graduation to independent living, more youth can be served effectively through this program model. As part of this initiative, KCHA currently partners with the YMCA to administer Next Step, and Valley Cities Counseling and Consultation to provide the Coming Up program. These programs offer independent housing opportunities to 50 young adults (ages 18 to 25) who are either exiting homelessness or currently living in service-rich transitional housing. Participants secure their apartment, sign a lease with a landlord, and work with a resource specialist to assure longer-term housing stability.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: KCHA is transferring eight of the Coming Up subsidies to a project-based program that Valley Cities Counseling and Consultation currently is developing. The program, Phoenix Rising, will serve 24 homeless young adults. This contract change will result in the reduction of 10 households served in this stepped-down rent assistance model. The changes are reflected in the included metrics below:

⁸ Count Us In 2015: King County's Point-in-Time Count of Homeless & Unstably Housed Young People, <http://www.kingcounty.gov/socialservices/Housing/ServicesAndPrograms/Programs/Homeless/HomelessYouthandYoungAdults.aspx>.

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Increase self-sufficiency	SS #5: Households assisted by services that increase self-sufficiency	0 households	42 households
Increase self-sufficiency ⁹	SS #8: Households transition to self-sufficiency	0 households	42 households

ACTIVITY 2014-2: Revised Definition of “Family”

MTW Statutory Objective: Increase Housing Choice

Approval: 2014

Implemented: 2014

Data Source: Wait List and KCHA Resident Database (MST)

Challenge: On Jan. 22, 2015, 3,046 families with children were living in emergency or temporary housing in King County.¹⁰ Thousands more elderly and disabled people, many with severe rent burdens, are on our waiting lists with no new federal resources anticipated.

Solution: This policy directs KCHA’s limited resources to populations facing the greatest need: elderly, near-elderly and disabled households; and families with children. We modified the eligibility standards outlined in the Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plans to limit eligible households to those that include at least one elderly or disabled individual or a minor/dependent child. The current policy affects only admissions and does not affect the eligibility of households currently receiving assistance. Exceptions will be made for participants in programs that target specialized populations such as domestic violence victims or individuals who had been chronically homeless.

Proposed Changes to Activity: Currently, no modifications are anticipated in 2016 and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity’s metrics.

ACTIVITY 2013-1: Passage Point Prisoner Re-entry Housing Program

MTW Statutory Objective: Increase Housing Choice

Approval: 2013

Implemented: 2013

⁹ Self-sufficiency for this activity is defined as maintaining housing.

¹⁰ HUD’s 2014 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations (WA-500). https://www.hudexchange.info/reports/CoC_PopSub_CoC_WA-500-2014_WA_2014.pdf.

Data Source: Service Provider Partner and KCHA Resident Database (MST)

Challenge: In 2014, 1,395 individuals in King County returned to the community after a period of incarceration.¹¹ Nationally, more than half of all inmates are parents who will face barriers to securing housing and employment upon release due to their criminal record or lack of job skills.¹² Without a home or employment, many of these parents are unable to reunite with their children.

Solution: Passage Point is a unique supportive housing program that serves parents trying to reunify with their children following a period of incarceration. KCHA provides 46 project-based Section 8 vouchers while the YWCA provides property management and supportive services. YWCA identifies eligible individuals through outreach to prisons and correctional facilities. In contrast to typical transitional housing programs that have strict 24-month occupancy limits, Passage Point participants may remain in place until they have completed the reunification process, are stabilized in employment and can demonstrate their ability to succeed in a less service intensive environment. Passage Point participants who complete the program and regain custody of their children may apply to KCHA's Public Housing program and receive priority placement on the wait list.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2013-2: Flexible Rental Assistance

MTW Statutory Objective: Increase Housing Choice

Approval: 2013

Implemented: 2013

Data Source: Service Provider Partner

Challenge: The one-size-fits-all approach of traditional housing programs does not provide the flexibility needed to quickly and effectively meet the needs of low-income individuals facing distinct housing crises, such as homelessness and domestic violence. In many of these cases, a short-term rental subsidy paired with responsive, individualized case management can help a family out of a crisis situation and into safe, stable housing.

¹¹ Washington State Department of Corrections. Number of Prison Releases by County of Release. <http://www.doc.wa.gov/aboutdoc/docs/msAdmissionsandReleasesbyCounty.pdf>

¹² Glaze, L E and Maruschak, M M (2008). Parents in Prison and Their Minor Children. <http://www.bjs.gov/index.cfm?ty=pbdetail&iid=823>

Solution: This activity, developed with local service providers, offers flexible housing assistance to families in crisis. KCHA provides flexible rental assistance, including time-limited rental subsidy, security deposits, rent arrears and funds to cover move-in costs, while our partners provide supportive services. Participants work with a resource specialist during the program and beyond to secure and maintain housing. Two housing programs make up this initiative. The first is the Student and Family Stability Initiative (SFSI) that pairs short-term rental assistance with housing stability and employment connection services for families experiencing or on the verge of homelessness. School-based McKinney-Vento liaisons identify and connect these families with community-based service providers while caseworkers have the flexibility to determine the most effective approach to quickly stabilize participants in housing. The second program quickly identifies and secures housing for survivors of domestic violence. Like SFSI, a case manager works with the individual to determine and administer support that addresses the most immediate needs.

Proposed Changes to Activity: This activity has been combined with Activity 2013-3: Short-term Rental Assistance Program as the program models are similar and enlist the same MTW flexibilities.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2012-2: Community Choice Program

MTW Statutory Objective: Increase Housing Choice

Approval: 2012

Implemented: 2013

Data Source: CCP Master Spreadsheet

Challenge: Research increasingly demonstrates that people's health, employment status and educational success are influenced enormously by where they live. Only 30 percent of KCHA's tenant-based Housing Choice Voucher holders live in the high-opportunity neighborhoods of King County that can help promote positive outcomes. High-opportunity neighborhoods are characterized by lower poverty rates, better educational and employment opportunities, and proximity to major transportation hubs. These neighborhoods also have higher rents and a more limited supply of rental housing. For a wide variety of reasons, low-income families are more likely to live in communities most familiar to them, which tend to have higher poverty rates and less access to these benefits.

Solution: This initiative aims to encourage and enable Housing Choice Voucher households with young children to relocate to areas of the county with higher achieving school districts. In addition to formidable barriers accessing these neighborhoods, many households are not aware of the link between

location and educational and employment opportunities. Through collaboration with local nonprofits and landlords, KCHA educates families about the link between location, educational opportunities and life outcomes. The program offers one-on-one counseling to households making the decision of where to live, along with ongoing support once a family moves to a new neighborhood.

Proposed Changes to Activity: We are continuing to explore additional policy changes that may increase access to high opportunity areas such as increasing or eliminating the 40% limit on the proportion of household income that could be spent on housing costs.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2009-1: Project-based Section 8 Local Program Contract Term

MTW Statutory Objective: Increase Housing Choice

Approval: 2009

Implemented: 2009

Data Source: Leased Housing Department

Challenge: Prior to 2009, our non-profit development partners faced difficulties securing private financing for the development and acquisition of affordable housing projects. Measured against banking and private equity standards, the Housing Assistance Payments (HAP) contract term set by HUD is too short and hinders underwriting debt on affordable housing projects.

Solution: This activity extends the length of the allowable term for Section 8 project-based contracts up to 15 years. This change in term assists our partners in underwriting and leveraging private financing for development and acquisition projects. The longer-term commitment from KCHA signals to lenders and underwriters that these partner agencies have sufficient resources to take on the debt acquired through the new development of affordable housing units.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2008-1: Acquire New Public Housing

MTW Statutory Objective: Increase Housing Choice

Approval: 2008

Implemented: 2008

Data Source: Housing Management Department

Challenge: In King County, nearly half of all renter households spend more than 30 percent of their income on rent.¹³ Countywide, fewer than 15 percent of all apartments are considered affordable to households earning less than 30 percent of AMI.¹⁴ In the context of these challenges, KCHA's Public Housing waiting lists continue to grow. Given this gap between available affordable housing and the number of low-income renters, KCHA must continue to increase the inventory of units affordable to extremely low-income households.

Solution: KCHA's Public Housing ACC is currently below the Faircloth limit in the number of allowable units. These "banked" Public Housing subsidies allow us to add to the affordable housing supply in the region by acquiring new units. This approach is challenging, however, because Public Housing units cannot support debt. We continue our innovative use of MTW working capital, with a particular focus on the creation or preservation of units in high-opportunity neighborhoods.

