

DISTRICT OF COLUMBIA HOUSING AUTHORITY



**CREATIVE LIVING
SOLUTIONS PLAN
FY 2010**

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INTRODUCTION

This plan describes both the ongoing activities and plans and the innovative initiatives that the District of Columbia Housing Authority (DCHA) will pursue during the seventh full year of its participation in HUD's demonstration program, Moving to Work (MTW). In accordance with the administrative provisions of the DCHA MTW Agreement, this plan is for the period from the beginning of Fiscal Year 2010, October 1, 2009, through September 30, 2010.

This plan is an overview and preview of MTW activities anticipated for the coming year. Each one of the initiatives proposed in the second section of this plan, "Creative Living Solutions Initiatives", will be reviewed and crafted in detail by a diverse group of stakeholders before being adopted by the DCHA Board of Commissioners. The local regulations or other implementing tools will reflect the input from many authors before they are made final.

DCHA is governed by the District of Columbia's public rulemaking process, and works closely with an active low income housing advocate community, including the Citywide Resident Advisory Board and residents in both the public housing and voucher programs. This plan is prepared with the input of the advocate and resident community.

The basic requirements for DCHA's participation in the MTW demonstration are outlined in DCHA's MTW Agreement with HUD. The MTW Agreement commits DCHA to the following:

- At least seventy-five (75%) of the families assisted during the term of the demonstration will be very low-income families;
- DCHA will continue to assist at least substantially the same total number of eligible low-income families as would have been served without participation in the demonstration; and
- DCHA will serve a comparable mix of families (by family size) as would have been served without participation in the program.

DCHA has chosen to name its MTW program Creative Living Solutions (CLS). The CLS objectives that DCHA has established spring from the goals and objectives of its Strategic Plan. DCHA has operated under a Strategic Plan for the past nine years which consists of ten goals approved by the Board of Commissioners. The plan has been updated every two years and DCHA's current plan covers the period of FY 2010 and 2011. DCHA's ten goals have been combined into objectives for the purpose of this plan. The Strategic Plan will continue to guide the day-to-day activities of the Authority. DCHA's four CLS objectives as outlined in this Plan are as follows:

- Develop enhanced housing opportunities;
- Sustain quality property management;
- Achieve effective customer support services; and
- Organize efficient businesslike operating systems.

These objectives were created to organize DCHA's communication of its MTW initiatives, both in our plan and in the report. The DCHA's MTW objectives are various means of meeting the statutory objectives. For instance, DCHA has sought to explore and/or implement "enhanced housing opportunities" or "quality property management" tools that may:

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

Over the course of the seven year term of this demonstration, new DCHA rules or other implementing steps, replacing those required by HUD, will be developed in consultation with the residents of DCHA's communities, the local organizations committed to helping improve the lives of low income families, local elected and appointed officials, DCHA staff and concerned members of the general public. After the exploration and consultation process, those changes that are carried through to implementation will be adopted through the District of Columbia rulemaking process after approval by the DCHA Board of Commissioners. Once adopted by the DCHA Board of Commissioners, local rules will replace HUD rules. DCHA will not implement the changes described in this plan without hearing from and working closely with our clients, advocacy groups and all other stakeholders, not the least of which are DCHA's employees responsible for the day-to-day success of the agency in achieving its mission.

Because of DCHA's commitment to following a broadly inclusive path in implementing the initiatives described in this plan, we cannot predict exactly when or whether initiatives will be fully implemented. Thus, this plan presents the innovative activities that we plan to explore and possibly initiate during FY '10 recognizing that some of the initiatives described in this plan will take more than one year to fully implement. Additionally, this plan includes the initiatives that we began in Fiscal Year 2004 through 2009 that will require further development during FY'10. The initiatives are identified by the numbering system. For example, initiatives introduced in FY'04 have "04", "05" for FY 2005 and so forth, representing the last two digits in the Initiative number. Similarly, initiatives introduced this year end in "10". Some initiatives have been and may be abandoned if we learn from the input gathered during the planning process that the initiative as proposed will not result in the benefits we seek.

Organization of the Plan

The first section of this plan is entitled "Overview of Activities and Issues". It is organized according to the requirements for the MTW Plan found in Attachment "B" of DCHA's MTW Agreement with HUD. The "Overview of Activities and Issues" section of the plan provides data showing trends in the core activities of the Agency. Per the MTW agreement, the data is presented by fiscal year providing statistics and indicators for the both the beginning and end of the fiscal year for which the plan is written. When DCHA reports on the benchmarks as required by its MTW Agreement, it reports on data from the end of each fiscal year. The "Overview of Activities and Issues" section also identifies issues and describes actions that DCHA will be taking to address the identified issues during FY 2010. DCHA is able to undertake some of the actions described in the Ongoing Activities section as a result of the authorizations of DCHA's MTW Agreement with HUD.

The second section of this plan outlines specific innovative activities that are authorized by the terms of the MTW Agreement. It is entitled "Creative Living Solutions Initiatives". Each part of the "Creative Living Solutions Initiatives" section covers a CLS Objective. The initiatives listed in this plan are organized and numbered according to the primary CLS objective that they advance the order in which they were presented and the year when they were first introduced. For example,

the first initiative in this year's plan is numbered 1.4.04. This initiative advances objective 1. It was the 4th initiative proposed under MTW/CLS and it was introduced in the FY '04 Plan. Gaps in numbering sequence indicate that an initiative has been implemented or that DCHA has determined, as part of its exploration of the initiative that it is not feasible or useful to implement. Information on initiatives that were introduced in FY 2009 and that are not included in this plan will be included in the MTW/CLS Annual report for FY 2009 as we report on the status of those initiatives. This plan only addresses those initiatives that will be pursued during FY 2010.

As DCHA pursues the CLS Initiatives outlined in this plan, it also will be working to achieve the performance benchmarks established in Attachment "D" of the MTW Agreement. At the end of the year, DCHA will prepare a CLS Annual Report to report on the progress it has made toward achieving the benchmarks in the Agreement, and the status of the initiatives outlined in this Plan.

OVERVIEW OF ACTIVITIES AND ISSUES

Households Served¹

Public Housing	FY'10
Projected at beginning of period (Oct. 1, 2009)	7,164
Projected (Sept. 30, 2010)	7,285

Housing Choice Voucher Program (HCVP) ²	FY'10
Projected at beginning of period (Oct. 1, 2009)	10,816
Projected (Sept. 30, 2010)	10,961

Public Housing and HCVP	FY'10
Projected at beginning of period (Oct. 1, 2009)	17,980
Projected (Sept. 30, 2010)	18,246

Housing Households Served by bedroom Size								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0BR	2,408	2,255	2,956	2,563	1,021	999	1,239	1,785
1BR	3,472	3,592	3,626	3,531	4,274	4,855	4,502	4,443
2BR	5,049	5,193	5,196	4,992	5,522	5,801	5,370	5,552
3BR	3,741	3,857	3,757	3,795	4,115	4,426	4,157	4,174
4BR	1,149	1,177	1,204	1,327	1,462	1,567	1,489	1,492
5BR	336	343	370	417	465	494	453	448
6BR	33	35	57	70	78	82	88	86
TOTAL	16,188	16,452	17,166	16,695	16,937	18,225	17,298	17,980

¹ The number of households served as of October 1, 2009 is based on the number of households that were being served as of June 2009, while the Plan was being finalized. The number of households served as of September 30, 2010 is based on the number of households that were being served as of June 2009 increased by the projected number of households expected to be served by the end of the fiscal year.

² This count includes those households served under the MTW voucher, Mod-Rehab, Project Based and non-MTW Tenant Based Voucher programs.

