

2010

# MTW ANNUAL PLAN

King County Housing Authority



# ***King County Housing Authority***

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## SECTION I. INTRODUCTION

Since its establishment in 1939, the King County Housing Authority (KCHA) has played a key role in providing affordable housing options for the residents of the Puget Sound region. Serving those with the greatest need is our primary mission and our programs ensure that diverse populations – homeless families, elderly and disabled households, immigrants and refugees, the working poor – all benefit from KCHA’s programs. Nationally recognized for its innovative programs, KCHA has consistently achieved designation as a HUD “High Performer” under evaluations of its Public Housing and Section 8 Housing Choice Voucher programs.

As the County’s largest provider of affordable housing, KCHA works diligently to ensure the long-term financial and physical viability of its housing inventory and respond to regional housing needs. Following this mission however, in an environment characterized by multi-year reductions in federal funding, escalating costs to maintain an aging inventory and an increasing gap between the availability of affordable housing and the number of low-income families in need of assistance, has become increasingly challenging.

In 2003, seeking a long-term solution to ongoing reductions in support for federal housing programs, KCHA entered the Department of Housing and Urban Development’s (HUD’s) Moving to Work (MTW) demonstration program. One of fewer than 30 high-performing agencies selected for the program, MTW participation provides KCHA a unique opportunity to break away from overly restrictive federal housing program rules and constraints in favor of new approaches to delivering affordable housing in our local communities. As an MTW agency, KCHA’s Public Housing Operating, Capital and Section 8 program resources are combined in a single block-grant with full funding flexibility. KCHA may use the MTW block-grant to fund a wide array of affordable housing initiatives, including but not limited to, general operation of the Public Housing or Section 8 Housing Choice Voucher programs, capital improvements, site acquisition and development, case management and supportive services and other approaches to the provision of housing services to low-income households without being limited by the program constraints of Sections 8 and 9 of the U.S. Housing Act of 1937.

As mandated by Congress, the MTW demonstration encourages KCHA to develop new approaches in the delivery of housing services in order to address the following program objectives:

- ☐ Increase housing choices for low-income families;
- ☐ Help KCHA clients become increasingly self-sufficient;
- ☐ Ensure the cost effectiveness of KCHA operations.

Through participation in the MTW demonstration, KCHA works to develop and apply innovative and sustainable solutions that respond to the specific housing needs and markets in the greater Puget Sound area. Preserving and increasing the supply of affordable housing is vital to ensuring that the County's increasing population of extremely low-income households - those in poverty, on the brink of homelessness or without access to necessary support services - have a safe, secure place to call home. In collaboration with local governments and non-profit organizations, MTW program flexibility has allowed KCHA to expand efforts to address the region's critical shortfall of affordable housing and to strengthen its role as the safety net for homeless and special needs populations. Major accomplishments under the program include:

- ❑ An almost 18 percent increase in the number of households served. In King County's tight rental market over the past five years, KCHA's ability to grow the size of its programs to assist an additional 1,800 households has been essential in fulfilling regional goals outlined in the County's 10-Year Plan to End Homelessness.
- ❑ Expansion of programs to reach "hard-to-house" populations. Through new partnerships with local public and behavioral health care systems, KCHA is ensuring that the County's most at-risk populations - chronically homeless and mentally-ill households - have access to permanent, supportive service-enriched housing in which they can stabilize and grow.
- ❑ Use of a locally designed Project-based program to provide transitional housing to homeless families with children. In conjunction with the Bill and Melinda Gates Foundation, United Way, and local community service partners, KCHA's transitional housing integrates housing with case management, support services and access upon graduation to public housing to help get families back on the road to self-sufficiency.
- ❑ Operations are more efficient and streamlined. Savings produced from major programming changes, such as the "Easy Rent" program and the restructuring of Section 8 HQS inspection protocols, are allowing KCHA to realign staffing and direct resources where they are most needed.
- ❑ Creative financing to address the backlog of unmet capital needs in KCHA's Public Housing inventory. In 2008 alone, KCHA leveraged more than \$30 million for the redevelopment and upgrading of its most dilapidated structures - ensuring that these units remain viable affordable housing resources over the long-term.
- ❑ Increased safety and security and improved environmental sustainability in our Public Housing inventory. MTW funding flexibility has assisted KCHA efforts to ensure all senior/disabled building are fully sprinklered, a sufficient number of units are accessible and usable by disabled households and conservation measures are implemented and installed - reducing water consumption more than 40 percent.
- ❑ Expanded client housing choice through a replacement housing program that has shifted federally subsidized units from neighborhoods of concentrated poverty to the County's affluent eastside communities, a new transfer policy that facilitates transfers between programs to accommodate individual family needs and a Section 8 payment standard that is calibrated to reflect costs in distinct submarkets of the region.

Absent the regulatory relief and financial flexibility offered through the MTW program, KCHA's ability to address these multi-faceted housing challenges would be extremely limited. That's

why in early 2009, after nearly two years of negotiations, KCHA executed a revised MTW Contract with HUD. The Restated MTW Agreement secures KCHA's participation in the Moving to Work program through 2018.

Under its revised MTW Agreement, KCHA continues to be required to submit an MTW Annual Plan to HUD prior to the beginning of each fiscal year. Prepared in HUD's newly prescribed format, this is KCHA's sixth MTW Annual Plan, covering the fiscal year beginning January 1, 2010 and ending December 31, 2010. It is intended as a roadmap of both ongoing MTW initiatives previously approved by HUD and new initiatives proposed for development and implementation during the next fiscal year. As detailed, during FY 2010 KCHA is committed to continued use of MTW program flexibility to build partnerships and develop programs that address the multiple housing needs of the Puget Sound region. Building upon previously implemented and ongoing activities outlined in this MTW Plan, KCHA's focus during the next fiscal year will center upon:

- ❑ **Implementing comprehensive rent reform policies that provide families with incentives to attain employment and increase economic self-sufficiency.** In late FY 2009 and early 2010, it's anticipated that policies for Phase II of KCHA's Rent Reform initiative approved by HUD in FY 2008 will be finalized. Actual implementation of approved program modifications will begin during FY 2010, allowing working and workable households to benefit from streamlined income, rent, subsidy and utility calculations that encourage economic growth, asset building and employment retention.
- ❑ **Accelerating efforts to move families along the path to economic self-sufficiency.** During FY 2010, in tandem with Phase II Rent Reform, KCHA's new Resident Opportunity Plan is expected to be in "full swing". The 5-year pilot program, developed in partnership with the YWCA, Bellevue College, Hopelink and Washington State's Department of Employment Security, will provide up to 100 households with intensive wrap-around services so they can acquire the skills needed to increase income and successfully graduate from federally assisted housing.
- ❑ **Increasing resources to address the multi-faceted needs of our most vulnerable populations – chronically mentally ill individuals who cycle between living on the street, our jail systems and hospital emergency rooms.** Removing barriers to housing access and ensuring permanent supportive housing for this "at risk" population is a critical component of efforts to address the goals of King County's 10-Year Plan to End Homelessness.
- ❑ **Expanding our reach to assist high-need, homeless families.** During FY 2010, in partnership with the Washington Families Fund and King County, KCHA will establish a supportive housing program that marries the provision of affordable housing with intensive support services to assist households to move out of shelters and up and out of poverty. Expanding upon the Family Unification Program model, KCHA's 5-year program will engage and strengthen families as they actively work toward increasing self-sufficiency through counseling, education, training and sustained employment.
- ❑ **Implementing innovative policies that use MTW reserves to encourage lease compliance, fund resident incentives and promote successful graduation from KCHA**

**subsidized housing programs.** Using a “cost-benefit” approach, KCHA will develop financial incentives and disincentives that promote mutually beneficial resident behavior.

- ❑ **Ensuring cost effective operation of housing programs through streamlining and lean engineering.** During FY 2010, KCHA will seek to implement program and policy changes that eliminate redundant forms and business processes, encourage data sharing among government agencies and simplify verification of income, assets and family circumstances. Policy changes, such as those to modify HQS inspection protocols will significantly reduce administrative expenses without adversely affecting the quality of housing services delivered by KCHA.
- ❑ **Using MTW resources to leverage other government and private investments to improve the quality and expand the supply of affordable housing in the Puget Sound region.** Through innovative financing and flexible use of the MTW block grant, KCHA will continue efforts to upgrade its existing housing inventory to ensure its viability over the long-term. New bidding and contracting approaches and partnerships with weatherization and renewable energy funding sources will be explored. In addition, KCHA will continue to seek site acquisition and development opportunities in an effort to increase housing choices available to low-income residents of King County.
- ❑ **Continuing to improve the geographic mobility of low-income households and increase housing choice through programs and policies that reduce barriers to access to KCHA subsidized housing.** During FY 2010, KCHA will continue to monitor the rental “climate” in each sub-market to ensure Section 8 Housing Choice Voucher participants have access to low-poverty neighborhoods where they would have otherwise been priced out of the rental market. Section 8 project-basing approaches will continue to promote broad geographic choice. At the same time, KCHA’s open-door transfer policy will provide flexible support across traditional program lines – allowing families to access the subsidy program most suitable to their individual needs and circumstances.

KCHA is committed to open and clear communication with residents, the Resident Advisory Committee, community stakeholders and the public in the development of each MTW Annual Plan. As required under the terms of its MTW Agreement, copies of this draft Plan were made publicly available for a period of no less than 30 days. On September 9, 2009, following the public notice period, a Public Hearing was held to review plan components and receive community and resident comments and feedback. A compilation of comments received, together with KCHA’s response and/or modifications incorporated in this FY 2010 MTW Plan are attached in Section VIII and were reviewed by KCHA’s Board of Commissioners prior to their approval of the draft Plan on October 7<sup>th</sup>, 2009.