Proposed Changes to Activity: KCHA is proposing to further streamline the acquisition and addition of units to our Public Housing inventory. Working with the local HUD field office, we are seeking to simplify the ACC process by streamlining the information needed to add these units to the PIC system and obtain operating and capital subsidies. We also will work with the field office to create a process for self-certification of neighborhood suitability standards and Faircloth limits, necessitating the flexibility granted in Attachment D, Section D of our MTW Agreement.¹⁵

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2008-3: FSS Program Modifications

MTW Statutory Objective: Increase Self-sufficiency

Approval: 2008

Implemented: 2016

Data Source: KCHA Resident Database (MST) and Resident Services Department Program Files

¹³ US Census Bureau, ACS 2013 5-year estimates, DP04: 47.9% of King County renter households pay 30% or more of household income on gross rent. http://factfinder.census.gov/bkmk/table/1.0/en/ACS/13_5YR/DP04/0500000US53033.

¹⁴ US Census Bureau, ACS 2013 5-year estimates, DP04: 15.6% of King County rental units have gross rents under \$750. http://factfinder.census.gov/bkmk/table/1.0/en/ACS/13_5YR/DP04/0500000US53033. HUD FY2013 Income Limits Documentation System: 30% AMI for a household of four is \$26,000. For a household making \$26,000 per year, spending no more than 30% of income on rent translates to \$650 or less in asking rent.

¹⁵ Some Public Housing units might be designated MTW Neighborhood Services units over this next year upon approval from the HUD field office.

Challenge: For every household receiving housing subsidy, two others may need assistance.¹⁶ To serve more households with limited resources, subsidized households need to be supported in their efforts to achieve economic self-sufficiency and cycle out of the program. HUD’s standard FSS program may not provide the full range of services and incentives needed to support greater self-sufficiency among participants.

Solution: KCHA is exploring possible modifications to the FSS program that could increase incentives for resident participation and income growth. These outcomes could pave the way for residents to realize a higher degree of economic independence. The program currently includes elements that unintentionally act as disincentives by punishing higher income earners, the very residents who could benefit most from additional incentives to exit subsidized housing programs. To address these issues, KCHA is considering the following modifications:

- Providing escrow funds to all participants upon enrollment, regardless of their level of earned income.
- Modifying the escrow calculation so as to not unintentionally punish higher earning households.
- Creating incentive payments to be awarded when a participant reaches a goal or completes certain activities.
- Establishing a fund to assist with education or training goals.

This activity is part of a larger strategic planning process with local service providers that seeks to increase positive economic outcomes for residents.

Proposed Changes to Activity: This activity is now active and no longer under the “Not Yet Implemented” section. During 2016, Resident Services staff and community partners will commence a strategic planning process that will put forward needed changes to the traditional FSS program. Implementation of these changes may occur in 2016 but are most likely to be implemented in 2017.

Changes to Metrics: The table provides the revised metrics for this activity. Outcomes will be reported in KCHA’s annual MTW Report.

¹⁶ Worst Case Housing Needs 2015: Report to Congress, page viii.
http://www.huduser.org/portal/Publications/pdf/WorstCaseNeeds_2015.pdf

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Increase self-sufficiency	SS #1: Average earned income of households in dollars	TBD	TBD
Increase self-sufficiency	SS #2: Average amount of savings/escrow in dollars	TBD	TBD
Increase self-sufficiency	SS #3: Employment status for heads of household	TBD	TBD
Increase self-sufficiency	SS #4: Number of households receiving TANF assistance	TBD	TBD
Increase self-sufficiency	SS #5: Households assisted by services that increase self-sufficiency	TBD	TBD
Increase self-sufficiency	SS #6: Average amount of Section 8 and/or Section 9 subsidy per household	TBD	TBD
Increase self-sufficiency	SS #7: Tenant rent share	TBD	TBD
Increase self-sufficiency ¹⁷	SS #8: Households transitioned to self-sufficiency	TBD	TBD

ACTIVITY 2008-10 and 2008-11: EASY and WIN Rent Policies

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2008

Implemented: 2008

Data Source: KCHA Resident Database, Leased Housing Department, KCHA MTW Rent Reform Final Impact Analysis Report (Seasholtz)

Challenge: The administration of rental subsidy under existing HUD rules can be complex and confusing to the households we serve. Significant staff time was being spent complying with federal requirements that do not promote better outcomes for residents, safeguard program integrity or save taxpayer money. The rules regarding deductions, annual reviews and recertifications, and income calculations were cumbersome and often hard to understand, especially for the elderly and disabled people we serve. These households live on fixed incomes that change only when there is a Cost of Living Adjustment (COLA), making annual reviews superfluous. For working households, HUD's rent rules include complicated earned-income disregards that can manifest as disincentives to income progression and advances in employment.

Solution: KCHA has two rent reform policies. The first, **EASY Rent**, simplifies rent calculations and recertifications for elderly and disabled households that derive 90 percent of their income from a fixed

¹⁷ Self-sufficiency is defined as successful transition to unsubsidized housing.

source (such as Social Security, Supplemental Security Income [SSI] or pension benefits) and are enrolled in our Public Housing, Housing Choice Voucher or project-based Section 8 programs. Rents are calculated at 28 percent of adjusted income with deductions for medical- and disability-related expenses in \$2,500 bands and a cap on deductions at \$10,000. EASY Rent streamlines KCHA operations and simplifies the burden placed on residents by reducing recertification reviews to a three-year cycle and rent adjustments based on COLA increases in Social Security and SSI payments to an annual cycle.

The second policy, **WIN Rent**, was introduced in FY 2010 to encourage increased economic self-sufficiency among households where individuals are able to work. WIN Rent is calculated on a series of income bands and the tenant's share of the rent is calculated at 28.3 percent of the lower end of each income band. This tiered system – in contrast to existing rent protocols – does not punish increases in earnings, as the tenant's rent does not change until household income increases to the next band level. Additionally, recertifications are conducted biennially instead of annually, allowing households to retain all increases in earnings during that time period without an accompanying increase to the tenant's share of rent. The WIN Rent structure also eliminates flat rents, income disregards and deductions (other than childcare for eligible households), and excludes the employment income of household members under age 21. Households with little or no income are given a six-month reprieve during which they are able to pay a lower rent or, in some cases, receive a credit payment. Following this period, the household pays a minimum rent of \$25 regardless of income calculation.

In addition to the changes to the recertification cycle, we also have streamlined processing and reviews. For example, we limit the number of tenant-requested reviews to reduce rent to two occurrences in a two-year period. We estimate that these policy and operational modifications have reduced the relevant administrative workloads in the Section 8 and Public Housing programs by 20 percent.

Proposed Changes to Activity: In 2016, KCHA will be in the process of implementing a new housing management software system, Tenmast WinTen 2+. This new system may illuminate the need to reevaluate or make changes to the current rent policies.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2008-21: Public Housing and Section 8 Utility Allowances

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2008

Implemented: 2010

Data Source: Housing Management Department

Challenge: KCHA would spend almost \$22,000 annually in additional staff time to administer utility allowances under HUD’s one-size-fits-all national guidelines. HUD’s national approach fails to capture average consumption levels in the Puget Sound area.

Solution: This activity simplifies the HUD rules on Public Housing and Section 8 Utility Allowances by applying a universal methodology that reflects local consumption patterns and costs. Before this policy change, allowances were calculated for each individual unit and household type with varied rules under the Section 8 and Public Housing programs. Additionally, HUD required an immediate update of the allowances with each cumulative 10 percent rate increase made by utility companies. Now, KCHA provides allowance increases annually rather than each time an adjustment is made to the utility equation. Additionally, we worked with data from a Seattle City Light study completed in late 2009, allowing us to identify key factors in household energy use and therefore project average consumption levels for various types of units in the Puget Sound region. We used this information to set a new utility schedule that considers various factors: type of unit (single vs. multi-family), size of unit, high-rise vs. low-rise units, and the utility provider. We also modified allowances for units where the resident pays water and/or sewer charges. KCHA’s Hardship Policy, adopted in July 2010, allows KCHA to respond to unique household or property circumstances and documented cases of financial hardship, including utility rate issues.