Households Served by Household Type³: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	9,582	9,683	9,732	10,158	10,158	10,829	8,132	10,176
Elderly/non-disabled	1,976	2,140	2,249	2,476	2,399	2,791	4,421	2,215
Disabled	4,626	4,629	5,185	5,743	6,126	6,420	10,201	11,029
other	4	-	-	-	-	-		
TOTAL	16,188	16,452	17,166	18,377	18,683	20,041	22,754	23,330

Households Served by Income Group: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	15,258	15,465	15,869	15,432	15,428	16,451	15,319	15,680
30%-50%AMI	876	926	1,187	1,153	1,322	1,622	1,690	1,992
50%-80% AMI	54	60	105	104	176	123	272	240
>80%AMI	-	1	5	6	11	57	16	68
TOTAL	16,188	16,452	17,166	16,695	16,937	18,254	17,298	17,980

Households Served by Race: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander/Hawaiian	48	48	53	51	59	70	123	68
Black	15,734	15,829	16,643	16,185	16,458	17,706	16,643	17,308
Native American / Alaskan	6	7	27	28	28	29	31	12
White	313	326	369	363	364	436	375	412
Other	87	242	74	68	28	13	125	186
TOTAL	16,188	16,452	17,166	16,695	16,937	18,254	17,298	17,980

Households Served by Ethnicity: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	--	339	350	413	344	389	459	507
Non-Hispanic	--	16,113	16,816	16,282	16,593	17,865	16,839	17,442
TOTAL	--	16,452	17,166	16,695	16,937	18,254	17,298	17,980

³ These figures represent the number of household members who are fall in these categories instead of only head of households.

As of June 2009, DCHA served a total of 17,980 households. DCHA served a total of 10,815 in its Housing Choice Voucher program and 7,164 in its Public Housing program for a collective total of 17,980. The number of households served in the public housing program has changed slightly downward due to the continued modernization efforts in progress thereby keeping units offline temporarily. For example, the all the units at the Columbia Road site are undergoing renovation work, including structural upgrades, exterior upgrades and hazardous material testing. Similarly, a significant number of units at the Hopkins and Claridge are offline due to capital work currently underway.

The number of households served in the HCV program increased slightly DCHA projects to serve a total of 18,246 households by the end of fiscal year 2010. In terms of individual programs, DCHA plans to add 121 ACC units and increase its household participation in the HCV program by 214. The increase in the number of public housing units will result from DCHA private-partnership mixed finance agreements whereby DCHA will add units to its inventory. For example, DCHA plans to add 30 units from a partnership with the Community Builders. DCHA will also see the completion of the remaining 34 units at the Capper/Carrollsborg HOPE VI Redevelopment project by the end of fiscal year 2010.

The slight growth in the voucher program will be due to continued opt-outs in the District of Columbia resulting in DCHA's issuance of tenant-based vouchers to affected tenants.

DCHA projects that the demographic of households served to remain generally consistent with previous years.

Waiting List Issues

Households on Waiting List by Housing Type								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Public Housing	17,374	20,492	26,458	27,622	29,797	29,756	11,222	12,797
HCVP	26,218	30,876	40,884	44,500	47,229	48,748	19,694	22,243

Households on Waiting List by Bedroom Size: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0 BR	6,325	7,011	6,367	6,450	6,995	6,869	3,169	4,661
1 BR	2,531	3,363	6,636	7,535	8,690	8,966	2,847	3,039
2 BR	4,620	5,502	7,453	7,730	7,848	7,899	3,026	2,921
3 BR	2,947	3,485	4,667	4,580	4,906	4,649	1,724	1,816
4 BR	714	846	1,088	1,118	1,186	1,211	420	357
5 BR	116	141	119	95	71	67	30	3
6 BR	20	30	25	19	6	7	6	1
6+ BR	101	114	103	95	95	89	-	
TOTAL	17,374	20,492	26,458	27,622	29,797	29,757	11,222	12,797

Households on Waiting Lists by Income Group: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	17,006	20,077	25,971	27,244	29,385	29,374	11,015	12,111
30%-50% AMI	330	357	421	318	353	334	178	569
50%-80% AMI	9	13	23	20	19	9	16	65
>80% AMI	29	45	43	40	40	39	13	51
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756	11,222	12,797

Households on Waiting Lists by Income Group: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	25,565	30,164	39,951	43,659	46,349	47,906	19,131	20,528
30%-50% AMI	582	622	821	739	776	749	498	1,422
50%-80% AMI	27	29	48	39	41	24	41	195
>80% AMI	44	61	64	63	63	69	24	98
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748	19,694	22,243

Households on Waiting Lists by Household Type: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non-disabled	15,390	18,340	23,320	24,269	25,962	25,921	7,931	8,875
Elderly/non-disabled	956	1,133	1,323	1,051	1,343	1,200	337	280
Disabled	988	969	1,751	2,251	2,445	2,590	2,954	3,440
other	40	50	64	51	47	45	-	201
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756	11,222	12,797

Households on Waiting Lists by Household Type: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non-disabled	22,073	26,304	34,103	37,142	38,924	39,845	13,556	15,534
Elderly/non-disabled	1,749	2,080	2,881	2,690	3,237	3,508	690	300
Disabled	2,340	2,422	3,825	4,668	4,989	5,317	5,448	6,410
other	56	70	75	-	79	69	-	-
TOTAL	26,218	30,876	40,884	44,500	47,229	48,739	19,694	22,243

Households on Waiting Lists by Race: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	95	111	185	140	150	147	42	56
Black	16,750	19,780	25,505	26,653	28,733	28,688	10,442	11,781
Native American / Hawaiian	52	59	69	65	74	77	26	21
White	395	465	640	672	765	773	190	214
Other	82	77	59	92	75	71	522	725
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756	11,222	12,797

Households on Waiting Lists by Race: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	135	154	263	231	263	281	76	96
Black	25,216	29,722	39,335	42,803	45,383	46,842	18,310	20,525
Native American / Hawaiian	66	90	100	164	113	121	51	43
White	660	769	1,070	1,187	1,308	1,345	401	399
Other	141	141	116	115	162	159	856	1,180
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748	19,694	22,243

Households on Waiting List by Ethnicity: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	--	700	412	542	548	539	1,046	1,004
-Non-Hispanic	--	19,792	24,609	27,080	29,249	29,186	10,176	11,791
Non-Reported	--	--	1,437	-	-	31	-	2
TOTAL	--	20,492	26,458	27,622	29,797	29,756	11,222	12,797

Households on Waiting List by Ethnicity: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	842	992	664	895	1,005	1,008	1,464	1,468
Non-Hispanic	25,376	29,884	40,220	43,605	46,224	47,644	18,230	20,772
Non-Reported	-	-	-	-	-	96	-	3
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748	19,694	22,243

As noted in our previous MTW Plans, DCHA implemented a comprehensive strategy to update its waiting list in 2008, resulting in a dramatic decrease of the number of households on the waiting list in 2009. The waiting list figures for 2010 represents the number of households on the waiting list as of June 2009, the month in which the 2010 Plan was being finalized. As shown in the increase between fiscal year 2009 and 2010, we anticipate some changes to the number as households will continue to submit applications to be placed on the waiting list. DCHA receive an average of 300 new applicants to be placed on the waiting list per month.

Occupancy Policies

A. Statement of policies governing Eligibility, Selection, Admissions, Assignment and Occupancy of Families including Deconcentration

In order to establish a mix of incomes at its properties, DCHA has had an Admissions and Occupancy Policy in place for the past eight years that places importance on including working families in the DCHA community mix. Fifty percent of the applicants admitted in any year are working families, the elderly or disabled. Fifty percent are all other categories of applicants. With a public housing waiting list of over 10,000, 98% of whom are extremely low-income, a typical applicant can expect to wait several years before being offered a public housing unit. Those with a need for a unit size in high demand, such as two-bedroom units, will wait the longest. DCHA does not offer public housing as emergency housing; as such it has no provisions for preferences for families with emergency housing needs. However, DCHA works collaboratively with area non-profits and other government agencies that do provide emergency housing.