## SECTION II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

### A. Housing Stock Information

INVENTORY BREAKDOWN for FY 2010 (Public Housing, HCV, Other-HUD and Local programs)				
Program	Inventory at Fiscal Year Begin: Jan. 1, 2010	Anticipated FY 2010 Inventory Additions	Anticipated FY 2010 Inventory Removals	Projected Inventory FYE 2010: Dec. 31, 2010
Public Housing: MTW	2617	13	165	2465
Public Housing: non-MTW	0	0	0	0
<b>Total PH Inventory</b>	<b>2617</b>	<b>13</b>	<b>165</b>	<b>2465</b>
HCV: General MTW*	5861*	0	87	5774*
HCV: Project-based MTW	1129	87	0	1216
HCV: Local MTW	275	0	0	275
<b>Total MTW Vouchers</b>	<b>7265*</b>	<b>87</b>	<b>87</b>	<b>7265*</b>
Other MTW: Sponsor-based program	180	10	0	190
<b>Total Other-MTW</b>	<b>180</b>	<b>10</b>	<b>0</b>	<b>190</b>
HCV: VASH, non-MTW	105	50	0	155
HCV: Mainstream, non-MTW	350	0	0	350
HCV: Designated, non-MTW	100	0	0	100
HCV: Certain Development, non-MTW	100	0	0	100
HCV: FUP-2009, non-MTW	100	0	0	100
HCV: Enhanced, non-MTW	125	0	0	125
<b>Total non-MTW Vouchers</b>	<b>880</b>	<b>50</b>	<b>0</b>	<b>930</b>
Other HUD: Sec 8 New Construction	174	0	0	174
Other HUD: Preservation	119	0	0	119
Other, non-HUD : LOCAL	132	0	0	132
<b>Total OTHER programs</b>	<b>425</b>	<b>0</b>	<b>0</b>	<b>425</b>
<b>Total Housing Stock</b>	<b>11,367*</b>	<b>160</b>	<b>252</b>	<b>11,275*</b>

*\*Does not include 2,363 HCV port-ins anticipated at FYB – KCHA projects an additional 121 households will port to its jurisdiction during FY 2010 resulting in a total of 2,484 port-ins at the end of 2010. Also does not include the addition of vouchers awarded through competitive grants during FY 2010. As outlined in this MTW Plan, KCHA intends to respond to NOFA announcements for increased funding opportunities as made available during FY 2010.*



## ❑ Description of Planned Significant Capital Expenditures:

During FY 2010, KCHA plans to expend more than \$23 million to complete necessary capital improvements to its Public Housing communities. In addition, KCHA anticipates expending more than \$30 million through major redevelopment efforts previously initiated to complete capital improvements at the Springwood Apartments (now Birch Creek) and the HOPE VI reconstruction of Park Lake Homes Site II. Funding of planned projects is anticipated from a variety of sources, such as the Public Housing Capital and RHF funds, accumulated MTW reserves, formulaic and competitive grants awarded under the American Reinvestment and Recovery Act and the leveraging of private capital into Public Housing developments through innovative financing strategies. Major capital projects and related FY 2010 expenditures include:

- **ADA Upgrade Project - \$4,123,408.** To ensure compliance with Section 504 of the Rehabilitation Act KCHA will modify 70 housing units and their related common areas to current ADA standards. Upgrades at these sites will insure that at least 5% of KCHA's public housing inventory is fully accessible to persons with disabilities. Targeted Public Housing developments include Northridge I, Lake House, Casa Juanita, Valli Kee, Cascade Homes, Southridge, Eastridge, Briarwood, Yardley Arms, Wayland Arms, Wellswood, Juanita Court, Boulevard Manor, Kings Court, Ballinger Homes, Brittany Park, Riverton Terrace and Pacific Court.
- **Building Envelope Upgrades - \$9,680,187.** This project is part of a larger "green retrofit" initiative to substantially increase energy efficiency and the environmental sustainability of KCHA's Public Housing properties. Planned exterior upgrades are designed to reduce energy costs to the benefit of both KCHA and its residents. Targeted developments include Boulevard Manor, Evergreen Court, Kings Court, Riverton Terrace, Northridge I & II, Cascade Homes, Eastside Terrace, Briarwood, Federal Way Houses and Avondale Manor.
- **Community Facility Project - \$1,785,000.** This initiative will improve and expand meeting and community space to support youth and family self-sufficiency programs in KCHA's family developments in order to enhance educational and life outcomes for public housing youth and increase community safety and security. The first phase of the project will provide expanded, remodeled or new community facilities at the following targeted Public Housing family developments: Eastside Terrace, Valli Kee Homes, Burndale and Firwood Circle. Possible second phase sites include: College Place, Kirkwood Terrace, Juanita Trace, Green Leaf, Wellswood and Avondale Manor.
- **Green River Homes Renovation/Reconstruction Project - \$5,000,000.** One of KCHA's oldest Public Housing developments, Green River Homes requires significant reinvestment that cannot be provided under current capital grant funding levels. Funding will be provided from a variety of sources, including tax credit equity.

Planned renovations will transform the 60-unit site from an aging, physically distressed, and deteriorating development to a modern, well designed rental community – positively impacting the quality of life for its residents as well as significantly strengthening the surrounding neighborhood.

❑ **New Public Housing units to be added during the year by development:**

In 2003, through the award of a \$35 million HOPE VI grant, KCHA began the complete redevelopment of Park Lake I, a 569-unit public housing development located in White Center – one of King County’s most impoverished neighborhoods. Once KCHA’s oldest and largest development, Park Lake I is being replaced by a new mixed-income community known as Greenbridge. The redeveloped site includes extensive on-site community services, including a new elementary school, early learning center, library and renovated community center. The redeveloped site will contain up to 1,000 homes, including 320 units serving extremely low-income households. By the end of FY 2009, construction of Salmon Creek, an 87-unit development that includes 50 Public Housing units inter-mixed with 9 Project-based and 28 Low-income Housing Tax Credit units, is anticipated to be complete and units fully occupied.

During FY 2010, construction of the community’s **Eastbridge** development is projected to be complete. The 90-unit site will include a mix of Public Housing, Project-based Section 8 and Work-force housing as follows:

Unit Size	Public Housing	Project –based Section 8	Tax Credit	Mkt Rate / Common Units
1 – Bedroom	0	0	6	0
2 – Bedroom	11	1	22	1
3 – Bedroom	2	18	18	0
4 – Bedroom	0	10	0	0
5 - Bedroom	0	2	0	0
<b>Total</b>	<b>13</b>	<b>31</b>	<b>46</b>	<b>1</b>

In accordance with design specifications, 5 percent of the Eastbridge units will be “fully accessible” and 20 percent will be “adaptable” to accessibility standards.

With the completion of Eastbridge, a total of 448 rental units – including 180 Public Housing units and 120 Project-based Section 8 rental units – will have been built and occupied at the Greenbridge site.

❑ **Number of Public Housing units to be removed from inventory during the FY: 165 units**

As detailed in its FY 2008 MTW Annual Report, KCHA has been awarded a HOPE VI Revitalization grant for the redevelopment of Park Lake Homes II in White Center. Built in the early 1960s, this 165-unit Public Housing development requires significant investment

to address extensive infrastructure needs and replace the current obsolete housing structures. As redevelopment of the 31-acre parcel progresses, KCHA will demolish all 165 units to make way for some 300 new rental and for-sale housing that will create a new mixed-income community. In addition to workforce rental and affordable and market rate homeownership opportunities, the site will include 165 new rental units affordable to Public Housing residents. Demolition is anticipated to commence in late FY 2009 and continue into 2010. Although it is anticipated the 165 public housing units will be replaced on site with federally subsidized units, during the demolition and reconstruction phase of the HOPE VI project these units will temporarily be deleted from inventory.

## B. Leasing Information

HOUSEHOLDS UNDER LEASE for FY 2010 (Public Housing, HCV, Other-HUD and Local programs)		
Program	Households at Fiscal Year Begin: January 1, 2010	Projected Households at Fiscal Year End: December 31, 2010
Public Housing: MTW	2402	2425
Public Housing: non-MTW	0	0
<b>Total PH Inventory</b>	<b>2402</b>	<b>2425</b>
HCV: General MTW *	8224	8258
HCV: Project-based MTW	1129	1129
HCV: Local MTW	275	275
<b>Total MTW Vouchers</b>	<b>9628</b>	<b>9662</b>
Other-MTW: Sponsor-based program	145	190
<b>Total Other-MTW</b>	<b>145</b>	<b>190</b>
HCV: VASH, non-MTW	60	120
HCV: Mainstream, non-MTW	350	350
HCV: Designated, non-MTW	10	100
HCV: Certain Development, non-MTW	10	100
HCV: FUP-2009, non-MTW	10	100
HCV: Enhanced, non-MTW	125	125
<b>Total non-MTW Vouchers</b>	<b>565</b>	<b>895</b>
Other HUD: Sec 8 New Construction	174	174
Other HUD: Preservation	119	119
Other, non-HUD : LOCAL	132	132
<b>Total OTHER programs</b>	<b>425</b>	<b>425</b>
<b>Total Housing Stock</b>	<b>13,165</b>	<b>13,597</b>

\*Includes 2,363 HCV port-ins anticipated at FYB and 2,484 projected under KCHA's program at FYE 2010.

#### ❑ **Description of anticipated issues relating to any potential difficulties in leasing units**

KCHA staff works proactively to keep unit turnover time within its Public Housing inventory at an absolute minimum – maintaining an overall occupancy rate of over 98.5 percent. In addition, as FY 2010 approached, with the exception of vouchers awarded within the last six months, KCHA's Section 8 Housing Choice Voucher program lease-up rate remained above 100 percent.

During FY 2009, KCHA received a number of new vouchers targeted to special needs populations that are expected to fully lease-up in FY 2010. As addressed elsewhere in this Plan, in FY 2010, KCHA is committed to targeting assistance to "hard-to-house" households and to expand programs that eliminate barriers to housing access for chronically homeless and mentally-ill households - increasing housing choice for this highly vulnerable population. While every effort will be made to meet established lease-up benchmarks for KCHA's assisted inventory, the continued targeting of households who will require intensive assistance in securing landlord approvals may slow leasing outcomes.

#### ❑ **Number of Project-based vouchers in use at the start of the Plan year**

As shown within the "Leased Unit" analysis above, KCHA anticipates that 1,129 Project-based vouchers will be in use at the start of Fiscal Year 2010. Additional Housing Choice Vouchers may be project-based during FY 2010 in conjunction with new and on-going MTW activities and KCHA's locally developed Project-based operating policies.

### **C. Waiting List Information**

#### ❑ **Description of anticipated changes in the waiting lists (site-based; community-wide; HCV; merged)**

KCHA operates separate waiting lists for its Public Housing, Section 8 and Project-based programs. Generally, applications for the **Section 8 Housing Choice Voucher program** are accepted during specified dates only. At the end of the designated time period, the waiting list is closed and KCHA assigns a limited number of applicants (typically 2,500) to the Section 8 waiting list through random "lottery" number assignment. Eligible applicants from the pool of 2,500 are selected for program participation according to their assigned lottery number. In addition to the lottery process for its general voucher pool, KCHA maintains separate waiting lists for vouchers awarded and targeted to HUD mandated priority populations. Applicants for these special program vouchers (such as those available under the VASH and Mainstream programs) may apply year-round. At this time, KCHA does not anticipate any changes in waiting list design or in the configuration of Section 8 Housing Choice Voucher waiting list protocols.

KCHA's **Public Housing program** currently operates under a Site-based, Regional and Set-aside waiting list system as well as a set of local preferences. Applicants may choose to apply for up to two (2) Site-based, or two (2) Regional waiting lists. Site-based waiting lists allow applicants to choose specific developments (up to two) in which they wish to reside. The Regional waiting list, used to fill vacant units in each of KCHA's three (3) regions, allows applicants to be considered for tenancy at any development in the selected region(s). Regional lists allow applicants who may have an urgent need for assistance faster entry into KCHA's housing programs. With the exception of Pacific Court, every third vacancy in KCHA's Public Housing developments is prioritized for formerly homeless families graduating from the region's transitional housing system. During FY 2010, the Housing Authority will continue to monitor the current waiting list system. Changes may be implemented during FY 2010 to address any identified areas of concern, modify preferences and priority assignment and/or to increase housing access and choice among the low-income households in the region.