Proposed Changes to Activity: Upon implementation of the new energy performance contract’s efficiency measures, KCHA may revisit the utility schedule and set allowances according to a property’s energy usage and upgrade needs. The methodology used to calculate the allowance remains the same as outlined in this activity.

Changes to Metrics: There are no changes to this activity’s metrics.

ACTIVITY 2007-6: Develop a Sponsor-based Housing Program

MTW Statutory Objective: Increase Housing Choice

Approval: 2007

Implemented: 2007

Data Source: Homeless Housing Initiatives Department

Challenge: According to a 2014 point-in-time count, 885 individuals in King County were chronically homeless.¹⁸ Many landlords are hesitant to sign a lease with an individual who has been chronically homeless, usually due to that person’s spotty rental history, lack of consistent employment or criminal background. Additionally, most people who have been chronically homeless require additional support, beyond rental subsidy, to secure and maintain a safe, stable place to live.

Solution: In the sponsor-based housing program, KCHA provides housing funds directly to service provider partners, including Sound Mental Health, Navos Mental Health Solutions, and Valley Cities Counseling and Consultation. These providers use the funds to secure private market rentals that are then subleased to program participants. The programs operate under the “Housing First” model of supportive housing, which couples quick placement in permanent, scattered-site housing with intensive, individualized services that help a resident maintain long-term housing stability. Recipients of this type of support are referred from the mental health and criminal justice systems, street outreach teams, and youth providers serving homeless young adults referred through King County’s Coordinated Entry and Assessment system. Once a resident is stabilized and ready for a more independent living environment, KCHA may offer transition to a tenant-based Section 8 subsidy.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: KCHA is increasing its benchmark for the number of households that transitioned to self-sufficiency to 124 households. The definition of self-sufficiency for this activity is stabilization in housing.

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Increase self-sufficiency ¹⁹	SS #8: Number of households transitioned to self-sufficiency	0 households	124 households

ACTIVITY 2007-14: Enhanced Transfer Policy

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2007

Implemented: 2007

¹⁸ CoC Dashboard Report (WA-500). 2014 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations. https://www.hudexchange.info/resource/reportmanagement/published/CoC_PopSub_CoC_WA-500-2014_WA_2014.pdf

¹⁹ Self-sufficiency is defined as moving into and maintaining safe and stable housing.

Data Source: Housing Management Department

Challenge: HUD rules restrict a resident from moving from Public Housing to Section 8 or from Section 8 to Public Housing, which hamper our ability to meet the needs of our residents. For example, project-based Section 8 residents may need to move if their physical abilities change and they no longer can access their second story, walk-up apartment. A Public Housing property may have an accessible unit available. Under traditional HUD regulations, this resident would not be able to move into this available unit.

Solution: Under existing HUD guidelines, a resident cannot transfer between the Section 8 and Public Housing programs, regardless of whether a more appropriate unit for the resident is available in the other program. This policy allows a resident to transfer among KCHA's various subsidized programs and expedites access to Uniform Federal Accessibility Standards (UFAS)-rated units for mobility-impaired households. In addition to mobility needs, a household might grow in size and require a larger unit with more bedrooms. The enhanced transfer policy allows a household to move to a larger unit when one becomes available in either program. In 2009, KCHA took this one step further by actively encouraging over-housed or under-housed residents to transfer when an appropriately sized unit becomes available. The flexibility provided through this policy allows us to swiftly meet the needs of our residents by housing them in a unit that suits their situation best, regardless of which federal subsidy they receive.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2007-18: Resident Opportunity Plan (ROP)

MTW Statutory Objective: Increase Self-sufficiency

Approval: 2007

Implemented: 2007

Data Source: Resident Services Department

Solution: An expanded and locally designed version of FSS, ROP's mission is to advance families toward self-sufficiency through the provision of case management, supportive services and program incentives, with the goal of positive transition from Public Housing or Section 8 into private market rental housing or home ownership. KCHA implemented this five-year pilot in collaboration with community partners, including Bellevue College and the YWCA. These partners provide education and employment-focused case management, such as individualized career planning, a focus on wage progression and asset-

building assistance. In lieu of a standard FSS escrow account, each household receives a monthly deposit into a savings account, which continues throughout program participation. Deposits to the household savings account are made available to residents upon graduation from Public Housing or Section 8 subsidy. The five-year pilot concludes in 2015.

Proposed Changes to Activity: Over the next year, KCHA will be analyzing outcome data from the final evaluation of this program. From this analysis, we will determine if the outcomes support an extension of the program. If not, we will consider redesigning the program to improve outcomes.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2005-4: Payment Standard Changes

MTW Statutory Objective: Increase Housing Choice

Approval: 2005

Implemented: 2005

Data Source: Leased Housing Department

Challenge: KCHA has mapped high-opportunity areas in King County using a set of metrics developed by the Kirwan Institute. Only 30 percent of our voucher households live in high-opportunity areas of King County, which means 70 percent are unable to reap the benefits that come with living in such a neighborhood. These benefits include improved educational opportunities, increased access to public transportation and greater economic opportunities.²⁰ Not surprisingly, high-opportunity neighborhoods have more expensive rents. According to recent market data, a two-bedroom rental unit at the 40th percentile in East King County – typically a high-opportunity area – costs \$515 more than the same unit in South King County, which includes several high-poverty neighborhoods.²¹ To move to high-opportunity areas, voucher holders need sufficient resources, which are not available under current payment standards. Conversely, broadly applied payment standards that encompass multiple housing markets – low and high – result in Section 8 rents “leading the market” in lower priced areas.

Solution: This initiative develops local criteria for the determination and assignment of payment standards to better match the local rental market, with the goals to increase affordability in high-opportunity neighborhoods and ensure the best use of limited financial resources. We develop our payment standards through an ongoing analysis of local submarket conditions, trends and projections. This approach means that we can provide subsidy levels sufficient for families to afford the rents in high-

²⁰ Neighborhood opportunity designations are from the Puget Sound Regional Council and Kirwan Institutes' Opportunity Mapping index (<http://www.psrc.org/growth/growing-transit-communities/regional-equity/opportunity-mapping/>).

²¹ Dupree & Scott, 2014 Rental Data to Analyze the Effectiveness of KCHA's Payment Standard

opportunity areas of the county and not have to pay market-leading rents in less expensive neighborhoods. As a result, our residents are not squeezed out by tighter rental markets, and we can increase the number of voucher tenants living in high-opportunity neighborhoods. In 2005, KCHA began applying new payment standards at the time of a resident's next annual review. In 2007, we expanded this initiative and allowed approval of payment standards of up to 120 percent of Fair Market Rent (FMR) without HUD approval. In early 2008, we decoupled the payment standards from HUD's FMR calculations entirely so that we could be responsive to the range of rents in Puget Sound's submarkets. This next year, KCHA will continue to revise payment standards to reflect the rapidly rising rents in the region's submarkets. As part of this effort, we will transition to multi-tiered, zip code-based standards in 2016.

Proposed Changes to Activity: Obtaining housing with a voucher in the region's competitive rental market can be challenging, especially in a high-opportunity area. Next year, we will explore changes to our shared housing policy that may include modification to Section 8 Payment Standards. Such a change would allow for expanded housing choices for voucher holders and increase the voucher shopping success rate in high-opportunity areas. No additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2004-2: Local Project-based Section 8 Program

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Project-based Assistance Spreadsheet, Internal Time Audit; compiled and analyzed by Leased Housing

Challenge: Current project-basing regulations are cumbersome and present multiple obstacles to serving high-need households, partnering effectively and efficiently with non-profit developers, and promoting housing options in high-opportunity areas. Some private-market landlords refuse to rent to tenants with imperfect credit or rental history, especially in tight rental markets such as ours. In many suburban jurisdictions in King County, it is legal to refuse to rent to Section 8 voucher holders, as these jurisdictions have not enacted legislation prohibiting discrimination based on source of income.

Meanwhile, non-profit housing acquisition and development projects that would serve extremely low-income households require reliable sources of rental subsidies. The reliability of these sources is critical

for the financial underwriting of these projects and successful engagement with banks and tax-credit equity investors.