To enhance each residents' quality of living in the DCHA ACC units and the overall community, the residents at each of the sites, with DCHA staff, are working on establishing the standards for their site. Some of the standards that get established may require exercising MTW flexibilities.

In addition, DCHA screens applicants for criminal and drug related activity, reliability in paying rent, various good neighbor factors and ability to comply with the terms of the lease. Applicants are given at least two opportunities to select a unit before they are removed from the waiting list.

In its screening of applicants for criminal activity, if it is determined by DCHA that an applicant may be ineligible as a result of criminal history, an informal conference is held with the applicant and s/he is provided an opportunity to present any mitigating factors that would indicate to the Authority that the applicant should not be determined to be ineligible based on an unsatisfactory criminal history. At this conference, if it is clear that the criminal history is the result of actual or threatened domestic violence against the applicant, then the applicant will not be determined to be ineligible.

DCHA's continuing occupancy policies are based on principles of equity for all residents and the protection of the right to quiet-enjoyment of the residential premises. In order to foster the best living environment for all residents, DCHA enforces recertification, rent payment policies and other requirements of the resident's lease and uses landlord-tenant court and eviction, as necessary, to assure that all tenants comply with their lease obligations. DCHA pursues lease enforcement in cases of criminal activity both on and off DCHA's premises. The authority uses One Strike evictions as an important part of its crime reduction activities, but each case is based on a review of the particular facts in each situation before proceeding. DCHA recently updated its Tenant Public Housing Lease to adhere to the District's laws and regulations governing the possession and registration of firearms in the District. Under the new lease, tenants are to refrain from storing, maintaining, using, distributing, purchasing or selling any type of firearm or ammunition on the Leased Premise or

development, whether registered or unregistered. The new revision further states that residents of are not to engage in any violent criminal activity or, except as permitted by District of Columbia law, be in possession of any firearm or ammunition for a firearm.

DCHA does not have any properties with a large number of families with relatively higher incomes, except in HOPE VI properties where explicit policies have been established to market to and recruit families with a wide-range of incomes. The majority of families residing in all DCHA's properties have incomes below 30% of the Area Median Income (AMI), and most of those families have incomes only at 10-12% of AMI. Since the majority of families on DCHA's waiting list are also below 30% of median income, DCHA's efforts to deconcentrate its communities is focused on improving the incomes of its current residents. This has been DCHA's deconcentration policy since QHWRA instituted the requirement for a deconcentration policy.

In May 2006, DCHA signed a new Amended Voluntary Compliance Agreement (VCA) with the U.S. Department of Housing and Urban Development (HUD) resulting in several revisions to DCHA Admissions and Continued Occupancy Policy (ACOP), Transfer Policy and public housing lease. These revisions impacted how families with disabilities requiring special unit features are assisted by DCHA.

Admissions and Continued Occupancy Policy (ACOP) and Transfer Policy

Priority order for offering the following types of available UFAS-Accessible Units and Reasonable Accommodation Units:

UFAS-Accessible Units—DCHA-owned inventory

1. Current DCHA residents with verified mobility disabilities requiring the accessible features of the unit; and
2. Qualified applicants with verified mobility disabilities needing a UFAS-Accessible unit

New UFAS-Accessible Units at Mixed Income/New Construction "MINC" Developments—in the event that there is more than one family falling in the following priority groups, they will be ranked according to the re-entry system of the development, the families' initial transfer request dates or the families' application dates, whichever is applicable.

1. Qualified returning residents (former resident of one of the developments being redeveloped) with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size;
2. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *Interim Immediate Needs Plan*;
3. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *2007 Interim Immediate Needs Plan*;

4. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, on the DCHA's Transfer List;
5. Qualified Public Housing applicants on the DCHA Waiting List with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size; and
6. Qualified Housing Choice Voucher applicants with verified need for a UFAS-Accessible unit of the appropriate bedroom size.

Reasonable Accommodation Units—created for applicants on the Walker/Canes/Crutches (WCC) Applicant List. DCHA created 25 WCC units per the Voluntary Compliance Agreement. These units are currently occupied.

Supplement to the Lease

The DCHA lease has been revised to address the following situations in order to ensure that UFAS-Accessible and Reasonable Accommodation units are readily made available to families requiring the features of such units. Both DCHA and private owners or their management agent (POMA) of MINC developments shall enforce these provisions:

1. Non-disabled families housed in UFAS-Accessible and Reasonable Accommodation Units will sign a special lease supplement agreeing to be transferred within ten (10) days of being notified by DCHA that a family requiring the accessible features of the unit has been identified. Non-disabled families are offered and housed in UFAS-Accessible and Reasonable Accommodation Units when there are no qualified residents or applicants at the time needing the features of the unit.
2. Remaining Family Members for which the disabled family member has died or has been relocated must relocate to a vacant non-accessible unit within six (6) months of the former resident's death or relocation

UFAS Unit Production

By October 1, 2009, DCHA will have either created or converted a total of 535 UFAS units and a total of 565 units by the end of the FY 2010. With the creation of these additional accessible units throughout DCHA's properties and our HOPE VI sites, DCHA is creating affordable housing opportunities for families that have members who are mobility impaired. DCHA has previously indicated to HUD's Office of Fair Housing and Equal Opportunity (FHEO) that current market conditions have stalled construction activities. Through MTW flexibility, however, DCHA created a UFAS Loan Program, an innovative program to continue the production of UFAS units. Through this loan program, private landlords are provided with a maximum of \$50,000 per unit to make their rental unit UFAS compliant. Through this program, DCHA has generated 3 units of which all are currently occupied. DCHA will create at least 7 additional units with the first quarter of FY 2010. DCHA will continue to produce UFAS units until it reaches 585 units are created, thereby satisfying the terms of our VCA.

Property and Unit Designations

DCHA has eight (8) properties designated as "elderly only". These include:

- Edgewood Terrace with 89 public housing units (HOPE VI)
- Senior Building at Wheeler Creek with 89 public housing units, (HOPE VI)
- “Capper I” Senior Building with 162 units (HOPE VI)
- Capitol Gateway Senior⁴ building with 151 units, (HOPE VI)
- Triangle View Senior Building with 100 units, (HOPE VI)
- Knox Hill with 122 units (conventional ACC)
- Regency House with 160 units (conventional ACC)
- Carroll Apartments with 60 units (conventional ACC)

Housing Choice Voucher Program Eligibility, Selection, Admissions of Families including Deconcentration

The DCHA waiting list for tenant-based assistance requires most applicants to wait many years before being issued a voucher, except for certain instances where the District Government condemns a building inhabitable. While DCHA gives first preference to homeless households, it does not provide emergency vouchers. Prior to participation in the MTW demonstration, several critical actions were already being taken aimed at improving the success rate of customers with vouchers seeking to lease a home.

These include:

- Implementation of Fair Market Rents based on the 50th percentile of area rents
- Increase in utilization rates
- Increasing voucher term to lease up a unit to 180 days
- Establishing a Landlord Advisory Committee to advise on program improvements to maintain and increase the number of participating landlords
- Establishing a 110% payment standard to assist clients in D.C.’s aggressive rental market.

As a result of these efforts and the introduction of housing search assistance, the success rates of new voucher assistance recipients improved from 50% to the current 75%.

In addition to increasing success rates for HCVP recipients, DCHA also counsels its voucher participants to mitigate the concentration of low income voucher holders in already poverty impacted neighborhoods. During FY 2010, DCHA will explore the creation of a programmatic system that is more comparable with DC’s aggressive rental market.