The **Project-based** waiting list operates in similar fashion to the Public Housing waiting list and is managed out of KCHA's Central Applications office. Applicants can apply to Site-based or Regional waiting lists. During FY 2010, KCHA anticipates possible changes in program administration that will allow direct Owner referrals to vacant units when KCHA has been unable to locate a suitable applicant to fill the vacancy. Additional changes in waiting list preferences and priorities may be implemented during FY 2010 to streamline program administration and improve cost efficiency.

❑ **Description of anticipated changes in the number of families on the waiting list(s) and/or opening closing of the waiting lists**

KCHA's Public Housing waiting list currently includes more than 7,700 applicants seeking assistance, up nearly 60 percent over the course of the Housing Authority's MTW participation. With demand for affordable housing far outpacing supply, it is anticipated the number of households seeking assistance through KCHA's **Public Housing and Project-based programs** will continue to escalate. Currently KCHA has no plan to curb access to either program through closure of its Site-based or Regional waiting lists.

The **Section 8 Housing Choice Voucher** waiting list has been closed since May 2007, following an advertised opening and lottery assignment as described above. At that time, KCHA received nearly 10,000 completed applications, of which 2,500 successful applicants were assigned to the HCV waiting list. Currently, of the 2,500 households added to the waiting list in 2007, approximately 500 families remain. KCHA will continue to assign these households vouchers under the program as funding becomes available. A review of current voucher turnover rates and internal commitments for HCV resources indicates the Section 8 waiting list may again be opened for limited time by the end of FY 2010.

**SECTION III.      Non-MTW RELATED HOUSING AUTHORITY  
INFORMATION (*Optional*)**

**A. Planned Sources and Uses of other HUD or Federal Funds  
(excluding Hope VI)**

*KCHA elects not to include this OPTIONAL information.*

**B. Description of non-MTW activities proposed**

*KCHA elects not to include this OPTIONAL information.*

## SECTION IV. Long-Term MTW PLAN (Optional)

Over the term of the MTW Demonstration Program KCHA intends to use the block grant and regulatory flexibility provided by this initiative to support the Authority's overarching strategic goals for the Puget Sound region. Approaches will evolve as regional priorities, demographics and housing markets shift. One of the strengths of the MTW concept is that it enables the Authority to reshape the use of federal resources as necessary to respond to these changes.

Basic strategic priorities for the Authority include the following:

- ❑ Continue to strengthen the physical, operational, financial and environmental sustainability of the portfolio of over 8,000 affordable housing units that we own or control.
- ❑ Expand the number of units in the region affordable to households earning below 30 percent of Area Median Income (AMI) through both development and preservation.
- ❑ Provide expanded geographic choice for low-income households, including disabled and elderly households with mobility impairments, providing our clients with the opportunity to live in neighborhoods with high achieving schools, ready access to quality services and mass transit and adjacent to the workplace.
- ❑ Close coordination of efforts with the region's public and behavioral healthcare and human services systems to end homelessness through the development of an adequate supply of supportive housing for chronically homeless and special needs populations.
- ❑ On-going "place-centered" revitalization of King County's low income neighborhoods, involving both a focus on housing and on the wide array of other physical improvements, services and partnerships that create strong, healthy communities.
- ❑ Working with the County, regional transit agencies and suburban cities, promote the integration of

In 2007, partnering with the United Way and local support service providers, KCHA utilized MTW program flexibility to launch the **South County Pilot**. The program, targeted to assist up to 25 chronically homeless and mentally-ill households, is designed to provide the services and support needed to move participants away from life on the streets. Following a Housing First Model, the program design eliminated significant barriers to occupancy faced by this highly transient population. The program's success has since led to its expansion to assisting 155 households and laid the framework for KCHA's acquisition of **Pacific Court**. The 30-unit Public Housing development opened in 2009 and is dedicated to serving up to 49 chronically mentally-ill individuals through provision of a permanent supportive housing environment.



new affordable housing into regional growth corridors aligned with mass transit nodes and infrastructure development.

KCHA's **Resident Opportunity Program** (ROP) is a prime example of steps the Housing Authority is taking to help families achieve economic independence. The 5-year pilot program will begin enrolling residents in late FY 2009. Targeted to assist 100 households, the ROP links KCHA's housing resources with case management and support services to assist families in building the skills needed to boost employment and successfully graduate from subsidized housing.

❑ Expand partnerships with Public Health, Headstart programs, school districts, after-school providers, community colleges and the philanthropic community to eliminate the achievement gap for the low-income households we serve and significantly improve educational and life outcomes for youth.

❑ Promote the economic self-sufficiency of our participating households by providing support in addressing barriers to employment and access to training and education programs with the intent of reducing length of stay, where appropriate, in subsidized housing.

❑ Continue to develop institutional capacity and efficiencies at the Housing Authority to ensure efficient,

effective use of Federal resources. Continue to expand KCHA's non-federally subsidized programs in order to support and ensure the financial sustainability of Authority initiatives.

Installation of **energy saving measures** in the Public Housing inventory has reduced water consumption more than 40 percent. At the same time, KCHA has increasingly applied green engineering techniques to new construction and rehabilitation projects across its portfolio. The Birch Creek Youth Recreation Center is a clear example of how effective planning can lead to future savings. The project – a model for sustainable design – earned a **Leadership in Energy and Environmental Design (LEED) Silver Certification** from the U.S. Green Building Council. Home to after-school recreational and educational programs for upwards of 700 children, the building uses 20 percent less energy than similar facilities.



## SECTION V. PROPOSED FY 2010 MTW Activities – HUD Approval Requested

Table V.1, shown below, lists a summary of planned new initiatives for FY 2010 proposed by the Housing Authority for FY 2010. In accordance with MTW Plan format, detail regarding each of the activities summarized below is shown immediately following this table.

**TABLE V.1: Proposed Activities Table**

Activity #	Activity Name
1	Supportive housing for high need homeless families
2	Resident Satisfaction Survey
3	Streamlining of Public Housing and Section 8 Forms and Data Processing
4	Using MTW Reserves to fund Resident Incentives
5	Modified HQS inspection process for Public Housing and Section 8
6	Simplify verification process for Section 8 and Public Housing
7	30-Day Referral for Project-based Units
8	Revision to the Interim Review process - Public Housing and Section 8
9	Limit on number of moves by a Section 8 participant family
10	Implement a Maximum Asset Threshold for Public Housing and Section 8 households
11	Offer incentive payments to Section 8 families ready to leave the program

## PROPOSED FY 2010 MTW Activities

### Activity #1: Supportive housing for high need homeless families

#### a. Description of MTW activity

KCHA intends to begin a permanent supportive housing demonstration program for high need homeless families living in emergency shelters. In partnership with other participants in King County's Ten Year Plan to End Homelessness, KCHA will make available a small number of vouchers that will be paired with intensive service funding. Through the region's annual "Combined Funders" NOFA process, an experienced service provider will be competitively selected to administer this program and provide services.

This program will utilize an innovative new assessment tool being developed by King County to identify high need homeless families living in shelters who could benefit from a permanent supportive housing program that combines rental subsidies and wrap-around services. The program will pair five years of rental subsidies with support service funding of up to \$12,000 annually, per household. Services will be designed to meet the needs of homeless families with multiple barriers who may be at risk of losing their children. KCHA intends to use Family Unification Program (FUP) vouchers to provide the rental subsidy and may use MTW authority to project-base these vouchers.

#### b. MTW Statutory Objective

The proposed MTW activity achieves the objectives of increasing housing choice and assisting families with children in becoming more self-sufficient.

#### c. Anticipated Impacts

The demonstration program will reduce the number of homeless families living in our shelter system and address a goal of the County's Ten Year Plan to End Homelessness. In addition, it will assist these families in achieving housing stability and becoming more self-sufficient. KCHA anticipates the program design will lead to increased "shopper success" rates as families enter the program and decrease the failure rate of these families when compared to other FUP/DV program participants. As such, though there will be some initial increase in administrative burden to KCHA

staff at the time of implementation this expected increase in the housing success is expected to decrease KCHA staff burdens over the long term.

#### **d. Baseline and Benchmarks**

The **baselines** for this program include:

- Total # of high need homeless families housed by KCHA
- # of households with earned income upon program entry
- Annual # of negative program exits for standard FUP participants
- Shopping success rate of standard FUP/DV participants

The proposed **benchmarks** for this program are:

- Full lease-up (a total of 20 “high need” homeless families) within 18 months of program implementation
- Years 2 - 5: 75% of households have maintained housing for one year or longer
- Years 2 – 5: 10% increase in the number of families with earned income
- 95% shopping success rate among participating families
- 25% reduction in negative program exits as compared to standard FUP/DV participants over the 5 year program term

#### **e. Data Collection Metrics and Products**

**Data** will be collected from the following:

- KCHA’s administrative data system (MST)
- Reports from partner service agency

**Metrics** will include:

- # of high need families assisted under the program
- Length of residency for participating families
- # of households with earned income
- % of households who successfully lease a unit within 6 months compared to standard FUP/DV households
- # of negative program exits for target group compared to standard FUP/DV households

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment D, items C.1.b and E.1

**g. Agency Required Documentation**

Not applicable

**Activity #2: Resident Satisfaction Survey**

**a. Description of MTW activity**

KCHA intends to utilize MTW funds to implement a survey process that measures the effectiveness of Public Housing and Section 8 program operations, level of client satisfaction and provides clear feedback that will assist in future direction and programmatic change.

Under this initiative, during 2010 KCHA intends to utilize MTW resources to contract with an outside company to design and administer a survey distribution/data collection process to the following sub-groups:

- Public Housing residents
- Section 8 program participants
- Section 8 landlords

Future expansion of the survey may include collection of feedback from KCHA community partners and support service agencies. Use of an outside contractor will ensure data is collected using an “arms length” approach and is intended to allow greater distribution of surveys and increased response rates than garnered through standard surveys currently supported by HUD. For KCHA’s Public Housing program, the survey instrument will replace the current (and any future) Resident Assessment and Satisfaction Survey (RASS) component of HUD’s standard RASS/PHAS reporting system.

**b. MTW Statutory Objective**

The proposed MTW activity will reduce costs and achieve greater cost effectiveness in Federal expenditures as it will allow KCHA the ability to target locally relevant issues in order to gather information that can improve performance at the local level. At the same time, use of KCHA’s internal survey, in lieu of the standardized RASS survey, reduces administration and reporting requirements at the national

level, lessens the intrusiveness into our resident's daily lives, and has the potential to provide meaningful insight into the effectiveness of KCHA's program and property management services.

**c. Anticipated Impacts**

The results from the RSS will allow KCHA to tailor its services and programs to resident and landlord preferences. At the same time, a locally developed survey, distributed to a significant population of residents and/or landlords (rather than HUD's minimal standard based on program size), is expected to result in higher resident response rates. KCHA anticipates that higher response rates will provide a clearer picture of how KCHA is perceived among its participants and landlords. This will allow KCHA management to more readily pinpoint areas of concern – allowing KCHA to efficiently address problems and maintain high levels of customer service satisfaction.