Solution: The ability to streamline the process of project-basing Section 8 subsidies is an important tool for addressing the distribution of affordable housing in King County and coordinating effectively with local initiatives. KCHA places project-based Section 8 subsidies in high-opportunity areas of the county in order to increase access to these desirable neighborhoods for low-income households. We also partner with non-profit community service providers to create housing targeted to special needs populations, opening new housing opportunities for chronically homeless, mentally ill or disabled individuals, and homeless young adults and families who traditionally have not been served through our mainstream Public Housing and Section 8 programs. Finally, we are coordinating with county government and suburban jurisdictions to underwrite a pipeline of new affordable housing developed by local non-profit housing providers. MTW flexibility granted by this activity has helped us implement the following policies.

Create Housing Targeted to Special Needs Populations by:

- Assigning project-based Section 8 (PBS8) subsidy to a limited number of demonstration projects not qualifying under standard policy in order to serve important public purposes. (FY 2004)
- Modifying the definition of “homeless” to include overcrowded households entering transitional housing to align with entry criteria for nonprofit-operated transitional housing. (FY 2004)

Support a Pipeline of New Affordable Housing by:

- Prioritizing assignment of PBS8 assistance to units located in high-opportunity census tracts, including those with poverty rates lower than 20 percent. (FY 2004)
- Waiving the 25 percent cap on the number of units that can be project-based on a single site for transitional, supportive or elderly housing, and for sites with fewer than 20 units. (FY 2004)
- Allocating PBS8 subsidy non-competitively to KCHA-controlled sites and transitional units, or using an existing local government procurement process for project-basing Section 8 assistance. (FY 2004)
- Allowing owners and agents to conduct their own construction and/or rehab inspections and having the management entity complete the initial inspection rather than KCHA, with inspection sampling at annual review. (FY 2004)

- Modifying eligible unit and housing types to include shared housing, cooperative housing, transitional housing and high-rise buildings. (FY 2004)
- Allowing PBS8 rules to defer to Public Housing rules when used in conjunction with a mixed finance approach to housing preservation or when assigned to a redeveloped former Public Housing property. (FY 2008)

Improve Program Administration by:

- Allowing project sponsors to manage project waiting lists as determined by KCHA. (FY 2004).
- Using KCHA’s standard HCV process for determining Rent Reasonableness for units in lieu of requiring third-party appraisals. (FY 2004)
- Allowing participants in “wrong-sized” units to remain in place and pay the higher rent, if needed. (FY 2004)
- Assigning standard HCV payment standards to PBS8 units, allowing modification with approval of KCHA where deemed appropriate. (FY 2004)
- Offering moves to Public Housing in lieu of a Section 8 HCV exit voucher. (FY 2004)
 - Exception: Tenant-based HCV could be provided for a limited period as determined by KCHA in conjunction with internal Public Housing disposition activity. (FY 2012)
- Allowing KCHA to modify the HAP contract to ensure consistency with MTW changes. (FY 2004)
- Using Public Housing preferences for PBS8 units in place of HCV preferences. (FY 2008)
- Allowing KCHA to inspect units at contract execution rather than contract proposal. (FY 2009)
- Modifying the definition of “existing housing” to include housing that could meet Housing Quality Standards within 180 days. (FY 2009)
- Allowing direct owner referral to a PBS8 vacancy when the unit has remained vacant for more than 30 days. (FY 2010)
- Waiving the 20 percent cap on the amount of HCV budget authority that can be project-based, allowing KCHA to determine the size of our PBS8 program. (FY 2010)

Proposed Changes to Activity: Local incentive zoning programs are intended to preserve affordability in competitive, burgeoning rental markets, such as King County’s eastside. However, these programs have been ineffective in incentivizing development of deeply affordable housing units for our community’s most vulnerable – extremely low-income residents, who earn 30% of AMI or less. Instead, developers

opt to only include units that are affordable to the highest permissible income group under the program – those earning 80% of AMI.

In 2016, KCHA will partner with Bellevue, Redmond, and other East King County municipalities to provide housing opportunities for these extremely low-income households. We will develop a local competitive process that pairs Project-based Section 8 subsidy, aimed at households earning 30% of AMI or less, with local zoning incentives. This process will help ensure that a portion of affordable units set aside through incentive programs are available to extremely low-income households. No additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity’s metrics.

ACTIVITY 2004-3: Develop Site-based Waiting Lists

MTW Statutory Objective: Increase Cost Effectiveness and Housing Choice

Approval: 2004

Implemented: 2004

Data Source: Wait List Data, Internal Time Audit

Challenge: Under traditional HUD waiting list guidelines, an individual can wait more than two-and-a-half years for a Public Housing unit. For many families, this wait is too long. Once a unit becomes available, it might not meet the family’s needs or preferences, such as proximity to a child’s school or access to local service providers.

Solution: Under this initiative, we have implemented a streamlined waiting list system for our Public Housing program that provides applicants additional options for choosing the location they want to live. In addition to offering site-based waiting lists, we also maintain regional waiting lists and have established a list to accommodate the needs of graduates from the region’s network of transitional housing facilities for homeless families. In general, applicants are selected for occupancy using a rotation between the site-based, regional and transitional housing applicant pool, based on an equal ratio. Units are not held vacant if a particular waiting list is lacking an eligible applicant. Instead, a qualified applicant is pulled from the next waiting list in the rotation.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity’s metrics.

ACTIVITY 2004-5: Modified Housing Quality Standards (HQS) Inspection Protocols

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Internal Audit; Compiled and Analyzed by the Leased Housing Department

Challenge: HUD's HQS inspection protocols often require multiple trips to the same neighborhood, the use of third-party inspectors, and blanket treatment of diverse housing types, adding more than \$60,000 in annual administrative costs. Follow-up inspections for minor "fail" items impose additional burdens on landlords, who may become resistant to renting to families with Section 8 vouchers.

Solution: Through a series of Section 8 program modifications, we have streamlined the HQS inspection process to simplify program administration, improve stakeholder satisfaction and reduce administrative costs. Specific policy changes include: (1) allowing the release of HAP payments when a unit fails an HQS inspection due to minor deficiencies (applies to both annual inspections and initial move-in inspections); (2) geographically clustering inspections to reduce repeat trips to the same neighborhood or building by accepting annual inspections completed eight to 20 months after initial inspection, allowing us to align inspection of multiple units in the same geographic location; and (3) self-inspecting KCHA-owned units rather than requiring inspection by a third party. KCHA also continues to pilot a risk-based model that places well-maintained, large apartment complexes with a number (10 or more) of Section 8 vouchers on a biennial inspection schedule. We are monitoring the outcomes from this pilot and depending on results, may consider moving all apartment units to the two-year cycle.

Proposed Changes to Activity: KCHA is continuing to look into different strategies for streamlining its HQS inspection protocols, including increased participation on the part of landlords upon lease-up.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2004-7: Streamlining Public Housing and Section 8 Forms and Data Processing

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Internal Time Audit; Compiled and Analyzed by the Housing Management Department

Challenge: Duplicative recertifications, complex income calculations and strict timing rules cause unnecessary intrusions into the lives of the people we serve and expend limited resources for little purpose.

Solution: After analyzing our business processes, forms and verification requirements, we have eliminated or replaced those with little or no value. Through the use of lean engineering techniques, KCHA continues to review office workflow and identify ways that tasks can be accomplished more efficiently and intrude less into the lives of program participants, while still assuring program integrity and quality control. Under this initiative, we have made a number of changes to our business practices and processes for verifying and calculating tenant income and rent.

Changes to Business Processes:

- Modify Section 8 policy to require notice to move prior to the 20th of the month in order to have paperwork processed during the month. (FY 2004)
- Allow applicant households to self-certify membership in the family at the time of admission. (FY 2004)
- Modify HQS inspection requirements for units converted to project-based subsidy from another KCHA subsidy, and allow the most recent inspection completed within the prior 12 months to substitute for the initial HQS inspection required before entering the HAP contract. (FY 2012)
- Modify standard PBS8 requirements to allow use of the most recent recertification (within last 12 months) to substitute for the full recertification required when tenant's unit is converted to a PBS8 subsidy. (FY 2012)
- Allow Public Housing applicant households to qualify for a preference when household income is below 30 percent of AMI. (FY 2004)
- Streamline procedures for processing interim rent changes resulting from wholesale reductions in state entitlement programs. (FY 2011)
- Modify the HQS inspection process to allow streamlined processing of inspection data. (FY 2010)

Changes to Verification and Income Calculation Processes:

- Exclude payments made to a landlord by the state Department of Social and Health Services (DSHS) on behalf of a tenant from the income and rent calculation under the Section 8 program. (FY 2004)
- Allow Section 8 residents to self-certify income of \$50 or less received as a pass-through DSHS childcare subsidy. (FY 2004)
- Extend to 180 days the term over which verifications are considered valid. (FY 2008)
- Modify the definition of "income" to exclude income from assets with a value less than \$50,000, and income from Resident Service Stipends that are less than \$500 per month. (FY 2008)

- Apply any decrease in Payment Standard at the time of the next annual review or update, rather than using HUD's two-year phase-in approach. (FY 2004)
- Allow Section 8 residents who are at \$0 HAP to self-certify income at the time of review. (FY 2004)

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2004-9: Rent Reasonableness Modifications

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Leased Housing Department

Challenge: Under current HUD regulations, a housing authority must perform an annual Rent Reasonableness review for each Housing Choice Voucher holder. If a property owner is not requesting a rent increase, however, the rent does not fall out of federal guidelines and does not necessitate a review.