B. Rent Policy

In an effort to streamline its method of income and rent calculation process, during FY 2010, DCHA will continue to explore various options in its rent policy that will not cause undue rent burden to tenants and be financially and administratively beneficial to the agency. For example, DCHA is considering reducing the levels and items that are deducted and/or excluded in income and rent calculation and lowering the percentage rent charged to almost a flat rent schedule. DCHA is also considering lowering the percentage of rent charged (compared to income) tenants as an alternative. DCHA’s current rent policy is that a resident must pay rent based on 30% of adjusted income.

⁴ This development is a Project-Based Section 8.

In FY '04, DCHA adopted a local regulation using MTW flexibility that reduces the administrative overhead of offering the QHWRA initiated Flat Rents to public housing residents, while providing the same benefits to residents. Called "Market-Based Rents" to differentiate the local DCHA revised program from HUD's "Flat Rents", the new rule, implemented in October 2004 makes charging a market-based rent in lieu of an income-based rent automatic whenever it provides a financial advantage to the household. Conversely, whenever a household requests an interim recertification because of a reduction in income the lower of the two rent options is charged to the resident. DCHA will continue this policy in FY 2010 until it determines an alternative rent calculation methodology.

In FY 2008, DCHA adopted a local regulation using MTW Flexibility to simplify the calculation of rent. This effort is the beginning of DCHA's comprehensive goal to simplify the dated, cumbersome rent simplifications as currently required. The regulations adopted this year raised the floor on the value of income from assets that must be included in the calculation of income. DCHA will now allow income from assets of less than \$1,000 to be excluded from the determination of annual income and we established that total household assets of less than \$15,000 do not need to be reported. In addition, imputed asset income is not included in the calculation of income. These new local regulations will reduce administrative overhead significantly. Prior to the adoption of the new regulations, staff was required to include copies of bank statements in the file for every applicant at initial certification and every year thereafter at recertification. While this paperwork was required for every household, less than 1% of our residents or participants had income from assets. The new regulations also include provisions that extend the period of time that information collected from applicants is valid; this will reduce the number of times that staff must collect this information during the course of the year, and reduces the burden on our clients to provide this information, particularly if an offer of housing is not imminent. DCHA will continue this policy in FY 2010

In FY 2009, the DCHA Board of Commissioners approved a resolution to adopt a final regulation to amend the process in which rent reasonableness are determined. DCHA will implement this change in FY 2010. Under the new policy, DCHA will have set rent amount for each rental sub-market area. The rents are set based on the average rents charged in the sub-market broken out by bedrooms and with or without utilities. This new method of establishing reasonable rents change the way rents were calculated where previously, reasonable rents were based on a range of rates. The rent schedule will be posted on the DCHA website for view by current and prospective landlords.

Changes in Housing Stock

Number of Public Housing units in Inventory	
At beginning of period (Oct. 1, 2009)	Projected at end of period (Sept. 30, 2010)
8,032	8,161

Number of Vouchers in Inventory	
At beginning of period (Oct. 1, 2009)	Projected at end of period (Sept. 30, 2010)
10,816	10,961

As shown above, DCHA housing stock inventory is projected to start the fiscal year with a total of 8,032 standing units. It is projected that the number of units will grow by at least 121 units by the end of the fiscal year, bringing the total housing stock inventory to 8,161. This increase is the results of units returning to service following the completion of bond funded modernization activities and also new public housing replacement units as a result of 34 units at Capper Carrollsburg HOPE VI redevelopment activities.

In addition, DCHA continues to actively pursue public-private partnership with for-profit and non-profit developers to increase its inventory of available public housing stock. Through this partnership, DCHA's anticipates adding 86 units to its public housing inventory during FY 2010, including 50 units at St. Martins through the Catholic Charities, non-profit developer and 30 units at Fairlawn Marshall through partnership with Community Builders, non-profit developer. DCHA had previously projected that all or some of these units be delivered during FY 2009, however, delays in obtaining financing has pushed the delivery of these units further out. Similarly, it should be noted that given the current financial and market conditions, the delivery of these units could be delayed beyond FY 2010.

Sources and Uses of Funding

Sources

A. All sources and amounts of funding

FY10	
<u>Classification</u>	<u>Budget</u>
Administration	35,000,000
Tenant Services	1,000,000
Utilities	25,000,000
Maintenance	17,000,000
Security	7,000,000
General	15,000,000
Capital	40,072,500
<u>HAP</u>	<u>149,000,000</u>
TOTAL	289,072,500

B. Sources, amounts and planned uses of special purpose outside the consolidated budget.

The sources presented above are based on DCHA's current knowledge of grants approved and/or requested, adjusted by any new information we have received via PIH Notice or other reliable source regarding funding trends. Due to the expected decline in low rent program subsidies, the Uses presented reflect DCHA's response to the anticipated funding realities.

In previous years, DCHA pursued available grant funding in the area of resident services and HOPE VI. For FY 2010, DCHA in collaborating with its Resident Council will continue to explore applying for available grant funding opportunities.

In addition to the grants, HUD Operating Subsidy and HAP, DCHA receives funds from its subsidiary corporations, including Construction Services Administration (CSA) and DC Housing Enterprises (DCHE), which provide services within the District to other District organizations and agencies. Over the course of the MTW demonstration, DCHA expects to see a growing part of its funding derive from the revenue generated by these subsidiaries. The subsidiaries are able to earn net revenues that are returned to DCHA. A third subsidiary, ~~Community Vision, Inc is a 501(c)3 organization that is actively fundraising on behalf of DCHA residents.~~

C. Consolidated Budget Statement

DCHA has for several years managed its budget using a consolidated budget format. This comprehensive presentation combined with monthly expenditure projections compared to actual expenditures serves as an effective management tool for the Board of Commissioners, who approves the DCHA budget and review budget versus actual expenditure reports monthly.

A. Previous year expenditures by line item

The table below presents an estimate of the expenditures for FY 209. However, since neither the close-out, nor the audit for FY 2009 has been completed, as such these are estimates and projections only. The final audited FY2009 numbers will be forwarded to HUD upon its completion.

FY09	
<u>Classification</u>	<u>Budget</u>
Administration	37,172,905.00
Tenant Services	952,758.00
Utilities	25,470,765.00
Maintenance	17,468,801.00
Security	6,315,796.00
General	14,498,123.00
Capital	39,000,000.00
<u>HAP</u>	<u>149,606,200.00</u>
TOTAL	\$290,485,348

UsesB. Planned expenditures by line item

Projected expenditures for FY 2009 are presented by line item in the table below based on estimated expenditure for FY 2009. As noted above, however, DCHA is yet to closeout its FY 2009 and complete the FY 2008 audit. As such, the estimated expenditures for FY 2009 are only estimates.

	FY09	FY10	Change
<u>Classification</u>	<u>Budget</u>	<u>Budget</u>	
Administration	37,172,905.00	35,000,000	-6%
Tenant Services	952,758.00	1,000,000	5%
Utilities	25,470,765.00	25,000,000	-2%
Maintenance	17,468,801.00	17,000,000	-3%
Security	6,315,796.00	7,000,000	11%
General	14,498,123.00	15,000,000	3%
Capital	39,000,000.00	40,072,500	3%
<u>HAP</u>	<u>149,606,200.00</u>	<u>149,000,000</u>	<u>0%</u>
TOTAL	\$290,485,348	289,072,500	0%

Administrative – DCHA continues to streamline this cost category, particularly in the low rent program, and this category shows only nominal growth year over year. For FY 2010, DCHA is projecting a 6% decrease in this line item. This cost category includes the cost of direct property management services at all DCHA sites, as well as client placement (the occupancy function). In addition, many of the costs of private management service providers for DCHA's public housing units are also categorized in this line item.

Tenant Services – This line item will largely depend on the grant awards DCHA may receive during FY 2010. DCHA applied, but did not receive a ROSS award during FY 2009. As noted, DCHA is exploring current funding opportunities.