**d. Baseline and Benchmarks**

As shown below, the Section 8 program's **baseline** for this activity is zero, as a survey instrument does not currently exist. For KCHA's Public Housing operation, the **baseline** is derived from previous RASS results, as reported under HUD's WASS system for FY 2008 which indicated:

Program	Total Population Surveyed	KCHA Response Rate	Overall Satisfaction Target
Public Housing	33%	31%	N/A
Section 8 Participants	0	0	N/A
Section 8 Landlords	0	0	N/A

The proposed **benchmarks** include:

Program	Total Population Surveyed	KCHA Response Rate	Overall Satisfaction Target
Public Housing	100%	40%	75%
Section 8 Participants	35%	30%	75%
Section 8 Landlords	75%	30%	75%

**e. Data Collection Metrics & Products**

**Data** will be collected through the use of an outside contractor, who will be responsible for distribution, marketing and compilation of survey responses.

**Metrics** include:

- # of surveys distributed (per program/target group)
- % of surveys returned (per program/target group)
- % of surveys returned indicating a positive response to overall satisfaction with program operations

Data collected will be compared to previous results, disseminated to staff for training purposes and utilized to inform the direction of current and future program activities.

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item B.1.b

**g. Agency Required Documentation**

Not applicable

**Activity #3: Streamlining of Public Housing and Section 8 HCV Forms and Data Processing**

**a. Description of MTW activity**

To meet one of the central goals of the MTW demonstration, KCHA seeks to increase its cost-effectiveness through streamlined use of forms and data processing. In FY 2010, KCHA will complete a review of forms used and processing linked to the application and waiting list system such as those to verify and document data and determine program eligibility. KCHA will also review forms and processes utilized to document and verify data reported by current program participants in order to identify how additional savings could result from changes in forms and processes utilized during continued occupancy. Processing will be streamlined through this activity as KCHA exercises its ability to implement new guidelines and processes in lieu of HUD requirements. Under this initiative, KCHA may choose to eliminate a number of HUD forms – replacing them with new, streamlined documents that

continue to ensure program integrity while conforming to KCHA's MTW modified documentation requirements.

**b. MTW Statutory Objective**

The proposed activity increases administrative efficiency and cost savings by reducing administrative red tape – meeting the MTW statutory objective to reduce cost and achieve greater cost effectiveness in federal expenditures.

**c. Anticipated Impacts**

By streamlining this process, KCHA will increase staff productivity and reduce total administrative costs relative to intake and continued occupancy. Although not a targeted goal of the initiative, KCHA also anticipates streamlined processing may lead to increased understanding of program requirements.

**d. Baseline and Benchmarks**

The **baselines** for this activity include:

- Staff hours spent on paperwork processing
- # of forms needed to process and track applications for housing programs and maintain occupancy eligibility information of assisted households

The **benchmarks** to measure performance and progress include:

- 10% reduction in staff time spent on paperwork processing
- 10% reduction in forms used in the application process and to maintain occupancy eligibility of assisted households

**e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- KCHA established baseline for time spent processing forms through interviews of staff responsible for administering the Public Housing and Section 8 programs
- KCHA database and forms catalog – analyzing current total number of forms before and after any changes

**Metrics** will include:

- Comparison of staff hours spent on current processes pre- and post implementation of the streamlined processes
- Comparison/count of forms used pre- and post implementation of streamlined processes and costs associated with their use

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item C.4 (Public Housing) and item D.3.b (Section 8)

**g. Agency Required Documentation**

Not applicable

**Activity #4: Using MTW reserves to fund Resident Incentives**

**a. Description of MTW activity**

KCHA proposes to use MTW funds to provide incentives to residents as an innovative means of increasing compliance with lease and program requirements. For example, KCHA often experiences significant obstacles in moving over-housed residents to appropriate sized units due to their reluctance to relocate to a smaller unit and/or site, even though their lease would require them to do so. An over-housed tenant who refuses to move to an appropriate unit when available is subject to lease termination. Regardless, the resident will often avail themselves of every opportunity to delay the eventual transfer – whether through repeated requests for reasonable accommodation or by using the legal process as a delaying mechanism. KCHA expense in handling this situation is significant – involving increased staff time, unit turnover time and legal expenses. Thus, in FY 2010 KCHA will pilot this initiative by developing policies that encourage resident cooperation with established occupancy policies. Using a risk/reward approach, “over-housed” tenants will receive a small monetary incentive to move to the first unit available. At the same time, tenants who refuse the available unit will face strict lease enforcement and monetary penalty.

KCHA will utilize the results of this initial pilot to determine the viability for expansion during FY 2010 and beyond to other areas. For example, if results indicate the approach leads to favorable outcomes, KCHA may consider offering



residents a small monetary reward for not owning a car or choosing to park off-site at developments where parking is limited.

**b. MTW Statutory Objective**

The proposed MTW activity achieves greater cost effectiveness and reduces administrative burdens.

**c. Anticipated Impacts**

KCHA anticipates that offering a resident incentive in this manner will reduce program administration through reductions in staff time to process requests/complaints/paperwork and legal expenses. An ancillary impact may be an increase in resident satisfaction levels as residents feel more in control of their environment.

**d. Baseline and Benchmarks**

The **baselines** for this activity include:

Baselines will be attributed to the individual targeted administrative policy for which the incentive is directed. For example:

- Total costs to process/track over-housed transfers in prior year
- # of over-housed families who accepted the first available unit in prior year

The proposed **benchmarks** are:

Benchmarks will be attributed to the individual targeted administrative policy for which the incentive is directed. For example:

- 10% reduction in costs dedicated to processing transfers for over-housed residents
- 25% increase in number of over-housed households who accept the first available unit

**e. Data Collection Metrics & Products**

Data Collection and Metrics will be attributed to the individual targeted administrative policy for which the incentive is directed. For example:

**Data** collection for an incentive to over-housed families to accept the first available unit will include the following sources:

- Quarterly Transfer Report detailing transfers completed and staff hours dedicated to processing transfers for over-housed households
- KCHA financial reports detailing fees charged and incentives paid

**Metrics** used to analyze impact of providing an incentive to over-housed families who accept the first available unit will include:

- The total # of over-housed households who accept the first available unit, vs. those who do not
- The staff hours and costs utilized to assign an over-housed household to an appropriate sized unit

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item B.1.b

**g. Agency Required Documentation**

Not applicable

**Activity #5: Modified Section 8 and Public Housing HQS Inspection process**

**a. Description of MTW activity**

In FY 2010, KCHA intends to adopt modified Housing Quality Standards (HQS) inspection protocols for units leased under its Section 8 and Public Housing subsidy programs. Through a risk-based approach, KCHA seeks to modify policies in a manner that reduces the number and frequency of inspections completed, without having an adverse impact on the quality or condition of units leased. Current policy revisions under consideration include:

- **Random sampling of units selected for inspection each year.** (Section 8 program only) For owners with twenty or more units under lease in the same complex **and** a two-year history of excellent HQS performance, KCHA may select a random sample of units to be inspected each year. If all units in the inspected sample meet HQS standards, the owner will be

able to self-certify that remaining units meet the same standard and no further inspections will be performed in that year. If units in the sample fail to meet HQS standards the owner will have 30 days in which to make the necessary repairs and the units will be re-inspected in accordance with existing policy. If all the repairs are completed, the owner can self-certify that the remaining units meet the same standards and no further inspections will be performed in that year.

- **Altering the frequency of inspections required.** (Public Housing and Section 8) Using a biennial inspections system KCHA would continue to complete an initial inspection as participants move-in to the subsidized unit. Absent requests or need for special inspections, KCHA will consider modifying HUD regulations to allow all or segments of units to undergo their next inspection up to two years following the client's move-in date. To further increase savings, current participants may be rolled into a biennial system based on their most recent HQS inspection results.
- **Use of inspections from qualified outside entities to certify unit condition.** Increasingly, units subsidized under the Section 8 and Public Housing program undergo multiple inspections by varying agencies throughout the course of the year. For example, mixed finance units – in which Public Housing is supported with Tax Credit financing, are dually inspected by KCHA staff and the Tax Credit entity each year. In most cases, outside entities operating in KCHA properties utilize inspection standards at least equal to that of KCHA. Under this initiative, KCHA will seek to reduce the frequency of inspections through modified policies that allow another entity's inspection record to serve as documentation that the unit meets KCHA's established HQS requirements.

#### **b. MTW Statutory Objective**

The proposed MTW activity reduces administrative burden and achieves greater cost effectiveness by reducing the number of inspections to be done annually.

#### **c. Anticipated Impacts**

KCHA anticipates savings in staff time, travel and administrative expenses. Reduced site inspections also benefit tenants and owners as they are less intrusive and require a lower time commitment from owners and tenants. As a result, modifications could result in increased satisfaction with program operations. KCHA does not anticipate that the modification will have an adverse impact upon the quality of units under the program or cause an increase in the number or percent of units that fail to meet HQS requirements. Rather, KCHA anticipates that some of the time savings created by reducing the number of

inspections would be allocated to educating the owners and tenants of how they can keep their units in compliance – this should result in improving the quality and pass rate of units in the program. However, overall quality of KCHA’s unit inventory will be included as a program measurement to allow quick program modification if such an adverse impact does occur.

#### **d. Baseline and Benchmarks**

The **baselines** for this activity are:

- # of inspections completed annually
- Cost to inspect all units in the subject group: staff hrs, travel, administrative expenses
- Overall quality of inventory

The proposed **benchmarks** include:

- 20% reduction in inspection costs
- 30% reduction in inspections completed under the program
- 0% changes in the overall quality of inventory

#### **e. Data Collection Metrics & Products**

**Data** will be collected by program staff through reports that track the number and type of inspections and those passing/failing for major and minor items.

**Metrics** will include:

- # of inspections completed (by program)
- \$ cost to KCHA to complete HQS inspections (by program)
- Assessment of overall quality of units

Comparison will be made to 2009 baseline data.

#### **f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item D.5

#### **g. Agency Required Documentation**

Not applicable

## Activity #6: Simplify Verification Process for Section 8 and Public Housing

### a. Description of MTW activity

To meet one of the central goals of the MTW demonstration, KCHA seeks to increase its cost-effectiveness by streamlining the tenant and applicant verification process. The current method for verification requires virtually every income and allowance source to be third-party verified, requiring a mailing directly to the verifying entity. This is an expensive and time-consuming process that invites discrepancies, adds little value to the accuracy of the resulting information, and has limited effect on the calculation of housing assistance. The time spent to follow-up and track third-party verification requests is significant. Yet, the end result is often no more reliable than information documents that tenant could provide directly to KCHA or through other forms of verification. In addition, the third-party verification process is intrusive for the participants as other parties are unnecessarily made aware of the tenant or applicant's participation in the Section 8 program through the process. The advent of alternate check and balance systems at KCHA's disposal, such as HUD's Electronic Income Verification (EIV) system, which allows for the validation of tenant reported income, makes the need to follow strict third-party verification procedures obsolete. As a result, during FY 2010 KCHA will review and implement alternate verification strategies for its Public Housing and Section 8 operations that protect the integrity of the program, while significantly reducing overall administrative expense.

### b. MTW Statutory Objective

The proposed activity increases administrative efficiency and cost savings.