Solution: KCHA now saves close to 1,000 hours of staff time annually by performing Rent Reasonableness determinations only when a landlord requests an increase in rent. Under standard HUD regulations, a Rent Reasonableness review is required annually in conjunction with each recertification completed under the program. After reviewing this policy, we found that if an owner had not requested a rent increase, it was unlikely the current rent fell outside of established guidelines. In response to this analysis, KCHA eliminated an annual review of rent levels. By bypassing this burdensome process, we intrude in the lives of residents less and can redirect our resources to more pressing needs. Additionally, KCHA performs Rent Reasonableness inspections at our own properties, rather than contracting with a third party, allowing us to save additional resources.

Proposed Changes to Activity: No major modifications are anticipated and no additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2004-12: Energy Service Companies (ESCO) Development

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Finance Department

Challenge: If provided the upfront investment necessary to make efficiency upgrades to its aging housing stock, KCHA could recapture up to \$4 million in energy savings per year.

Solution: KCHA employs energy conservation measures and improvements through the use of an Energy Performance Contract (EPC) – a financing tool that allows PHAs to make needed energy upgrades without having to front the necessary capital expenses. The performance contractor, Johnson Controls, provides the upfront investment to make these improvements and is then reimbursed out of the energy savings while KCHA and its residents receive the long-term savings and benefits. Upgrades may include installation of energy-efficient light fixtures, solar panels, and low-flow faucets, toilets and showerheads; upgraded appliances and plumbing; and improved irrigation and HVAC systems.

Proposed Changes to Activity: In 2016, we will be extending the existing EPC for an additional eight years and implementing a new 20-year EPC for incremental Public Housing properties to make needed improvements to a number of our federally subsidized properties. KCHA will be working with an energy services partner to assure that energy conservation measures are continuing to operate as designed and to add new measures to achieve even greater energy efficiencies. All requirements for this project, as outlined in Attachment C of the Authority's 2006 MTW Agreement, are being followed.

Changes to Metrics: There are no changes to this activity's metrics.

ACTIVITY 2004-16: Section 8 Occupancy Requirements

MTW Statutory Objective: Increase Cost Effectiveness

Approval: 2004

Implemented: 2004

Data Source: Leased Housing Department

Challenge: More than 29 percent of tenant-based voucher households move two or more times while receiving subsidy. Moves can be beneficial if they lead to gains in neighborhood or housing quality for the household, but moves also can be burdensome to residents because they incur the costs of finding a new unit through application fees and other moving expenses. KCHA also incurs additional costs in staff time through processing moves and working with families to locate a new unit.

Solution: Households may continue to live in their current unit when their family size exceeds the standard occupancy requirements by just one member. For example, under standard guidelines, a

seven-person household living in a three-bedroom unit would be considered overcrowded and thus be required to move to a larger unit. Under this modified policy, the family may remain voluntarily in their current unit, avoiding the costs and disruption of moving. This initiative reduces the number of processed annual moves, increases housing choice among these families, and reduces our administrative and HAP expenses.

Proposed Changes to Activity: Due to increased competition for units in the local rental market, many voucher holders experience months-long difficulties in locating appropriate housing options. Given limited funding for vouchers and the time limit to lease-up a unit, it is important that recipients can efficiently obtain housing. To better address this concern, KCHA is exploring modifications to the Section 8 Administrative Plan to allow for tenant-based voucher holders to share housing with other assisted or unassisted households. Currently, our Section 8 Administrative Plan only allows for assisted families with a member who is disabled to share housing with another individual. Once implemented, we may determine other necessary changes to the occupancy policy that enable residents to more successfully lease a unit. No additional authorizations are needed at this time.

Changes to Metrics: There are no changes to this activity's metrics.

B. Not Yet Implemented Activities

Activities listed in this section are approved but have not yet been implemented.

ACTIVITY 2010-1: Supportive Housing for High-need Homeless Families

Approval: 2010

Develop a demonstration program for up to 20 households in a project-based Family Unification Program (FUP)-like environment. This activity is currently deferred, as our program partners opted for a tenant-based model this upcoming fiscal year. It may return in a future program year, however.

ACTIVITY 2010-9: Limit Number of Moves for a Section 8 Participant

Approval: 2010

Increase family and student classroom stability and reduce program administrative costs by limiting the number of times an HCV participant can move per year or over a set time. Reducing household and classroom relocations during the school year is currently being addressed through a counseling pilot. This activity is currently deferred for consideration in a future year, if the need arises.

ACTIVITY 2010-10: Implement a Maximum Asset Threshold for Program Eligibility

Approval: 2010

Limit the value of assets that can be held by a family in order to obtain (or retain) program eligibility. We are deferring for consideration in a future year, if the need arises.

ACTIVITY 2010-11: Incentive Payments to Section 8 Participants to Leave the Program

Approval: 2010

Offer incentive payments to families receiving less than \$100 per month in Housing Assistance Payments (HAP) to voluntarily withdraw from the program. This activity is not currently utilized in our program model but may be considered in a future fiscal year.

ACTIVITY 2008-5: Allow Limited Double Subsidy between Programs (Project-based Section 8/Public Housing/Housing Choice Vouchers)

Approval: 2008

Facilitate program transfers in limited circumstances, increase landlord participation and reduce the impact on the Public Housing program when tenants transfer. Following the initial review, this activity was placed on hold for future consideration.

ACTIVITY 2008-17: Income Eligibility and Maximum Income Limits

Approval: 2008

Consider a policy that would cap the income residents may have to still be eligible for KCHA programs. This activity might be considered in future years if the WIN Rent policy does not efficiently address client needs.

C. Activities on Hold

None

D. Closed-out Activities

Activities listed in this section are closed out, meaning that we do not currently have plans to implement them in the future or they are obsolete.

ACTIVITY 2012-4: Supplemental Support for the Highline Community Healthy Homes Project

Approval: 2012

Closeout Year: 2012

Provided supplemental financial support to low-income families not otherwise qualified for the Healthy Homes project but who required assistance to avoid loss of affordable housing. This activity is completed. An evaluation of the program by Breyse *et al* was included in KCHA's 2013 Annual MTW Report.

ACTIVITY 2011-1: Transfer of Public Housing Units to Project-based Subsidy

Approval: 2011

Closeout Year: 2012

Preserved the long-term viability of 509 units of Public Housing with disposition to a KCHA-controlled entity, leveraged funds to accelerate capital repairs, and increased tenant mobility through the provision of tenant-based voucher options to existing Public Housing residents. This activity is completed.

ACTIVITY 2011-2: Redesign the Sound Families Program

Approval: 2011

Closeout Year: 2014

Developed an alternative model to the Sound Families program through the combination of HCV funds with DSHS funds. The goal was to continue the support of at-risk, homeless households in a FUP-like model after the completion of the Sound Families demonstration. This activity is completed as the services have been incorporated into our existing conditional housing program.

ACTIVITY 2010-2: Resident Satisfaction Survey

Approval: 2010

Closeout Year: 2010

Developed an internal Satisfaction Survey in lieu of a requirement to comply with the Resident Assessment Subsystem portion of HUD's Public Housing Assessment System. *Note: KCHA continues to survey Public Housing households, Section 8 households and Section 8 landlords on an ongoing basis.*

ACTIVITY 2009-2: Definition of Live-in Attendant

Approval: 2009

Closeout Year: 2014

Considered a policy change that would redefine who is considered a "Live-in Attendant." This policy is no longer under consideration.