Utilities – The Authority projects to spend a \$25 million on utilities during 2010, representing 2 percent decrease over 2009 budget. This expense category is expected to be under extreme pressure, especially with operating funding projected at less than 100% of eligibility. DCHA is making every effort to conserve in this cost category, but full funding is truly needed in this category.

Maintenance – The Authority will strive to ensure that adequate funding is in place to deliver needed services to DCHA residents. This category includes salaries and benefits for the maintenance employees and specialized crews assigned to the housing developments. It also includes maintenance materials and maintenance contract costs such as heating, cooling, landscaping, janitorial costs, etc. DCHA is projecting to decrease the spending in this line item by 3 percent during FY 2010.

Security – This cost category include costs of labor, benefits, materials and other related costs for all police officers, special police officers, and building monitors assigned to DCHA's public housing developments. DCHA plans to purchase new police equipment during FY 2010, including equipping police cruisers with cameras and other data retrieval and police report writing equipment, which requires an 11 percent budget increase in this line item. DCHA has worked diligently to provide funding to this category. DCHA will continue to seek other funding sources.

General Expenses – This category includes employee benefits and all insurance premiums. It also includes rent collection losses, tenant relocation expenses and equipment purchases. DCHA is projecting an increase of 3 percent for this line item during FY 2010.

Capital – This includes all hard construction costs of the Capital Fund Program, as well as the HOPE VI development program, and the accelerated spending from the DCHA bond proceeds. Most of the HOPE VI funds in the HOPE VI developments have been or are nearly expended, with the exception of the Eastgate project and Sheridan, the most recent award. As such, the HOPE VI revenues and expenditures are projected at 3 percent higher than the previous year. This figure also includes prorated stimulus dollars expenditures from the FY 2009 Stimulus funding award. Overall, DCHA expects to make great improvements to its capital infrastructure, and favorably impact many hundreds of households at its public housing development in the upcoming year.

Housing Assistance Payments (HAP) – This category funds payment to landlords in the tenant and project based voucher programs, and is under extreme cost pressure, as the rental market continues to tighten in the District.

Adequacy of Reserves – DCHA's reserves are currently more than adequate with over \$34.7 million dollars in unaudited unrestricted net assets at the end of FY '07. DCHA will report on its Reserves position at the end of FY 2008 in its FY 2009 MTW Annual Report.

Capital Planning

HOPE VI and Redevelopment

During FY 2010 construction activities at Capitol Gateway, Capper/Carrollsborg, Sheridan Terrace and Glenncrest will continue into FY 2010. These construction activities also include the creation of new UFAS units as prescribed in DCHA's VCA.

At Capitol Gateway, construction of the townhomes and senior units is complete and the HOPE VI dollars expended. DCHA continues to work towards a submission of a PUD application for the Marketplace, retail component, and demolition Capitol View Plaza(s) I and II will continue in FY 2010. DCHA is currently negotiating terms with a potential anchor tenant for the commercial component of the development.

In FY 2009, DCHA began construction on the vertical units as part of Phase I townhomes development at the Capper Carrollsborg HOPE VI redevelopment site. Phase I included a total of 160 units of which 39 are public housing units. The remaining units are homeownership units for low and moderate income households as well as units sold at market rate. To date, DCHA has completed 4 of the 39 public housing units with the remaining scheduled for delivery by the end of FY 2010. Of the homeownership units, 22 units have been delivered and sold as of June 2009 with the remaining projected to be delivered during FY 2010. Predevelopment activities will continue at Sheridan with vertical construction scheduled to begin in the third quarter of FY 2010.

DCHA is reviewing its housing portfolios for potential candidate for mixed financing development and it intends to submit a HOPE VI funding application during FY 2010. One of these projects currently under consideration is Highland Additions. If it is decided that DCHA will submit a HOPE VI application for Highland Additions and is awarded the grant, this project is expected to be a mixed-finance/mixed income development. The plan included in the application would be the result of a comprehensive community planning process.

In addition, DCHA has submitting funding applications under the Capital Fund Recovery Competition Grant Program (CFC) for following projects:

- 2905 11th Street NW (scattered site—Assisted living facility)
- Kentucky Courts
- Hopkins Apartments
- Park Side Additions
- Potomac Gardens
- Sheridan Station
- Highland Dwellings
- Scattered sites
- Arthur Capper Carrollsborg Townhomes Phase II
- Mathews Memorial Apartments

Lastly, consistent with Initiative 4.3.05: *Flexible Funding*, DCHA intends to invest in quality affordable housing opportunities with the goal of expanding housing available to low

income households here in the District of Columbia. These opportunities may include making capital investments to preserve project-based Section 8 properties.

Capital Fund Planned Expenditures

Replacement Housing Funds

Based on the FY 2005 to FY 2009 estimated funding level, DCHA plans to fund predevelopment and construction of an estimated 151 units of public housing. This number of units could increase if DCHA is able to leverage additional public-private funding, and it is considering an open solicitation for proposals seeking such opportunities. To date, DCHA has funded 86 of the 151 units. DCHA will continue to work towards funding the remaining units during FY 2010.

Demolition and Disposition requests

DCHA is working to identify opportunities to improve the quality of the housing inventory available to low income families that reside in the properties listed below. The ability to proceed on any of these properties depends on a variety of factors including economic conditions and the availability of financing. It is hoped that some of these factors will align to permit proceeding on a number of properties during FY 2010. Demolition timetables for each of the properties will be determined as planning and development evolves.

DCHA submitted disposition application to HUD for Highland Addition and Sheridan in FY 2008. DCHA has received HUD approval for Highland Addition and is awaiting approval for Sheridan.

During FY 2010, DCHA will continue to develop its redevelopment options and other treatment strategies for properties that are part of the District's New Communities Initiative to which the City has appropriated limited planning funds. The properties include:

- Barry Farm
- Lincoln Heights/Richardson
- Park Morton
- Sursum Corda Townhomes

DCHA will continue to explore options for the redevelopment opportunities for the following sites:

- Langston Dwelling and Langston Addition
- Scattered Sites
- Montanan Terrace
- Richardson Dwellings (if it is not included in the New Communities)

With these four properties, DCHA is exploring a variety of options, including Historic tax Credits. For example, DCHA is explore the option of Historic Tax Credit as a source of redevelopment for Langston Dwelling and Langston Addition, a site that is one of the first public housing development in the country targeted for African Americans. The development was built in 1936 and is registered in the National Register of Historic Places.

Lastly, in the absence of available funding for capital improvements necessary to achieve a 20 year viability, DCHA will explore the repositioning of four of its properties, through its subsidiary, from conventional public housing program to project based Section 8/HCV assisted housing. The subsidy and rental income generated from these developments will be used to finance substantial rehabilitation or redevelopment of the properties. Based on the outcome of our analysis, DCHA may submit a disposition application for the any of the four properties during FY 2010. The four properties under consideration include:

- Benning Terrace
- Highland Dwellings
- Richardson Dwellings
- Woodland Terrace

D. **Homeownership activities**

DCHA has incorporated a strong homeownership component in each of its HOPE VI projects. In addition, over the next several years DCHA will be continuing its transformation of its scattered site inventory through the conversion of a substantial part of it to homeownership opportunities for low and moderate income families. This will be accomplished in part through the income realized from the sale of some units at full market value in order to raise the necessary funds to preserve the remaining units for low and moderate income families.

During FY 2010, DCHA will continue to work to create affordable homeownership opportunities for 89 households with 44 affordable units at the Capper Carrollsburg HOPE VI Redevelopment project and 45 units at the Glenncrest site. Our other redevelopment projects have produced a number of affordable homeownership units during FY '09, which will be discussed in the FY '09 Report to be submitted in December 2009. DCHA will continue to work to create homeownership opportunities for low and moderate income households. As an effort to increase homeownership opportunities for all of DCHA's residents, DCHA is expanding the self-sufficiency program to benefit public housing residents.