### c. Anticipated Impacts

By streamlining this process, KCHA will increase staff productivity, reduce total administrative costs of the verification processes, and make its programs less intrusive for the participants.

### d. Baseline and Benchmarks

The **baselines** for this activity include:

- KCHA costs incurred verifying incomes through third-party sources: staff hours and administrative expenses

- Information on processing times to complete initial, interim and periodic recertification of tenant information
- Annual # of fraud cases identified

The **benchmarks** for this activity include:

- 10% decrease in processing time for re-certifications, resulting from reduced need to request and wait for responses from third-party sources
- 10% reduction in costs associated with collection of third party verifications
- 0% increase in findings of fraud and/or misrepresentation

#### **e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- Staff interviews to calculate time spent processing verifications and to complete certification reviews
- HUD's EIV system and/or Quality Control audits showing received income that was not previously reported (income threshold report)
- Quality control audits comparing independent third-party sources with tenant-provided documentation and/or upfront verification systems
- KCHA reports and database used to track reviews completed – including those resulting in loss recovery

**Metrics** will include:

- # Staff hours spent on the activity under the current process versus the proposed process
- Annual administrative costs - mailing expenses, printing, etc. - for activity under the current process versus the proposed process
- # of incidents of fraud discovered through EIV and Quality Control audits

#### **f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item C.4 (Public Housing) and item D.1.c (Section 8)

#### **g. Agency Required Documentation**

Not applicable

## Activity #7: 30-Day Referral for Project-based Units

### a. Description of MTW activity

KCHA proposes to allow direct owner referrals of applicants after 30 days of unsuccessful attempts by KCHA staff to fill a vacant Project-based unit. Typically, for certain Project-based units, numerous applicants from the Project-based waiting list are contacted before at least one interested applicant is submitted to the owner. To reduce program administrative costs, shorten lease-up time for Project-based units and improve owner satisfaction, KCHA will fill vacant units through direct owner referral after KCHA has attempted for at least 30 days to find a suitable applicant to fill the vacant unit. Applicants placed in the Project-based unit by the owner must be otherwise qualified to participate in the program. Final Rule requirements that owners provide written documentation of their reason for rejection of any legitimate referral from KCHA would still apply.

### b. MTW Statutory Objective

The proposed MTW activity will reduce administrative burden and achieve greater cost effectiveness by reducing staff time and expense spent locating a suitable and interested applicant on the Project-based waiting list to fill a vacant unit.

### c. Anticipated Impacts

The activity will reduce costs associated with administration of the Project-based program by reducing extensive search efforts to a more reasonable level and reducing the time needed to fill vacant units. In addition, KCHA anticipates that owner satisfaction with the program will improve, meaning less time spent by staff and supervisors dealing with complaint calls and visits and an increased likelihood that the owner will continue offering their units to low-income households over the long-term, thereby increasing housing choice.

### d. Baseline and Benchmarks

The **baselines** for this activity are:

- # of days spent to fill a vacant project-based unit
- Administrative costs to fill a vacant project-based unit
- # of owner refusals to accept KCHA referred applicants

The proposed **benchmarks** are:

- 5% reduction in staff hours associated with filling Project-based units.
- 10% reduction in average days to fill vacancies
- 0% increase in owner refusal to accept KCHA referred applicants

**e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- Project-based Vacancy Log which tracks the start and end dates of vacancies processing time
- Wait list outreach records – recording owner referrals and acceptance
- Staff interviews to report time spent to fill vacant project-based units

**Metrics** will include:

- Staff hrs/min to fill project-based unit vacancy – current vs. following implementation
- # of days to fill project-based vacancy
- Change in # of owner refusals to accept KCHA referred client

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item D.4 and Attachment D, item E

**g. Agency Required Documentation**

Not applicable

**Activity #8: Revision to Interim Review Process – Public Housing and Section 8 Programs**

**a. Description of MTW activity**

KCHA proposes to streamline its current interim review process. Currently an interim review is performed whenever a client reports a decrease in income or has an increase in income if on a zero or credit rent. Unfortunately, even within this limited scope, the list of interim reviews processed annually is extensive. At the



same time, the current policy limits the Housing Authority's ability to increase rent between recertifications which can increase the number of residents who do not pay rent commensurate with current income. Options for potential policy changes include but are not limited to:

- Limiting the circumstances under which interim decreases in rent will be completed – either by requiring an income decrease above an established threshold or restricting the number of interim decreases available to a household over time
- Requiring completion of interim reviews for increases in income when the income increase exceeds an established threshold
- Requiring an interim review for any increase in income when a previous interim decrease has been completed

#### **b. MTW Statutory Objective**

The proposed MTW activity achieves greater cost effectiveness by picking up additional income while still limiting staff time allocated to performing interim reviews.

#### **c. Anticipated Impacts**

By revising this process, KCHA will increase staff productivity, reduce housing assistance costs to the Housing Authority, and make its programs less intrusive for the participants since fewer changes in rent will occur.

#### **d. Baseline and Benchmarks**

The **baselines** for this activity are:

- Total # of interim reviews performed each year - by those that resulted in increased rent and decreased rent
- Total annual cost to the KCHA to complete interim reviews

The proposed **benchmarks** are:

- 5% reduction Housing Authority costs to complete interim reviews
- 5% reduction in the number of interim reviews conducted annually

#### **e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- KCHA database and staff log sheets listing number of interims reviews completed
- Check runs detailing housing assistance paid
- Staff interviews detailing time needed to complete interim reviews

**Metrics** will include:

- Staff hours to complete interim reviews vs. time spent under the proposed interim review policies
- Annual administrative costs attributed to completion of interim reviews
- Annual change in rent /HAP as a result of interim review processing

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item 4 (Public Housing) and item D.1.c (Section 8)

**g. Agency Required Documentation**

A hardship policy will be developed for those who have changes that significantly impact their ability to remain in their current housing.

**Activity #9: Limit on number of moves by a Section 8 participant family**

**a. Description of MTW activity**

KCHA proposes to limit the number of moves a family can make to one every two years. Currently families can move once a year and many take advantage of this flexibility despite undue financial and social burdens each time they move. KCHA staff believes a limit on the number of moves would provide a more stable environment for the clients and their families, while also saving the costs associated with moving from unit to unit. Hardship policies will be developed to allow for more frequent moves in such cases as unusually high rent costs, domestic violence, problems with the units, or changes in family income or composition.

This change is not expected to impact tenant rent and would not require development of a hardship policy. Regardless, KCHA will develop a hardship policy in concert with this change to ensure that households with documented urgent need (such as victims of domestic violence, families residing in units that have become

uninhabitable, etc.) continue to be eligible to move to a new unit with Section 8 assistance.

**b. MTW Statutory Objective**

The proposed MTW activity achieves a decrease in administrative burden while assisting families to become more self-sufficient through creation of a more stable housing environment.

**c. Anticipated Impacts**

By limiting the number of moves a family can make, KCHA anticipates a decrease in the amount of administrative time and expense attributed to processing HAP contracts and associated paperwork required when a family moves to a new unit under the program. Staff also believes families who remain in their units may develop ties to the neighborhood creating a more stable environment for their family.

**d. Baseline and Benchmarks**

The **baselines** for this activity are:

- Total # of moves processed each year by the Housing Authority
- Staff hours spent processing “movers” on the program

The proposed **benchmarks** are:

- 30% reduction in the number of moves processed by the Housing Authority
- 25% reduction in staff hours processing “movers” on the program

**e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- Staff daily log sheets listing number of mover vouchers issued
- Staff interviews to determine time needed to assist households and process “movers” on the program

**Metrics** will include:

- Total hours spent processing movers
- # of households who move to a new Section 8 unit

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item D.1.b

**g. Agency Required Documentation**

Not applicable

**Activity #10: Implement a Maximum Asset Threshold for Public Housing and Section 8 households**

**a. Description of MTW activity**

KCHA proposes to establish a maximum asset threshold of \$100,000 for initial and continued occupancy in its Public Housing and Section 8 programs. In addition, KCHA may develop policies that deny eligibility to current homeowners who are not participants in any homeownership program sponsored by KCHA. Currently, regulations do not limit the total asset amount that may be held by an applicant or participant. In addition, current regulations allow homeowners to remain eligible for housing assistance – even though they could choose to reside in their own unit. Realistically, this allows families with significant assets to receive housing assistance when they have sufficient resources to support self-sufficiency. KCHA may establish policies under this initiative that exempt certain groups, such as elderly and disabled households, from established asset limits where determined appropriate.

**b. MTW Statutory Objective**

The proposed MTW activity achieves greater housing choice for Public Housing Section 8 participants by ensuring eligibility for KCHA Public Housing and Section 8 assistance is limited to those most in need.

**c. Anticipated Impacts**

KCHA anticipates it may see a slight decrease in income and rent and/or increase in HAP as a result of this change, along with a slight decrease in administrative expense; however amounts are expected to be negligible. KCHA anticipates little impact upon applicants or residents as the number of households expected to be impacted is minimal.

**d. Baseline and Benchmarks**

The **baseline** for this activity is:

- The # of (non-exempt) families in occupancy and on KCHA's waiting list with assets above established threshold

The proposed **benchmarks** are:

- 100% of applicants on KCHA's waiting list and in occupancy (not exempted from established limits) have assets below established thresholds.

**e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- KCHA's applicant and tenant database

**Metrics** will include:

- # of applicants and program participants with assets below the established thresholds

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item C.2 (Public Housing) and item D.3.b (Section 8)

**g. Agency Required Documentation**

Not applicable

**Activity #11: Offer incentive payment to Section 8 families ready to leave the program**

**a. Description of MTW activity**

Currently KCHA has about 140 Section 8 program participant households who receive less than \$100 in monthly Housing Assistance Payments (HAP). This activity

will utilize MTW resources to fund a cash incentive for households among this group who elect to give up their Housing Choice Voucher in lieu of continued program participation. Providing households a bonus to take the next step toward self-sufficiency helps ensure KCHA's scarce resources are available to those most in need. For every voucher relinquished, KCHA is able to help another family from the Section 8 waiting list. At the same time, the incentive payment provides a "safety net" to assist the household with moving or other expenses that may occur as they transition to market rate housing.

**b. MTW Statutory Objective**

The proposed MTW activity promotes greater self-sufficiency for Section 8 participants by encouraging graduation from subsidized housing into the private market.

**c. Anticipated Impacts**

KCHA anticipates this activity will increase the number of positive graduates from the Section 8 Housing Choice Voucher program by encouraging households to take the next step toward self-sufficiency. However, increased graduation of upper income households may impact the overall KCHA total HAP payments and funding availability as graduating low-HAP families will be replaced with lower income households requiring greater HAP assistance.

**d. Baseline and Benchmarks**

The **baselines** for this activity are:

- # of vouchers turned by households receiving \$100 or less HAP annually

The proposed **benchmarks** are:

- 20% increase in number of vouchers turned annually by households receiving \$100 or less HAP

**e. Data Collection Metrics & Products**

**Data** will be collected from the following:

- KCHA's Section 8 HCV program database

**Metrics** will include:

- # of families annually that leave the Section 8 program when HAP assistance is \$100 or less before and after program implementation.