ACTIVITY 2008-4: Combined Program Management

Approval: 2008

Closeout Year: 2009

Streamlined program administration through a series of policy changes that ease operations of units converted from Public Housing to project-based Section 8 subsidy or those located in sites supported by mixed funding streams.

ACTIVITY 2008-6: Performance Standards

Approval: 2008

Closeout Year: 2014

Investigated developing performance standards and benchmarks to evaluate the MTW program. We worked with other MTW agencies in the development of performance standards now being field-tested across the country. This activity is closed out as KCHA continues to collaborate with other MTW agencies on industry metrics and standards.

ACTIVITY 2007-4: Section 8 Applicant Eligibility

Approval: 2007

Closeout Year: 2007

Increased program efficiency by removing eligibility for those currently on a federal subsidy program.

ACTIVITY 2007-8: Remove Cap on Voucher Utilization

Approval: 2007

Closeout Year: 2014

This initiative allowed us to award Section 8 assistance to more households than permissible under the HUD-established baseline. Our savings from a two-tiered payment standard, operational efficiencies, and other policy changes have been critical in helping us respond to the growing housing needs of the region's extremely low-income households. Despite ongoing uncertainties around federal funding levels, we intend to continue to use MTW program flexibility to support housing voucher issuance levels above

HUD's established baseline. This activity is no longer active as agencies are now permitted to lease above their ACC limit.

ACTIVITY 2007-9: Develop a Local Asset Management Funding Model

Approval: 2007

Closeout Year: 2007

Streamlined current HUD requirements to track budget expenses and income down to the Asset Management Project level. This activity is completed.

ACTIVITY 2006-1: Block Grant Non-mainstream Vouchers

Approval: 2006

Closeout Year: 2006

Expanded KCHA's MTW Block Grant to include all non-mainstream program vouchers. This activity is completed.

ACTIVITY 2005-18: Modified Rent Cap for Section 8 Participants

Approval: 2005

Closeout Year: 2005

Allowed tenants' portion of rent to be capped at up to 40 percent of gross income upon initial lease-up rather than 40 percent of adjusted income. *Note: KCHA may implement a rent cap modification in the future to increase mobility.*

ACTIVITY 2004-8: Resident Opportunities and Self-sufficiency (ROSS) Grant Homeownership

Approval: 2004

Closeout Year: 2006

Funded financial assistance through MTW reserves with rules modified to fit local circumstances, modified eligibility to include Public Housing residents with HCV, required minimum income and minimum savings prior to entry, and expanded eligibility to include more than first-time homebuyers. This activity is completed.

SECTION V: SOURCES AND USES OF MTW FUNDS

A. Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$4,300,000
70600	HUD PHA Operating Grants	\$107,158,000
70610	Capital Grants	\$10,206,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$328,000
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$150,000
70000	Total Revenue	\$122,142,000

Estimated Uses of MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700 +91800+91900)	Total Operating - Administrative	(\$13,755,000)
91300+91310+92000	Management Fee Expense	(\$4,500,000)
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	(\$7,367,000)
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	(\$1,689,000)
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	(\$2,984,000)
95000 (95100+95200+95300+95500)	Total Protective Services	(\$104,000)

96100 (96110+96120+96130+96140)	Total Insurance Premiums	(\$405,000)
96000 (96200+96210+96300+96400+96500+96600 +96800)	Total Other General Expenses	(\$52,000)
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	(\$36,000)
97100+97200	Total Extraordinary Maintenance	(\$2,340,000)
97300+97350	Housing Assistance Payments + HAP Portability-in	(\$84,616,000)
97400	Depreciation Expense	(\$2,500,000)
97500+97600+97700+97800	All Other Expenses	(\$3,375,439)
90000	Total Expenses	(\$123,723,439)

Description of Activities Using Only MTW Single-fund Flexibility

KCHA strives to make the very best and most creative use of our single-fund flexibility under MTW, while also adhering to the statutory requirements of the program. Our ability to blend funding sources gives us the freedom to implement new approaches to program delivery in response to the varied and challenging housing needs of low-income people in the Puget Sound region. MTW enables us to become a leaner, more nimble and financially stronger agency. With MTW flexibility, we assist more of our county's households – and, among those, the most vulnerable and poorest households – than would be possible under HUD's traditional funding and program constraints.

KCHA's MTW initiatives, described below, demonstrate the value and effectiveness of single-fund flexibility in practice:

- KCHA's Sponsor-based Program.** Formerly known as provider-based, this program was implemented in 2007 and gives the county's most vulnerable households access to safe, secure housing with wraparound supportive services – much of it under a Housing First model. This population includes people with chronic mental illness, people with criminal justice involvement and young adults who are homeless. These households are unlikely to secure housing successfully on the private market utilizing traditional tenant-based vouchers. As the regional vacancy rate drops and landlords grow increasingly more selective in choosing tenants, this program design becomes even more critical for housing our most at-risk clients.

- **Client Assistance Fund.** This fund provides emergency financial assistance to qualified residents to cover unexpected costs, such as medical or educational needs, utility or car repairs, and eviction prevention. Under the program design, a designated agency partner disburses funding to qualified program participants, screening for eligibility according to established guidelines. We assist close to 100 families in maintaining their housing and avoiding the far greater safety net costs to the region that could occur if they became homeless.
- **Education Initiatives.** KCHA continues to actively partner with local education stakeholders to improve outcomes for the 14,500 children who live in our federally assisted housing. Educational outcomes, including improved attendance, grade-level performance and graduation are an integral part of our core mission. By investing in the next generation, we are working to close the cycle of poverty that persists among the families we serve.
- **Redevelopment of Distressed Public Housing.** With MTW’s single-fund flexibility, KCHA continues to undertake the repairs necessary to preserve more than 3,000 units of federally subsidized housing over the long term. For example, this flexibility enables effective use of the initial and second five-year increments of Replacement Housing Factor (RHF) funds from the former Springwood and Park Lake I and II developments, and the disposition of 509 scattered-site public housing units to redevelop and support the debt service for Birch Creek and Green River.

Following HUD disposition approval in 2012, KCHA is using MTW flexibility to successfully address the substantial deferred maintenance needs of 509 former Public Housing units in 22 different communities. Utilizing MTW authorizations, we have transitioned these properties to the project-based Section 8 program and have leveraged \$18 million from the Federal Home Loan Bank (FHLB) on extremely favorable terms for property repairs. As the FHLB requires such loans to be collateralized by cash, investments and/or underlying mortgages on real property, we continue to use a portion of our MTW working capital as collateral for this loan.
- **Acquisition and Preservation of Affordable Housing.** We use MTW resources to preserve affordable housing at risk of for-profit development and create additional affordable housing opportunities in partnership with state and local jurisdictions. Where possible, we have been acquiring additional housing adjacent to existing KCHA properties in emerging and current high-opportunity neighborhoods where banked Public Housing subsidies can be utilized.
- **Support of Family Unification Program (FUP) and Veterans Affairs Supportive Housing (VASH) Vouchers.** Due to inadequate federal funding, the FUP and VASH programs continue to operate

at a loss. KCHA plans to budget \$106,000 in MTW funds to support the anticipated 2016 shortfall. We are also using MTW funds to provide deposit assistance to VASH households leasing their first unit under our voucher assistance program. The goal of providing this one-time assistance is to increase these disabled and formerly homeless households' success in securing housing.