Management Information for Owned/Managed Units

As the size of its inventory of units temporarily shrinks during this period of extensive redevelopment activity, DCHA has consolidated the three regions into two, including Rock Creek and Potomac. These two regions are the core of its successful housing management strategy. A separate division is now responsible for properties owned by DCHA, but managed by private management companies, and for public housing units associated with mixed-finance properties that are coming back on line.

Projected Vacancy Rates by Property at Beginning of Fiscal Year 2010					
DCHA – Rock Creek					
Property	Total # of Units	# of Available Units FY '10	# of Occupied Units FY '10	Actual Adjusted Vacancy Rate FY '10	Target Adjusted Vacancy Rate FY '10
Colorado	21	21	20	4.8%	2%
Columbia Road ⁵	23	0	0	n/a	n/a
Garfield Terrace	279	272	268	1.5%	2%
Harvard Towers	193	114	114	0.0%	2%
Kelly Miller Apartments	160	131	122	6.9%	2%
Langston Addition	34	34	33	2.9%	2%
Langston Terrace	274	270	255	5.6%	2%
LeDroit Apartments	124	115	109	5.2%	2%
Park Morton Apartments	174	167	162	3.0%	2%
Scattered Sites	63	24	24	0.0%	2%
Fort Lincoln	120	107	106	0.9%	2%
Greenleaf Gardens	278	274	269	1.8%	2%
Greenleaf Senior	215	212	208	1.9%	2%
James Apartments	141	140	137	2.1%	2%
James Creek Apartments	239	233	230	1.3%	2%
Judiciary House	271	166	159	4.2%	2%
Montana Terrace	64	63	62	1.6%	2%
Syphax Gardens	174	167	164	1.8%	2%
TOTAL	2,847	2,510	2,442	0.12%	2%

⁵ Units at this development are currently undergoing capital improvements activities.

DCHA – Potomac					
Property	Total # of Units	# of Available Units FY '10	# of Occupied Units FY '10	Actual Adjusted Vacancy Rate FY '10	Target Adjusted Vacancy Rate FY '10
Barry Farm	432	419	404	3.6%	2.0%
Benning Terrace	273	255	240	5.9%	2.0%
Carroll Apartments	60	59	58	1.7%	2.0%
Elvans Road	20	15	15	0.0%	2.0%
Fort DuPont Addition	16	16	15	6.3%	2.0%
Fort DuPont Dwellings	104	103	101	1.9%	2.0%
Highland	326	316	310	1.9%	2.0%
Kenilworth Courts	290	286	275	3.8%	2.0%
Kentucky Courts	118	115	110	4.3%	2.0%
Knox Hill Senior	122	122	117	4.1%	2.0%
Lincoln Heights	440	415	391	5.8%	2.0%
Maryley Ridge	9	9	9	0.0%	2.0%
Parkside Addition	42	42	41	2.4%	2.0%
Richardson	190	185	183	1.1%	2.0%
Stoddert Terrace	158	151	150	0.7%	2.0%
The Villager	20	19	19	0.0%	2.0%
Wade Apartments	12	11	11	0.0%	2.0%
Woodland	234	227	216	4.8%	2.0%
Scattered Sites	15	10	10	0.0%	2.0%
TOTAL	2,881	2,775	2,675	0.15%	2.0%

Privately Managed⁶					
	Total # of Units	# of Available Units FY '10	# of Occupied Units FY '10	Actual Adjusted Vacancy Rate FY '10	Target Adjusted Vacancy Rate FY '10
Clairidge	343	211	211	0.0%	2.0%
Horizon House	105	65	65	0.0%	2.0%
Regency House	160	160	160	0.0%	2.0%
Lincoln Road/Ontario	33	39	39	0.0%	2.0%
Sibley Plaza	246	218	218	0.0%	2.0%
Sursum Corda	28	24	24	0.0%	2.0%
Potomac Gardens	352	326	317	2.8%	2.0%
Hopkins Apts.	158	154	145	5.8%	2.0%
Wheeler Creek	148	148	148	0.0%	2.0%
Kentucky Courts	12	12	12	0.0%	2.0%
Capper I	162	162	162	0.0%	2.0%
400 M Street (Capper II)	139	138	135	2.2%	2.0%
Triangle View-Senior	100	100	100	0.0%	2.0%
Glenncrest-Family	61	61	61	0.0%	2.0%
Capitol Gateway-Family	61	61	61	0.0%	2.0%
Edgewood	89	89	87	2.2%	2.0%
Henson Ridge	68	68	68	0.0%	2.0%
Oxford Manor	30	30	30	0.0%	2.0%
Capitol Quarter (39)	4	4	4	0.0%	2.0%
TOTAL	2,299	2,070	2,047	1.1%	2.0%

The three tables above provide a snapshot of performance indicator at each of the properties and other data as of June 2009 of each year of the MTW demonstration period because of the timing of MTW Annual Plan submission does not permit for beginning-of-fiscal year data to be gathered and analyzed. However, current data shows that the overall vacancy as of June is one percent and it is anticipated that the vacancy to remain between one to less than 2% for the fiscal year.

B. Rent Collections

Rent Collections: Cash Collected compared to Rent Billed	
At the beginning of period (Oct. 1, 2009)	Projected at the end of period (Sept. 30, 2010)
98%	98%

DCHA projects a high percentage of cash collected compared to rent billed. The Authority will seek to continue this high standard.

C Work Order

Work Orders: Days to Complete Routine Work Orders	
At the beginning of period (Oct. 1, 2009)	Projected at the end of period (Sept. 30, 2010)
23	23

⁶ Last year's Plan included a count of 145 units at Capitol Gateway Senior development as ACC units. These units are project based Section 8 units and should not have been reflected as part of the public housing count.

DCHA has tracked this measure according to the requirements of its MTW Agreement benchmark. It will continue to complete work orders within its projected average of 23 days.

Work Orders: %-age Emergency Work Orders completed within 24 hours	
At the beginning of period (Oct. 1, 2009)	Projected at the end of period (Sept. 30, 2010)
100%	100%

C. Inspections

HUD's Housing Quality Standards regulations currently require that each public housing unit and system be inspected annually. DCHA will continue to conduct its annual HQS of its housing inventory and will complete 100% inspection rate by the end of FY 2010.

E. Security

DCHA has a successful Office of Public Safety (OPS) which DCHA recognizes as an integral part of its property management function. The OPS has been effective in working with the District of Columbia Metropolitan Police Department (DCMPD) for continued reduction in the crime rate at all DCHA properties. However, with the elimination of the Public Housing Drug Elimination Program, which provided significant funding to implement crime prevention strategies, and the reduction in operating subsidy funding, DCHA will continue to seek out city funds and a myriad of other grants to support OPS operations.

Programmatically, during FY 2010, DCHA's OPS plans to continue its work with the DCMPD in its continued efforts of crime reduction. Specifically, DCHA will continue to carryout the actions described in previous MTW Plans and explore new strategies, which included:

- Develop and implement the Public Safety component of the long term asset management strategies for each conventional public housing property through the use of community policing strategies and techniques.
- Increase safety and security at public housing properties through improved technology and equipment, including the installation of cameras at properties thereby enabling officers to monitor activities remotely.
- Recruit and retain highly qualified public safety personnel.
- Work with the city's police department in coordinated criminal reduction activities.
- Implement random illegal drug screening program for DCHA's OPS personnel
- Explore the installation of video cameras in 25% of its police fleet. The purpose of these cameras will be to provide image of each encounter a DCHA officer has with an arrestee or citizen contact.
- Explore the implementation of Mobile Data Computers in entire fleet for the purposes of police report writing, to conduct criminal background checks through the Washington Area law Enforcement System (WALES) and the National Crime Information Center (NCIC).