**f. Authorization Cited**

MTW Restated and Amended Agreement: Attachment C, item B.1.b

**g. Agency Required Documentation**

Not applicable

## SECTION VI. Ongoing MTW ACTIVITIES: HUD Approval Previously Granted

Section VI: Ongoing MTW ACTIVITIES - HUD Approval Previously Granted									
#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
1	Acquire NEW Public Housing	X				Use banked PH ACC to turn-on Public Housing subsidy in units	Increase housing choices	2008	Implemented - purchase of Pacific Court (30 units) and Pepper Tree (30 units) completed during FY09
2	Allow double subsidy between programs (pbs8/ph/s8) in limited circumstances to allow transition to new program	X	X	X		Increase landlord participation, reduce impact on PH program when tenants transfer	Increase housing choice	2008	Review initiated in FY 2009 - will carry forward to FY 2010
3	Block Grant non-mainstream vouchers		X	X		Expand KCHA's MTW block grant to include all non--Mainstream program vouchers	Reduce costs and achieve greater cost effectiveness	2006	Implemented
4	Childcare Policy - PH	X				Establishes specific policies relating to designated Childcare units @ Greenbridge.	Reduce costs and achieve greater cost effectiveness	2008	Implemented
5	Client Assistance program	X	X	X		Pilot program - utilizes MTW reserves to provide emergency financial assistance to qualified residents	Reduce costs and achieve greater cost effectiveness	2008	Implemented
6	Combined program eligibility	X	X	X	X	Additional changes to accommodate combined program approach in relation to NIA development: eligibility for 2 bdrm units; income cap @ 50%; Tenant selection	Reduce costs and achieve greater cost effectiveness	2008	Implemented



#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
7	Community Service Policy	X				Changes to increase exemptions, streamline system of tracking compliance with community service requirements for PH households	Reduce costs and achieve greater cost effectiveness	2007	Implemented
8	Definition of Homeless for Section 8 programs		X	X		Expands the definition of Homeless to include overcrowded households entering transitional program	Increase housing choice	2004	Implemented
9	Definition of Live-in Attendant	X	X	X	X	Consider changes that redefine who is considered a "Live-in Attendant"	Reduce costs and achieve greater cost effectiveness	2009	Review/ policy development initiated, will carry forward to 2010
10	Develop a local PH Asset Mgmt Funding model	X				Streamlines current HUD requirements to track budget expenses and income down to the AMP level	Reduce costs and achieve greater cost effectiveness	2007	Implemented
11	Easy Rent Policy for Elderly and Disabled Households living on a Fixed Income	X	X	X		Streamline income and rent policies for elderly and disabled households. Move to triennial recertifications; rent based on 28.3% of gross income, automatic SocSec COLA adjustment annually; deductions eliminated except medical when expenses exceed \$3,000	Reduce costs and achieve greater cost effectiveness	2008	Implemented - initial analysis included in FY 2008 MTW Report
12	Effective dates of Payment Standard decrease		X	X		Delays application of any decrease in the KCHA approved Payment Standard until the next Annual Review date	Reduce costs and achieve greater cost effectiveness	2005	Implemented
13	Esco development	X				Use of MTW program and single fund flexibility to develop and operate our own ESCO	Reduce costs and achieve greater cost effectiveness	2004	Implemented - may consider modification of contract term in FY 2010 or future years
14	FSS Program modifications	X		X		Explore possible changes to increase incentives for resident participation, income growth and decrease costs of program management.	Reduce costs and achieve greater cost effectiveness; Increase housing choice	2008	Under review, held for inclusion of Public Housing expansion in 2009; changes to be proposed late 2009-2010

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
15	Sponsor-based Housing program				X	Pilot programs - Uses MTW Block Grant to fund a Local Sponsor-based program - provides housing funds to service provider who sub-leases to targeted household	Increase housing choices; Increase self sufficiency of targeted population	2007	Implemented in 2007 with 25 unit pilot - Program expanded in FY 2009 to assist up to 155 households: Additional expansion in 2010 and future years anticipated as need and resources identified.
16	Income Eligibility - maximum income limits	X	X	X		Consider policy that would cap the income residents may have and still be eligible for KCHA programs	Increase housing choice	2008	Delayed due to time constraints; may be brought forward in 2010
17	Income Exclusion - State payments made to a Landlord		X	X		Excludes payments made to a landlord by a state agency (DSHS) on behalf of a tenant from income and rent calculation under the Section 8 program	Reduce costs and achieve greater cost effectiveness; Increase housing choice	2004	Implemented
18	Income verification requirements - \$0 HAP		X	X		Allows Section 8 participants for whom \$0 HAP is paid to self-certify their annual income	Reduce costs and achieve greater cost effectiveness	2004	Implemented
19	Increase the Rent Cap		X	X		Moves the Section 8 program rent cap to 40% of Gross Rent, up from the 40% of adjusted rent standard	Increase Housing Choice	2005	Implemented
20	Lease term for PH Units with Tax Credit overlay	X				Current regs conflict with Tax Credit renewal terms which required lease to be no more than 1 year.	Reduce costs and achieve greater cost effectiveness	2008	Implemented
21	Non-Smoking Building Policy	X	X			Policy / site development underway	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2008	Implemented
22	Occupancy requirements of Section 8 households			X		Allows tenants to remain in occupancy when family size exceeds standards by 1 member	Reduce costs and achieve greater cost effectiveness; Increase housing choice	2004	Implemented

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
23	Payment Standards to 120% FMR w/ RA allowance above Range			X		Allows Payment Standards up to 120% of FMR for HCV program (and above 120% for Reasonable Accommodation) w/o prior HUD approval	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2007	Implemented - modified following review of outcomes/impact, see item below
24	Payment Standard Changes		X	X		This initiative will decouple payment standards from Fair Mkt Rents, allowing the HA to establish standards that fit neighborhood conditions	Increase housing choices	2008	Implemented
25	PBS8 Local Program		X			Develop a local project based program that streamlines contract and program management	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented - as shown below: additional changes may be implemented in FY 2010 and beyond as determined necessary by KCHA
26	PBS8 Local program: wait list management		X			Allows the project sponsor to manage the waiting list rather than the Housing Authority, as determined appropriate by KCHA.	Reduce costs and achieve greater cost effectiveness	2004	Implemented - modified in FY2005 to allow KCHA to solicit applications directly from service providers
27	PBS8 Local program: exit vouchers		X			Modifies PBS8 regs that require a general Section 8 voucher to be available at the end of PBS8 participation. Replaces offer of a voucher with priority access to KCHA's Public Housing program	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented
28	PBS8 Local program: Preferences		X			Consider ability to expand use of PH preferences to all PB programs	Reduce costs and achieve greater cost effectiveness	2008	Pending implementation in FY 2009
29	PBS8 Local program: Allocation of assistance		X			Allows KCHA to allocate PBS8 subsidy non-competitively to KCHA controlled units and transitional housing	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented - modified in 2005 to allow KCHA to assign subsidy to projects financed through conduit financing program with a minimum contract term of 20 yrs
30	PBS8 Local program: Contract term		X			Consider possible changes to lengthen the allowable term of the Section 8 project based contract	Increase housing choice	2009	Delayed due to time constraints; may be brought forward in 2010

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
31	PBS8 Local program: PH rules for PBS8 vouchers outside a mixed finance setting		X			In connection with Springwood redevelopment without a mixed-finance approach; current policy requires use of PBS8 regs, will require waiver to allow default to PH policy (similar to use at Greenbridge)	Reduce costs and achieve greater cost effectiveness	2008	Implemented
32	PBS8 Local program: Project Based Applications		X			Streamline Applications	Reduce costs and achieve greater cost effectiveness	2008	Pending implementation in FY 2009
33	PBS8 Local program: site assignment and deconcentration		X			Allows KCHA to prioritize assignment of PB assistance to units located in low-poverty census tracts, including those with poverty rates below 20% (15% for families with children and off-site HOPE VI replacement units)	Increase housing choice	2004	Implemented
34	PBS8 Local program: unit caps per development		X			Waives the 25% cap on the number of units in a development that can be project-based for transitional, supportive or elderly housing programs and/or sites with fewer than 20 units	Increase housing choice	2004	Implemented - modified in FY 2008 to allow KCHA to exceed cap when used to redevelop PH units
35	Performance Standards	X	X	X	X	Develop locally relevant performance standards and benchmarks to evaluate the MTW Program	Reduce costs and achieve greater cost effectiveness	2008	In progress, considering impact of pending PHAS reporting requirements will affect HA's desire to move this initiative forward
36	Project-based Local program: combined program management		X			Allows PBS8 subsidy to conform to operating rules of other government subsidy program when used in mixed finance setting	Reduce costs and achieve greater cost effectiveness	2005	Implemented - modified in FY2008 to include redeveloped sites outside a "mixed-finance" approach
37	Project-based Local program: contract term		X			Allows KCHA to offer contract terms longer than 5 years;	Reduce costs and achieve greater cost effectiveness	2004	Implemented - may be modified in FY 2010 or future years

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
38	Project-based Local program: eligible unit types		X			Modifies the types of housing accepted under a PBS8 contract - allows shared housing, excludes Rehab category of units from eligibility	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented - FY 2005 modification to define Existing Housing to housing that could meet HQS within 180 days adds manufactured homes, transitional housing and hi-rise buildings as eligible housing; FY 2009 expansion to include cooperative housing
39	Project-based Local program: HAP contracts		X			Allows KCHA to modify the HAP contract to ensure consistency with MTW changes	Reduce costs and achieve greater cost effectiveness	2004	Implemented - modified in FY 2009
40	Project-based Local program: Payment Standards		X			Assigns standard HCV Payment standards to the program, but allows modification with Exec. Director approval where appropriate/necessary	Reduce costs and achieve greater cost effectiveness	2004	Implemented - modified in FY2005 to cap rents at the Payment Standard for LIHTC units, rather than the Tax Credit rent
41	Project-based Local program: program administration		X			Allows KCHA to complete subsidy layering and environmental reviews in-house - in cooperation with local responsible entity	Reduce costs and achieve greater cost effectiveness	2004	Implemented
42	Project-based Local program: unit inspections		X			Modifies inspection rules to require owners to conduct their own construction/rehab inspections; allows the management entity to complete initial inspections (rather than KCHA); implements inspection sampling at annual review	Reduce costs and achieve greater cost effectiveness	2004	Implemented - modified in FY2009 to allow KCHA to inspect units at contract execution rather than proposal date
43	Project-based Local program: unit size		X			Allows participants in wrong-sized units to remain in place and pay higher rent if needed	Increase housing choice	2005	Implemented - modified in 2009
44	Project-based Local program: Rent Reasonableness determinations		X			Allows KCHA to determine Rent Reasonableness for units using same process as Tenant-based program - does not require 3rd party appraisals	Reduce costs and achieve greater cost effectiveness	2004	Implemented