- **Rapid Re-housing.** We continue to implement a Rapid Re-housing program in collaboration with the Highline School District to reduce the number of homeless students in our public school classrooms. We plan to assist up to 90 families in 2016 and continue to evaluate this promising program.
- **Long-term Viability of Our Portfolio.** KCHA uses our single-fund flexibility to reduce outstanding financial liabilities and protect the long-term viability of our inventory. Single-fund flexibility allows us to make loans in conjunction with Low Income Housing Tax Credit (LIHTC) rehabilitation projects to properties we own or control through a partnership. This partnership leverages private capital to make repairs and improvements necessary to extend the life of the properties. Additionally, a short-term line of credit remains outstanding from the redevelopment of the Greenbridge HOPE VI site that is scheduled to be retired with future proceeds from land sales to private homebuilders. KCHA also loans MTW funds to support energy conservation measures as part of our EPC projects and uses the energy savings from these projects to repay the loans. MTW working capital provides an essential backstop for these types of liabilities, addressing risk concerns of lenders, enhancing our credit worthiness, and enabling our continued access to private capital markets.
- **Landlord Liaison Program.** We are committed to our voucher holders' continued success leasing up in the increasingly competitive and constrained private housing market. To sustain our positive shopping success rate, KCHA is dedicating staff time and MTW resources to recruit and retain landlords, and build mutually beneficial relationships with them. Some retention and recruitment strategies may include incentive payments, damage claim funds, a preferred owners program, and/or priority placement in advertising materials.
- **Removing the Cap on Voucher Utilization:** This initiative allows us to award Section 8 assistance to more households than permissible under the HUD-established baseline. Our savings from a multi-tiered payment standard, revised occupancy standards, operational efficiencies, and other policy changes have been critical in helping us respond to the growing housing needs of extremely low-income households in our region. Despite ongoing uncertainties around federal

funding levels, we intend to continue to use MTW program flexibility to support housing voucher issuance levels above HUD’s established baseline for as long as feasible.

B. Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?	No
Has the PHA implemented a local asset management plan (LAMP)?	Yes
Has the PHA provided a LAMP in the appendix?	Yes

In FY 2008, as detailed in the MTW Annual Plan for that year and adopted by our Board of Commissioners under Resolution No. 5116, KCHA developed and implemented our own local funding model for Public Housing and Section 8 using our MTW block grant authority. Under our current agreement, KCHA’s Public Housing Operating, Capital and Section 8 Housing Choice Voucher funds are considered fungible and may be used interchangeably. In contrast to 990.280 regulations, which require transfers between projects only after all project expenses are met, KCHA’s model allows budget-based funding at the start of the fiscal year from a central ledger, not other projects. We maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including allowable fees. Actual revenues include those provided by HUD and allocated by KCHA based on annual property-based budgets. As envisioned, all block grants are deposited into a single general ledger fund.

No changes will be made to the LAMP in 2016.

SECTION VI: ADMINISTRATIVE

A. Board of Commissioners Resolution

Attached as Appendix B.

B. Public Review Process

MTW Plan Public Review Period

August 10, 2015 to September 28, 2015

- Meetings and Hearings
 - July 1: Planning Meeting with Service Provider Partners, Seola Gardens Community Center
 - September 8 and 9: Resident Advisory Committee Meetings, Main Office
 - September 1 and 22: Public Hearing, Seola Gardens Community Center
- Mailing
 - Shared draft plan via email with stakeholders, partners and the Resident Advisory Committee, accompanied by a request for participation in the hearings
 - Mailed notice of the Public Hearings to federally assisted KCHA residents
- Publishing and Posting
 - August 10: Seattle Times
 - August 10: Daily Journal of Commerce
 - August 13: NW Asian Weekly
 - August 10: Posted on KCHA website (www.kcha.org)
 - August 10: Posted notice in KCHA's Public Housing and project-based Section 8 developments; available in main office and Public Hearing site, Seola Gardens

Comments Received

Public Hearing

KCHA's Public Hearings had 12 total participants. No substantive comments regarding the plan were received. An attendee asked for more information about the voucher program and another wanted to know about KCHA's workforce development programming. KCHA staff addressed these questions during the meeting and followed up with one attendee about the FSS program.

Resident Advisory Committee

The following comments were received at the September 8 and 9 Resident Advisory Committee meetings:

- A resident communicated being in favor of the two-year HQS inspection cycle but does not want those units with high failure rates included in this policy.
- Concern was expressed around KCHA's water conservation efforts and their effect on a property's landscaping and curb appeal.
- A final resident pointed out the growing number of people suffering from mental illness and homelessness. He wanted to know what KCHA was doing to address this issue.

KCHA staff clarified that the biennial inspection cycle only applies only to those units with a positive inspection record. Additionally, Property Management staff noted the concerns around landscaping and provided more information on KCHA's conservation plan, such as the continued installation of drought-resistant plants. Staff addressed the final concern around homelessness by providing an overview of KCHA's Homeless Housing Initiatives and in particular, our sponsor-based housing program that assists this specific population.

Resident Advisory Committee members also asked a number of clarifying questions about the 2016 MTW Plan, including:

- What is the difference between Project-based Section 8 and Public Housing?
- What kind of self-sufficiency programming is available to residents?
- How is a property's budget created?
- What is entailed in the installation of a storm water drainage system? Does this kind of project include the installation of rain barrels?

KCHA staff provided information on each of these topics during the meeting.

Stakeholder Meeting

A broader planning meeting and discussion with KCHA's service provider partners was held on July 1. The meeting centered around two broad questions: (1) What are the most prominent affordable housing challenges facing our community and (2) How else can MTW help KCHA address these local challenges?

The following challenges were named:

- Financial management
- Rising rents and rental availability
- Life crises such as job loss or health-related event
- Wait list times
- Barriers to entry: motivation, criminal background, language, transportation, domestic violence, past rental history

Additional ideas for how MTW can help KCHA address these challenges include:

- Additional educational programming
- Mental health services
- Time limits and graduated rent structure
- Additional housing for large families
- Financial empowerment courses
- Homelessness prevention for those on the Section 8 wait list
- Incentives for increased earnings
- Outreach to private market landlords on benefits of renting to a voucher holder

Staff will be holding follow-up meetings and conversations with these partners as a broader engagement strategy in KCHA's MTW plan development.

Written Comments

The following comments were received via email and the online comment form:

- Anonymous, "In reference to the bullet point "509" Initiative Improvements (1.6 million), on Page 9, I don't see any reference to an important project "Youngs Lake (Renton)" addressing the replacement of wastewater (sewer) and plumbing (water) lines. Consideration for this project should be a top priority. I appreciate the opportunity to comment.
- Bob Cisney, "Sorry, but I looked at my calendar and I cannot attend you're meeting due to a Dr. Appointment.

As we discussed, I think Harrison House is an excellent place to live and I wish to thank King County Housing Authority for everything you do for our residents.

The Resident Council keeps every one working to improve our living conditions and Denise-Gina and Dan are always available to help our residents.

The long wait for future Residents to move into Harrison House speaks for its self.

Thank you all for everything.

- Joseph Harlacher, "doing away with the flat rate rent will move people out of housing but will also discourage returning to work. it does have a possibility of bringing more monies into KCHA. upper management with correct statistics should make the changes to this particular policy. not necessarily the people who respond. take the renewed unity of the seahawks the people didn't want a new stadium but look at the 12th fan they are way into the game. as for the rent there is a splitting of economic level within paramont house some have very little and some have just enough. this can't be determined by numbers alone. at times there is equitable exchange. other times argument about whats whose and who wants what.

like turbulence at the bottom of a water fall. we live with it. to attempt solace with the social worker helps. medicinal dispensing too could help. i think we as tenants need something to encourage helping each other. there too some can and some can't. these are different groups of

people. children don' carry a big area territorially but need elderly preparation the isolation is felt by both 3 groups and can be blended by compound proximity or separated. a high rise on an edge or perimeter. land (geological) forces can be used to separate nearby structures. yet still be fordable for mingling of tenants. the mobility cant be determined by resume or desire we must remain adaptable to the sudden changes of health and injury.

thank you for having placed me in Paramount I've learned a great amount of respect for the care given. i feel it is our democratic republic at work and government at its best is slightly inter-venting.

i feel that doing away with the flat rate may do more damage than good.

but we all give a little for capitalism does drive the economy. good luck with your decision.”

Capital Construction staff followed up with the anonymous commenter to learn more about the condition of Youngs Lake and is taking the project into consideration for a future capital plan. Bob Cisney was thanked for his comments regarding Harrison House. Finally, KCHA staff revisited the evaluation of its modified rent policy, adopted in FY 2010, and saw no evidence of decreased earnings because of the adoption of a simplified, banded rent structure. Staff thanked Joseph Harlacher for his comment and shared the evaluation with him.

C. Results of Latest KCHA-directed Evaluations

N/A

D. Annual Statement/Performance and Evaluation Report

Attached as Appendix C.