Management Information for Leased Housing

A. Leasing Information

DCHA expects that it will meet its target lease-up rate in both the voucher program and public housing for 2010. DCHA will continue to have leasing rate of least 98% of better of the vouchers that were available to it at the beginning of the term of the MTW Agreement, October 1, 2002. With this accomplished, DCHA will continue its eligibility to apply for any additional vouchers that may be made available by HUD with a utilization threshold as a determination of eligibility to apply.

Rent Reasonableness

DCHA will implement a new Rent Reasonableness policy in FY 2010 that changes the way in which rent reasonableness is determined. The new Rent Reasonableness methodology will be based on rental rate schedules segregated by submarket areas. With this the implementation of this new methodology, DCHA is able to streamline its rent determination processing using geographic submarkets within the District as determined by the District's Office of Tax and Revenue. On annual basis, DCHA staff will determine the average contract rents for all unit sizes and/or types in each submarket. The results of the annual evaluation will be published and made available to landlords, HCVP participants and the public via DCHA's website at www.dchousing.org. DCHA staff will monitor the rental market in the District closely and if the market changes by 10 percent or more, DCHA will conduct a mid-year evaluation for certain sub-markets. Minimum base rent amounts will not be established based on this initiative.

In addition, DCHA will continue to use at least two comparable units for rent determinations. DCHA may also use rental market information obtained from the newspapers, realtors and other available sources. The determination of reasonable rent will be made based on comparable rents of similar units within the same or nearby submarkets. This process will lessen the administrative burdensome process of reasonable rent determination. Moreover, it will also result in DCHA making rent determinations that are more reflective with comparable unassisted units in the market.

Expanding Housing Opportunities

DCHA has established of a high payment standard of 110% in order to expand housing opportunities for its voucher recipients. Moreover, In an effort to serve a diverse population, DCHA will continue to operate several programs utilizing the voucher as a housing subsidy. Within these programs, we partner with numerous stakeholders to continue to provide housing opportunities. These programs include:

- Tenant Based Vouchers
 - Linguistically Isolated Program
 - Family Unification Program
 - Mainstream Disability Voucher Program
 - Veteran Administration Supportive Housing (VASH) Program
 - Witness Relocation Program
 - Public Housing Relocation Program
 - Home Ownership Voucher Program
 - DMH / Homeless Voucher Program

- HUD Opt-Outs Program
- VCA ADA/504 Programs
- Project Based Voucher Program
 - Partnership Program
 - Multicultural Program
 - KPRMC Settlement Program
 - Mod Rehab / SRO Program
 - 11b New Construction Program

De-concentration of low income families

DCHA now conducts an annual study to determine average market rents for each of the Subdivisions in the District. This information is used to assess the availability of housing for voucher holders in areas of low poverty concentration and improve success rates in these neighborhoods. Additionally, during FY 2008, DCHA will continue to examine the feasibility of reestablishing the use of exception rents for certain neighborhoods. DCHA has also upgraded its briefing package and presentation to include materials to assist new voucher recipients in finding a home in a non-poverty impacted areas.

The aggressive rental housing market in the District of Columbia has changed the dynamics in traditionally impacted neighborhoods. Several Distressed neighborhoods the source of new private housing investments. These new housing opportunities are reshaping the socio-economics in communities that currently include homes subsidized by the voucher program.

B. Inspection Strategy

In FY 2010, DCHA will continue to seek ways to improve the efficiency of its HCVP program and the quality of the housing occupied by voucher recipients by modifying its inspection schedule and reviewing the content of the standards themselves using the flexibility allowed by its MTW Agreement. This is described in Initiative 3.7.08. Until this initiative has been implemented, DCHA is scheduled to complete its annual HQS inspections of units under a HAP contract. DCHA staff will also complete quality control re-inspections on a sample of all units under contract. In addition, DCHA inspections staff will require that HQS violations are repaired or the HAP contract will be terminated.

DCHA's inspection protocols are aggressive and approximately 50% of all units under contract require a return inspection to ensure that HQS violations have been repaired. Additionally, approximately 50% of all units presented for a first time inspection are not found to be acceptable. This initial failure rate of units proposed for new lease-ups speaks to the City's aged affordable housing stock.

DCHA inspectors have also been trained and tasked with gathering data onsite during the initial inspections for the use of the HCVP Real Estate Analysts in compiling and populating the comparable rental listings for the rent reasonableness database.

Resident Programs

DCHA sponsors and coordinates a medley of services created to improve the livability of the authority's communities and to provide opportunities for both public housing and voucher clients to improve their individual lives through its Office of Resident Services (ORS). DCHA carries out these services with a host of public and private partners through its Office of Residents Services targeted at empowerment activities and Support services. DCHA will continue to build on those services it launched in the previous years in 2009 during FY 2010. The programs and services will include the following.

Public Housing Kinship Care Partnership

A growing number of children are separated from their parent (s) as the result of abandonment, incarceration, medical and mental dysfunction, and economic strangulation. In responding to these types of circumstances confronting the family, a growing number of elderly residents become caretakers for children and youth frequently at mixed population properties. To support these grandparents, the Office of Resident Services will collaborate with the DC Department of Child and Family Services to insure that the needs of impacted children are addressed and that grandparents are linked with programs and services for which they qualify. Moreover, to increase awareness of resources and available assistance to the elderly, DCHA will distribute a monthly schedule of community programs and coordinate transportation arrangements available through the D.C. Office on Aging and Departments of Recreation.

Employment Support

DCHA will continue to build its employment services and support program by focusing on Empowerment through Employment as part of the workforce preparation services, providing residents a structured pathway to entry level employment, job training, apprenticeships in several occupations, case management, pre-employment orientation, job placement in the public and corporate sectors, and personal development. The centers are one stop human services centers, providing a diverse mix of assistance targeted to the family unit. These services will be provided in partnership with the District of Columbia Employment Services (DOES). DCHA is currently exploring entering in a Memorandum of Understanding with DOES to solidify relationship and the services to be provided to DCHA's public housing residents.

Academic Mentoring for Youth

Academic support for children and youth is a necessary component of a comprehensive youth development strategy. DCHA will implement a mentoring component in partnership with youth serving organizations in the community and launch First Book sites at several DCHA developments. In combination, both initiatives will pair at-risk children with adult mentors and engage them in reading projects as a form of academic support. Moreover, DCHA will continue to explore scholarship fundraising strategy with support college bound DCHA students. DCHA will also continue the Do Your Best Academic Enrichment in FY 2009. Through this program, DCHA is able to provide academic enhancement opportunities to public housing residents, which includes college tours and college admissions exam preparation. During FY 2008, DCHA collaborated with the Department of Housing and Urban Development in establishing a relationship with the Washington National Opera (WNO) to expose young public housing resident to career

opportunities that can be found in Opera. DCHA plans to continue this relationship with the WNO and explore other similar opportunities with other public and private organizations during FY 2010.

Fund Development

DCHA applied and/or explored several grant funding opportunities during FY 2008 and FY 2009 with the anticipation of receiving an grant(s) award, including Neighborhood Networks, ROSS and a grant through the U.S. Department of Health and Human Services. However, DCHA was not a recipient of the grants for which is applied. During FY 2010, DCHA will continue to explore all funding opportunities to benefit the residents.

Youth Advisory Group

During FY 2010, DCHA will work with its resident council to explore the establishment of a Youth Advisory Group. The purpose of the group will be to involve the youth public housing residents in the leadership opportunities and in youth oriented programming that impact their lives, such as the annual do-your-best- program. Other areas where the Youth Advisory Group will have involvement will be in deciding on visits to the universities and colleges.