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
45	Project-based Local program: subsidy assignment		X			Allows KCHA to assign PBS8 subsidy to a limited number of "demonstration" projects not qualifying under standard policy, but which serve an important public purpose	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented
46	Public Housing Eligibility	X				Allow Public Housing program to restrict eligibility of single persons households who do not otherwise qualify as elderly, near-elderly, disabled, or displaced	Reduce costs and achieve greater cost effectiveness	2008	Implemented
47	Public Housing Site-based and Regional waiting lists	X				Implement a streamlined waiting list system for Public Housing that combines Site-based, Regional and Set-aside waiting lists; streamlines implementation rules	Increase housing choices; Reduce costs and achieve greater cost effectiveness	2004	Implemented - possible modification in FY 2010 or future plan years
48	Public Housing Waiting List Preferences	X				Allows applicants with income below 30% of AMI to qualify for a housing preference without independent verification by KCHA	Reduce costs and achieve greater cost effectiveness; Increase housing choice	2004	Implemented
49	Remove Cap on Voucher Distribution		X	X		Allow KCHA to maintain utilization above 100% during year without impact on funding; current allocation formulas require avg utilization at or below 100%	Increase housing choices	2007	Implemented
50	Rent Policy Phase II - Working and Work-able Households	X	X	X		Develop a revised rent policy for working and work-able households that encourages self-sufficiency and income progression and increases positive graduation from subsidized housing while increasing administrative efficiency and cost effectiveness	Encourage employment and economic self-sufficiency; Reduce costs and achieve greater cost effectiveness;	2008	Policy development in progress - implementation anticipated in 2009
51	Rent Reasonableness - reduction in frequency of tests		X	X		Allows KCHA to complete Rent Reasonableness determinations only when a Section 8 Landlord has asked for an increase in the contract rent	Reduce costs and achieve greater cost effectiveness	2004	Implemented

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
52	Rent Reasonableness at KCHA owned units		X	X		Allows KCHA staff to perform Rent Reasonable inspections of KCHA owned properties	Reduce costs and achieve greater cost effectiveness	2004	Implemented
53	Resident Opportunity Plan (ROP)	X	X	X		Develop a local FSS program pilot that empowers residents to increase income and successfully graduate from housing subsidy	Give incentives that assist in obtaining employment and becoming economically self-sufficient	2007	ROP finalized development in July 2009 - program targets 50 households in E. King County Park Lake Homes Site II (Seola Gardens)
54	Resident Service Stipends - increase amount of exclusion allowed	X	X	X		Allow residents to retain earnings up to \$500 without inclusion in rent calculation	Increase income - encourage employment; Reduce costs and achieve greater cost effectiveness	2008	Implemented
55	Revised definition and treatment of Asset Income	X	X	X		Streamline verification of assets by changing definition to include only assets valued above \$50,000; Income of assets below threshold is excluded from income calculation; Tenant allowed to self-certify valued below \$50,000.	Reduce costs and achieve greater cost effectiveness; Increase economic self-sufficiency	2008	Implemented - modification proposed for FY 2009 to revise / eliminate treatment of imputed income and disposal costs
56	ROSS Grant Homeownership	X		X		Financial Assistance funded through MTW reserves, Modified rules to meet local circumstances: eligibility to allow use for PH residents with an HCV; mini income requirement; min savings prior to entry, not limited to first time homebuyers, etc	Increase housing choice; Increase economic self-sufficiency and encourage employment	2004	Complete - program exceeded goal to assist 30 households over 3-year term
57	Open-door Transfer Policy	X	X	X	X	Increase Housing Choice for residents by developing a policy that allows residents to transfer among KCHA programs - promotes efficient use of KCHA housing resources to meet client needs through streamlined access	Increase housing choice; Reduce costs and achieve greater cost effectiveness	2007	Implemented - modification proposed for FY 2009 following review of first year results
58	Section 8 Applicant Eligibility			X		Increase program efficiency by removing eligibility for those currently on a Federal Subsidy program	Reduce costs and achieve greater cost effectiveness	2007	Implemented

#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
59	Section 8 Single, non-disabled household eligibility		X	X		Restrict eligibility of single person households who are neither elderly or disabled or near-elderly	Reduce costs and achieve greater cost effectiveness	2009	Implemented
60	HQS Inspection Standards: Minor Fails @ Annual		X	X		Ability to release HAP with minor fail @ annual inspection and owner agreement to repair within 30 days	Reduce costs and achieve greater cost effectiveness	2004	Implemented
61	HQS Inspection Standards: Minor Fails @ Move-in		X	X		Ability to release HAP with minor fail @ initial inspection and owner agreement to repair within 30 days	Reduce costs and achieve greater cost effectiveness	2007	Implemented
62	HQS Inspection Standards: Unit clustering		X	X		Increase efficiency of operation through reduction in repeated visits to the same property annually; Annual inspections completed within 8-20 months of initial inspection and annually thereafter to allow inspections to be grouped according to location/property	Reduce costs and achieve greater cost effectiveness	2006	Implemented
63	HQS Inspection Standards: inspection of KCHA owned properties		X	X		Allows KCHA staff, rather than a 3rd party entity, to complete HQS inspection of KCHA owned properties	Reduce costs and achieve greater cost effectiveness	2004	Implemented
64	HQS Inspection Standards: Unit Clustering		X	X		Allows HQS unit inspections 8-20 months following the date of initial inspection	Reduce costs and achieve greater cost effectiveness	2007	Implemented
65	HQS Inspection Standards: date of annual inspections		X	X		Allows annual HQS inspections under the Section 8 program to be completed within 120 days of annual date	Reduce costs and achieve greater cost effectiveness	2004	Implemented



#	MTW Activity Name	P H	P B S 8	H C V	L o c a l	MTW Initiative Description	MTW Statutory Objective	Plan Year	Status
66	Section 8 requirements to provide- proper notice to move		X	X		Requires participants to provide notice to move by the 20th of the month in order to have the paperwork processed that month	Reduce costs and achieve greater cost effectiveness	2004	Implemented
66	Self-certification of DSHS co-pay		X	X		Section 8 program participants are allowed to self-certify \$50 or less received as pass through from DSHS childcare subsidy	Reduce costs and achieve greater cost effectiveness	2004	Implemented
67	Self-certification of family membership	X	X	X		Allows applicants to self-certify membership in the household at the time of admission	Reduce costs and achieve greater cost effectiveness	2004	Implemented
68	Self-certification of Housing Preference		X	X		Applicants with income below 75% of 30% of AMI allowed to self-certify housing preference	Reduce costs and achieve greater cost effectiveness; Increase housing choice	2004	Implemented
69	Social Security Number Verifications	X	X	X		Modified SSN verification/documentation to household members 18 and older - rather than the regulatory requirement of age 6	Reduce costs and achieve greater cost effectiveness	2004	Implemented - however, PIC reporting currently limits cost savings of this initiative
70	Transfer Policy	X	X	X	X	Escalate use of Section 8 to address number of households who are over-housed	Reduce costs and achieve greater cost effectiveness	2008	Implemented - Modification in FY 2009 pending
71	Utility Allowances - PH - S8	X	X	X		Develop alternate protocols for establishing and applying Utility Allowances for PH and S8 households	Reduce costs and achieve greater cost effectiveness	2008	In progress in conjunction with Phase 2 rent reform
72	Verification Expiration dates	X	X	X	X	Decrease expenses and staff time in re-verifying information - set outside limit at 180 days	Reduce costs and achieve greater cost effectiveness	2008	Implemented

## SECTION VII. SOURCES and USES of FUNDING\*

### A. Sources and Uses of MTW Funds

As an MTW Block Grant agency, KCHA combines all Public Housing Operations and Capital resources into a single fund with full funding flexibility. The tables below, presented in the format required under KCHA's MTW Agreement with HUD, detail KCHA's anticipated sources and uses of funds for the fiscal year beginning January 1, 2010 and ending December 31, 2010.\*

Sources of MTW funds	Planned Amount
HCV block grant	\$ 84,048,000
Public Housing subsidy	\$ 8,372,000
Public Housing rental income	\$ 5,637,000
Public Housing non-rental income	\$ 135,000
Public Housing Capital Fund	\$ 4,100,000
Interest income	\$ 590,000

<b>Total</b>	<b>\$ 102,882,000</b>
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Uses of MTW funds	Planned Amount
HCV Program Operations	\$ 71,488,000
Sponsor-based Program Operations	\$ 1,600,000
Public Housing Program Operations	\$ 9,419,000
Public Housing Rehabilitation	\$ 7,000,000
Resident Service Activities	\$ 1,878,000
Site and Facility Utilities	\$ 2,277,000
Provision/Acquisition of New Affordable Housing	\$ 6,403,000
Debt Repayment	\$ 256,000
Computer System Upgrade – FY 2010 installation	\$ 1,700,000
MTW Program Administration	\$ 503,000
Misc. Development Costs	\$ 260,000
Other Misc. Operations	\$ 98,000

<b>Total</b>	<b>\$ 102,882,000</b>
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\* **Please note:** Amounts shown are estimated for CY 2010 as actual amounts cannot be precisely established until HUD funding levels for the year have been finalized.

## B. Sources and Uses of State and Local Funds

Sources of State/Local funds	Planned Amount
City of Bellevue CDBG Grant	\$ 442,944
King County CDBG Grant	\$ 350,000
Washington State Dept of Commerce	\$ 2,659,472
Puget Sound Energy	\$ 1,088,000

**Total** \$ 4,540,416

Uses of State/Local funds	Planned Amount
Agency-managed housing operations	\$ 1,058,636
Home Repair & Weatherization	\$ 3,481,780

**Total** \$ 4,540,416

## C. Sources and Uses of Central Office Cost Center Funds

Sources of COCC funds	Planned Amount
Public Housing Management Fee	\$ 1,652,000
Public Housing Bookkeeping Fee	\$ 713,000
Public Housing Asset Management Fee	\$ 1,156,000
CFP Management Fee	\$ 350,000
HCV Management Fee	\$ 1,403,000
HCV Bookkeeping Fee	\$ 877,000
Regional Maintenance charges	\$ 2,326,000
Grant Income - CFP	\$ 1,875,000
Investment income-operating	\$ 328,000
Conduit loan fees	\$ 148,000
Misc income	\$ 3,000
Cash transfers from locally-owned properties	\$ 2,697,000
Incoming payments on note receivable	\$ 61,000

**Total** \$ 13,589,000

Uses of COCC funds	Planned Amount
Administrative Salaries	\$ 5,053,000
Administrative Benefits	\$ 1,515,000
Supplies & Equipment	\$ 360,000
Professional Services	\$ 690,000
Travel & Training	\$ 331,000
Communications	\$ 344,000
Insurance	\$ 38,000
Other Administrative Expenses	\$ 263,000
Maintenance salaries	\$ 1,319,000
Maintenance benefits	\$ 472,000
Utilities	\$ 73,000
Other Facility Expenses	\$ 80,000
Computer System	\$ 2,500,000
Other capital purchases	\$ 220,000
Transfer to vehicle replacement fund	\$ 25,000
Debt Service Payment on CO Building	\$ 116,000

**Total**    \$ 13,399,000

## D. Changes in Cost Allocations from 1937 Act Regulations

To date, changes from 1937 Act Regulations have not been implemented.