APPENDIX A. KCHA's LOCAL ASSET MANAGEMENT PLAN

As detailed in KCHA's FY 2008 MTW Annual Plan and adopted by the Board of Commissioners under Resolution No. 5116, KCHA has implemented a Local Asset Management Plan that considers the following:

- KCHA will develop its own local funding model for Public Housing and Section 8 using its block grant authority. Under its current agreement, KCHA can treat these funds and CFP dollars as fungible. In contrast to 990.280 regulations, which require transfers between projects after all project expenses are met, KCHA's model allows budget-based funding at the start of the fiscal year from a central ledger, not other projects. KCHA will maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including allowable fees. Actual revenues will include those provided by HUD and allocated by KCHA based on annual property-based budgets. As envisioned, all block grants will be deposited into a single general ledger fund. This will have multiple benefits.
- KCHA gets to decide subsidy amounts for each public housing project. It's estimated that HUD's new funding model has up to a 40% error rate for individual sites. This means some properties get too much, some too little. Although funds can be transferred between sites, it's simpler to determine the proper subsidy amount at the start of the fiscal year rather than when shortfalls develop. Resident services costs will be accounted for in a centralized fund that is a sub-fund of the single general ledger, not assigned to individual programs or properties.
- KCHA will establish a restricted public housing operating reserve equivalent to two months' expenses. KCHA will estimate subsidies and allow sites to use them in their budgets. If the estimate exceeds the actual subsidy, the difference will come from the operating reserve. Properties may be asked to replenish this central reserve in the following year by reducing expenses, or KCHA may choose to make the funding permanent by reducing the unrestricted block grant reserve.

- Using this approach will improve budgeting. Within a reasonable limit, properties will know what they have to spend each year, allowing them autonomy to spend excess on “wish list” items and carefully watch their budgets. The private sector doesn’t wait until well into its fiscal year to know how much revenue is available to support its sites.
- Reporting site-based results is an important component of property management and KCHA will continue accounting for each site separately; however, KCHA, as owner of the properties will determine how much revenue will be included as each project’s subsidy. All subsidies will be properly accounted for under the MTW rubric.
- Allowable fees to the central office cost center (COCC) will be reflected on the property reports, as required. The MTW ledger won’t pay fees directly to the COCC. As allowable under the asset management model, however, any subsidy needed to pay legacy costs, such as pension or terminal leave payments and excess energy savings from the Authority’s ESCO, may be transferred from the MTW ledger or the projects to the COCC.
- Actual Section 8 amounts needed for housing assistance payments and administrative costs will be allotted to the Housing Choice Voucher program, including sufficient funds to pay asset management fees. Block grant reserves and their interest earnings will not be commingled with Section 8 operations, enhancing budget transparency. Section 8 program managers will become more responsible for their budgets in the same manner as public housing site managers.
- Block grant ledger expenses, other than transfers out to sites and Section 8, will be those that support MTW initiatives, such as the South County Pilot or resident self-sufficiency programs. Isolating these funds and activities will help KCHA’s Board of Commissioners and its management keeps track of available funding for incremental initiatives and enhances KCHA’s ability to compare current to pre-MTW historical results with other housing authorities that do not have this designation.
- In lieu of multiple submissions of Operating Subsidy for individual Asset Management Projects, KCHA may submit a single subsidy request using a weighted average project expense level (WAPEL) with aggregated utility and add-on amounts.

APPENDIX B. BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS
OF COMPLIANCE

The signed resolution and certifications begin on the following page.

THE HOUSING AUTHORITY OF THE COUNTY OF KING
RESOLUTION NO. 5512
APPROVING KCHA'S MOVING TO WORK ANNUAL PLAN
FOR FISCAL YEAR 2016

WHEREAS, the King County Housing Authority (KCHA) entered the Department of Housing and Urban Development's (HUD) Moving to Work Demonstration Program (MTW) under a 2003 MTW Agreement with HUD; and

WHEREAS, as intended by Congress, the MTW Agreement authorizes KCHA to design and test new ways of providing housing assistance and needed services to low-income households; and

WHEREAS, in 2009 KCHA and HUD executed a Restated and Amended MTW Agreement (Restated Agreement), extending KCHA's participation in the MTW Demonstration through 2018 while preserving program flexibility to develop and manage housing programs and services in a manner that responds to the unique needs and circumstances of the Puget Sound region; and

WHEREAS, the Restated MTW Agreement requires the Authority to develop an MTW Annual Plan (the Plan) that identifies anticipated MTW program resources and expenditures, while outlining ongoing MTW activities and detailing new initiatives that KCHA intends to pursue during the coming fiscal year; and

WHEREAS, staff has developed the required MTW Annual Plan covering Fiscal Year 2016 (January 1, 2016 through December 31, 2016) in a manner that is responsive to and complies with the Restated MTW Agreement requirements; and

WHEREAS, in developing the FY 2016 MTW Annual Plan, KCHA provided opportunity for public and resident input regarding the Plan components, including coordination with the KCHA Resident Advisory Council and community stakeholders and including two Public Hearings held on September 1 and 22, 2015; and

WHEREAS, the Plan envisions a number of changes in the operational policies and programs which are consistent with the goals of the MTW Demonstration and KCHA's mission; and

WHEREAS, a Board Resolution approving the Plan and certifying that the Plan complies with MTW Plan requirements must be included when it is submitted to HUD.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING:

1. The Board of Commissioners hereby approves the MTW Plan attached to this resolution and the accompanying memorandum for implementation and submission to HUD.
2. The Board of Commissioners certifies that the Public Hearing requirements have been met and authorizes the Chair of the Board to execute the attached HUD Certification of Compliance with MTW Plan Requirements and Related Regulations.

ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 12th DAY OF OCTOBER 2015.

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING, WASHINGTON**


DOUG BARNES, Chair
Board of Commissioners


STEPHEN NORMAN
Secretary-Treasurer

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

**Annual Moving to Work Plan
Certifications of Compliance**

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

**Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning January 1, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

King County Housing Authority

PHA Name

WA-002

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Douglas J. Barnes

Name of Authorized Official

Chair, Board of Directors

Title



Signature

October 12, 2015

Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

APPENDIX C. ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT

The report begins on the following page.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-10 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment--Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	4,376,681.00	4,376,681.00	4,376,681.00	4,376,681.00
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary						
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-10 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	642,905.00	642,905.00	642,905.00	642,905.00	
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	5,019,586.00	5,019,586.00	5,019,586.00	5,019,586.00	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director 		Date	Signature of Public Housing Director		Date	
		7/9/15				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-11 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment--Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,736,161.00	3,736,161.00	3,736,161.00	1,562,578.47
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

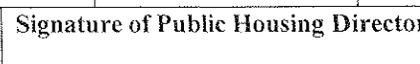
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary						
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-11 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	642,380.00	642,380.00	642,380.00	0	
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,378,541.00	4,378,541.00	4,378,541.00	1,562,578.47	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date		Signature of Public Housing Director		
		7/9/15				

¹ To be completed for the Performance and Evaluation Report.

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U.S. Department of Housing and Urban Development
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Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-12 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	4,050,127.00	4,050,127.00	4,050,127.00	405,012.70
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

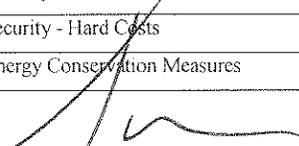
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Part I: Summary						
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-12 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,050,127.00	4,050,127.00	4,050,127.00	405,012.70	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director 		Date <u>7/9/15</u>		Signature of Public Housing Director _____		
				Date _____		

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Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-13 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2013 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,162,965.00	3,162,965.00	316,296.50	316,296.50
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

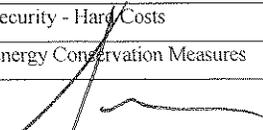
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Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,162,965.00	3,162,965.00	316,296.50	316,296.50	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director 		Date 4/9/15		Signature of Public Housing Director		
				Date		

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Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-14 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2014 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,257,875.00	3,684,067.00	325,787.50	325,787.50
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

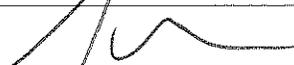
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PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-14 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2014 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
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Signature of Executive Director		Date		Signature of Public Housing Director		
		7/9/15				

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Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King				Federal FFY of Grant: 2014	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	05/12/2016		05/12/2018		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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Part I: Summary					
PHA Name: HA County of King		Grant Type and Number Capital Fund Program Grant No: WA19P002501-15 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2015 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2015 <input type="checkbox"/> Final Performance and Evaluation Report					
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13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,795,767.00	3,795,767.00	379,576.70	379,576.70
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report						
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Signature of Executive Director		Date		Signature of Public Housing Director		
		4/9/15				

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