## E. Uses of Single Fund Flexibility

KCHA has utilized funding flexibility of the MTW Block grant across traditional lines to fund a number of MTW activities outlined in this and prior Annual Plans and Reports. The following is a listing of major activities in which single-fund budget authority has assisted KCHA in the development of innovative programs to meet the housing needs of the local jurisdiction:

- ❑ KCHA's Sponsor-based (formerly known as the Provider-based) program implemented in 2007 enables more than 150 households to access safe, secure housing with wrap-around supportive services designed to break the cycle of homelessness;

- ❑ Programs to assist homeless families attain housing stability and self sufficiency through access to transitional housing resources;
- ❑ KCHA's new Resident Opportunity Plan (ROP), approved for implementation by the Board of Commissioners in 2009 will help up to 100 households gain the tools needed to move up and out of subsidized housing;
- ❑ Redevelopment of distressed Public Housing, such as Birch Creek (formerly Springwood Apartments). To date, Single-fund flexibility of the MTW program has enabled KCHA to take proactive steps to preserve more than 1,000 units of affordable housing resources for low-income households over the long-term.
- ❑ Acquisition and preservation of affordable housing resources throughout the Puget Sound region. In early 2009, KCHA utilized MTW's single-fund flexibility to support acquisition of Pepper Tree (in Shoreline) and Pacific Court (in Tukwila) - providing an additional 62 units of affordable housing for extremely low-income residents of King County. The flexibility provided through the use of MTW block grant financing – and the ability to provide short and long-term financial assistance to encourage investment in affordable housing development – is a key component of KCHA's strategy in addressing the needs of the local community.

#### **F. MTW Reserve Balance (*Optional*)**

*KCHA elects not to include this OPTIONAL information.*

## SECTION VIII. ADMINISTRATIVE

### A. Required Resolution, Forms and Certifications

☐ **Comments received regarding MTW Annual Plan Components**

✓ Please see Pages 55 - 58

☐ **Board Resolution approving the FY 2010 Annual Plan**

✓ Please see Pages 59 - 60

☐ **PHA Certification of Compliance with MTW Plan requirements**

✓ Please see Page 61 - 62

☐ **Other HUD Information Required by HUD – Attached as Appendices and submitted as a separate .pdf file**

✓ **Appendix A:** Audit Report in compliance with OMB Circular A-133

✓ **Appendix B:** Disclosure of Lobbying Activities (HUD SF-LLL)

✓ **Appendix C:** Drug-Free Housing Certification (HUD 50070)

✓ **Appendix D:** Certification of Payments to Influence Federal Transactions (HUD 50071)

✓ **Appendix E:** Capital Fund P&E Reports for open fund years

### B. Description of any Planned or Ongoing Agency Evaluations of the MTW Demonstration

Although KCHA is taking active steps to measure outcomes and the local impact of activities made possible through participation in the MTW demonstration, we have not enlisted any outside source to complete a full evaluation of the MTW program.

## FY 2010 MTW Annual Plan

### PUBLIC COMMENTS

Name	Group/Agency	Comment Received	KCHA Response
Sharon Bosteder	RAC - Valli Kee (PH)	Likes that the Plan has been written so it is easy to understand. Must take a lot of work and wanted HA to know it's really appreciated.	Thank you.
Terry Stewart	RAC - Section 8 HCV	Likes what she reads. It's good that KCHA is working to help homeless families. Likes the way information is explained - it makes sense and is easy to understand	
Lillie Clinton	RAC - Wellswood (PH)	Asked whether the KCHA would consider a program for single persons with income between \$2,000 and \$1,000 a month.	KCHA's limited resources are first directed to support programs that assist the County's most at risk populations: frail elderly and disabled households and families with children. Unfortunately, the demand among these targeted groups is significant and KCHA has been unable to allocate funding to provide assistance for other low income households.
David Madison	RAC - Section 8 HCV	Thinks that there will be sudden spike in single men (over 50) who will need to find housing; many are struggling.	
Steven Martinez	RAC - Section 8 HCV	"been homeless, can relate" - thinks its great KCHA is taking care of homeless families and individuals; It also would be good to have some type of assistance to help with deposits when people move	KCHA does not have a program to assist with deposits when people move. Rather, residents in need of "one-time" assistance are directed to one of the many support service agencies in the region with programs designed for this purpose.
Lillie Clinton	RAC - Wellswood (PH)	What about homeownership? Is there anything we are doing there?	While KCHA's HOPE VI developments are targeting 20% of homeownership opportunities to households with income below 80% of the AMI, the Housing Authority does not currently operate a homeownership program and the Plan does not include a component to add one in the next year. During FY 2010, KCHA efforts will focus on improving incomes and self-sufficiency - laying the ground work that may help residents attain homeownership in the future.

## FY 2010 MTW Annul Plan

### PUBLIC COMMENTS

Name	Group/Agency	Comment Received	KCHA Response
Terry McLarkey	RAC - Casa Juanita (PH)	Is there any drawback to mixing funding sources between programs like KCHA does with the MTW program?	KCHA carefully manages its programs - to date, we have not experienced any drawback in the ability to move funding between programs. Rather, this flexibility allows us to direct funding where it is needed most, increasing our ability to respond to local needs and circumstances efficiently..
Nick Straley	Columbia Legal Services	Questioned KCHA initiative to <b>limit mid-year moves</b> by Section 8 families - is KCHA considering a year lease term?; what if the tenant is "sideways" with the landlord and needs to move? Interested in how much of an impact this changes would have and what the savings would be - also, stressed that any change would need to ensure protection for those who <u>need</u> to move.	KCHA recognizes that any policy changes must allow for a resident move where unique circumstances of hardship exist. To ensure a full understanding of potential impacts of policy implementation, KCHA will ensure that policy development will not move forward without significant opportunity for resident and community input and feedback.
Tamara Brown	Solid Ground	<b>Re: Limiting mid-year moves</b> - agrees that stability in the housing unit is good and could be a benefit to families	
Nick Straley	Columbia Legal Services	<b>Re: Initiative 14 - Proposal to create a short-term program for 50% - 80% households.</b> Is there a real crying need to assist families up to 80% of medial income (refers to proposed Short-term HCV program)? As opposed to programs for those who have chronic problems, does not think this would be a good use of funds	In light of the concerns raised, KCHA has determined that this item will not move forward in FY 2010 and has removed it from the final draft presented for Board approval.
Megan Altimore	Hopelink	<b>Re: Initiative 14 -Proposal to create a short-term program for 50% - 80% households.</b> question of whether program will look at pre-risk indicators to loosing housing - program could be effective if this was considered - could help eliminate future displacement - however, as with group - concerned over the income level targeted	



## FY 2010 MTW Annul Plan

### PUBLIC COMMENTS

Name	Group/Agency	Comment Received	KCHA Response
Tamara Brown	Solid Ground	<b>Re: Initiative 14 - Proposal to create a short-term program for 50% - 80% households.</b> thinks other dollars are available or will be soon in similar way - so this may not be a good step - KCHA should look at other funding pools like rapid re-housing and THOR program	In light of the concerns raised, KCHA has determined that this item will not move forward in FY 2010 and has removed it from the final draft presented for Board approval.
Abdullah Hassan	ReWA	<b>Re: Proposed Phase II Rent Policy</b> - Will flat rents continue (PH)? A lot of immigrants are moving from Ohio aren't being accepted - why? Seems they are going to Everett because rents in KC are too high	Current policy changes under review would replace the current Public Housing flat rent system. Regarding immigrants being accepted: further conversation revealed that a question regarding Section 8 participants who wish to "port-in" to Washington state. Rent levels in King County may be considered too high by their originating agency. These households may be settling in Everett in order to obtain a unit priced within rent restrictions set by their originating PHA.
Nick Straley	Columbia Legal Services	What is the experience with Easy Rent? How is it impacting residents, Property Managers?	Overall, both KCHA and resident response with the Easy Rent policy have been favorable. Tenants report that the system is easier to understand, while staff time has been freed up allowing increased focus on residents and property management issues. KCHA continues to train staff to ensure that the policy is understood and properly administered. An analysis of the program's impact will be included in KCHA's FY 2009 MTW Report which will be completed in March 2010.

## FY 2010 MTW Annul Plan

### PUBLIC COMMENTS

Name	Group/Agency	Comment Received	KCHA Response
Tamara Brown	Solid Ground	<b>Re: Proposed Phase II Rent Policy</b> - Minimum Rent of \$25: When clients don't pay rent it doesn't seem to help them very much - wonders whether not charging any rent and using credit rents (like KCHA does now) actually is a dis-service to residents; Agrees with THOR program approach that requires a \$25 payment - but wonders how this could affect a disabled person who lost income.	No direct response needed. KCHA continues to review a variety of Phase II Rent Initiative options and will consider these comments in conjunction with further policy development. Additional opportunities for community and stakeholder feedback will be provided before new rent policies are finalized.
Nick Straley	Columbia Legal Services	<b>Re: Does having a different format for Phase 1 and 2 households cause concern?</b> - Per Nick, as long as there is flexibility around format he did not think so. If the policy leads to more evictions, terminations or homelessness then recommendation is don't do it.	

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**  
**RESOLUTION NO. 5244**  
**APPROVING KCHA'S MOVING TO WORK ANNUAL PLAN**  
**FOR FISCAL YEAR 2010**

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**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 KCHA intends to pursue during the coming fiscal year; and

**WHEREAS**, staff has developed the required MTW Annual Plan covering Fiscal Year 2010 (January 1, 2010 through December 31, 2010) in a manner that is responsive to and complies with the Restated MTW Agreement requirements; and

**WHEREAS**, in developing the FY 2010 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 culminating with a public hearing held on September 9<sup>th</sup>, 2009; and

**WHEREAS**, the Plan envisions a number of significant changes in the operational policies of the Section 8 and Public Housing programs which are consistent with the goals of the MTW Demonstration and KCHA's mission; and

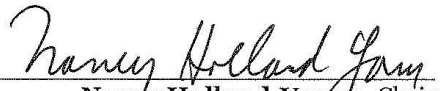
**WHEREAS**, a Board Resolution approving the Plan and certifying that the Plan complies with MTW Plan requirements must be included when it is submitted to HUD.


**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 ("Fiscal Year 2010 Annual Plan") for implementation and submission to HUD.
2. The Board of Commissioners certifies that the Public Hearing Requirement has 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 SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 7<sup>th</sup> DAY OF OCTOBER 2009.**

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

  
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**Nancy Holland-Young**, Chair  
Board of Commissioners

  
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**STEPHEN NORMAN**  
Secretary-Treasurer

**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, 2010, hereinafter referred to as "the Plan", of which this document is apart 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 Agency took into consideration public and resident comment 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 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.
4. The PHA will affirmatively further fair housing by examining their 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.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. 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.
7. 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
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
9. 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.
10. 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.

11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. 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.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
16. 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.).
17. 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.
18. 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.

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PHA Name

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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)

Nancy Holland-Young  
Name of Authorized Official

Chair  
Title

Nancy Holland-Young  
Signature

10/7/09  
Date