Resident Academy

During FY 2010, DCHA will have a kick off in the launching of its Resident Academy. The Resident Academy will serve as a training ground for resident council group in the area of leadership development, organizational and capacity building, advocacy development and resources development. The Resident Academy will also provide classes on establishing 501(c) (3) organizations. The latter will be accomplished with partnership with a local law firm. DCHA has reached out to various law firms and will be working towards establishing formal relationships with interested law firms.

CREATIVE LIVING SOLUTIONS INITIATIVES

Overview

The outlines for the initiatives provided in this plan are just the beginning of a participatory exploration and implementation process. Each one of the initiatives outlined in this plan will be treated individually in great depth before any changes are final. Each Initiative will be subjected to a comprehensive public review process with residents and local advocates before DCHA implements any of them. During this participatory process, the nature of the proposed change may be modified significantly based on stakeholder input. The outlines for each initiative are purposefully broad so as not to undermine the validity of the participation and exploration process.

Many of the changes envisioned in the initiatives described in this plan will require official action of the DCHA Board of Commissioners after publication and public notice and comment in accordance with local law. In practice, prior to starting the public rulemaking process DCHA consults with and obtains comments and input on any proposed rule changes or new rules from key stakeholders such as the DCHA Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and Participant Advisory Committee and the housing advocate community. Once a draft regulatory rule is ready, it is presented to the appropriate committee(s) of the Board of Commissioners. The Board of Commissioners has three committees with defined responsibilities. These committees are:

- Development and Modernization;
- Operations,
- Audit and Finance, and
- Education

Once the appropriate Board committee has provided approval to publish the proposed rule, it is published for 14 to 30 days in the DC Register by the government of the District of Columbia. Written comments are received and reviewed. Based on the comments and further discussion with stakeholders the proposed rule may or may not be amended. If it is significantly amended it is taken back before the appropriate Board committee(s) and with the committee(s) approval republished for an additional notice and comment period and additional review of all comments by the Board committee(s). Once the committee(s) approves the proposed rule it is placed on the Board of Commissioners public agenda for action after public testimony. The agenda is distributed to all of the Resident Council Presidents and reviewed with the Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and the Participant Advisory Committee. Prior to taking action at the Board meeting, the Board of Commissioners calls on staff for a public presentation of an analysis of the proposed rule and its potential impacts. The new rule or rule change is not in effect until final notice is published in the DC Register following the Board of Commissioners formal adoption of a resolution in a public meeting approving it.

For ease of tracking, the initiatives under each Objective start with the number of the objective, followed by the number of the initiative based on the order in which it was proposed in a CLS Plan, and finally followed by the year of the Plan in which it was first proposed. Thus in Objective 1, "Development of Enhanced Housing Opportunities", there were four Initiatives in the CLS Plan for '04 ending with 1.4.04 so that Initiatives proposed for the '05 Plan start with 1.5.05. Initiative 1.5.05 indicates that it falls under Objective 1, it is the fifth initiative under this objective and it was proposed in Fiscal Year 2005. Only Initiatives still under development from a prior year and new Initiatives for the Plan's CLS Year will be included in the following pages of this plan. Once an Initiative has been implemented it will not appear in the Plan, but will continue to appear in the Annual MTW Report. An Initiative that has been explored but not pursued will not appear in the Plan and will be reported in the Annual MTW Report in the year DCHA has determined not to further explore implementation of such Initiative.

Objective 1: Developing Enhanced Housing Opportunities

Introduction

This chapter describes the CLS activities that the District of Columbia Housing Authority (DCHA) will be undertaking to develop enhanced housing opportunities for the low-income citizens of the District. DCHA has proposed initiatives that will both facilitate the production or preservation of affordable units and improve the quality of life at the affordable units on which it has some influence.

CLS Initiatives

Initiative 1.4.04: Modifications to HCVP Homeownership Program

DCHA has adopted appropriate and feasible modifications to the Homeownership Program that make it more attractive to financial institutions or more user-friendly to potential beneficiaries. DCHA is considering additional modifications in light of limited resources that would raise the standards for participation and clarify participation requirements.

DCHA has explored and sought to implement various appropriate modifications to the HCVP Homeownership Program that make it more attractive to financial institutions and more user-friendly to potential beneficiaries.

Initiative 1.7.05: Security Deposit Guarantee Program

Over the years, DCHA has sought to enhance the housing opportunities available to our voucher participants. One item that has consistently been an issue is the limited ability of some voucher participants to secure funding for a security deposit.

DCHA has been exploring the development of a small guarantee program to which voucher assistance recipients may subscribe for a monthly fee in lieu of a lump sum security deposit payment to landlords. The goal of the program is to provide a mechanism whereby voucher participants are not unduly restricted from leasing potential units. Participants will be able to provide this security through a small monthly payment over time. This Initiative will require flexible use of funds to allow for potential payment on any guarantee where the recipient caused damage. The extent of the guarantee and agreements with landlords would be negotiated with DCHA's Landlord Advisory Committee.

Initiative 1.9.06: Modifications to DCHA's Project-Based Voucher Program Admissions

Using MTW flexibility, DCHA has adopted several modifications to its project-based voucher program that DCHA calls its *Partnership Program*. Under Initiative 1.5.05, in FY 2005, DCHA made revisions to the Partnership Program including eligibility requirements for selecting occupants for Partnership Program properties for defined groups such as public housing residents with the right of return or occupants of project-based properties with rights of first refusal under local District law.

DCHA will continue to explore potential modifications to this program in FY 2010. A continued review of the program will focus on achieving the following objectives:

- to increase participation by landlords;
- to meet local housing and community needs; and
- to be efficient to manage.

During FY 2010, DCHA will implement policy changes that will modify the management of the HCVP waiting list so that applicants can indicate, when applying or updating their applications, their willingness to accept a project based voucher and a property preference. This change in waiting list management will introduce much needed efficiency while maintaining opportunities and equity for residents. DCHA will also implement a similar change in process for applicants of its Mod/Rehab program, as well as other processes or procedural improvements to make the program more administratively effective.

Objective 2: Sustain Quality Property Management

Introduction

This chapter describes the initiatives DCHA will explore and implement where feasible during FY 2010 to sustain the quality of the day-to-day management of the residential communities for which it is responsible. This chapter reflects DCHA's core business. DCHA's definition of quality property management is to provide CLASS--Clean, Livable, Attractive, Safe and Sustainable--properties.

DCHA has achieved an excellent record in property management. . The challenge now is to continue to maintain this performance level, with significantly reduced funding. Using the flexibility and freedom allowed by the demonstration, DCHA will be able to consider avenues to improve the effectiveness of its operations, develop alternative policies and procedures through local rulemaking that achieve similar or better results for its customers, but are more efficient to administer – the essence of a demonstration program.

CLS Initiatives

Initiative 2.1.04: Simplified Certification and Multi-year Income Recertification

DCHA proposes to adopt local rules that provide work incentives for public housing residents by adopting recertification procedures that do not require recertification every year. Under this Initiative, if adopted after considering input from all stakeholders, income-based rent would need only be increased after a mandatory recertification completed on a multi-year basis. Rents could be reduced any time a resident requested an interim recertification as a result of a reduction in income. The revisions to the recertification process, as envisioned, would allow a delay in a rent increase until the next multi-year recertification for any increase in income. These revised procedures would provide a lifetime incentive to residents and voucher holders to increase income and would remove the current limitation on eligibility for the earned income disregard. DCHA implemented a similar initiative for the Housing Choice Voucher Program during FY 2007.

These changes could potentially save DCHA substantial overhead and limit opportunities for errors in rent determination. For the residents, they would remove the disincentive to employment and underemployment. In sum, these procedures will be easier for public housing residents and staff, alike, to understand and will be simpler and thus more effective to administer. Residents will benefit directly from reduced paper work and more understandable incentives to work.

Initiative 2.6.07: Enhanced Public Housing Lease Enforcement Operations

As the largest landlord in the District of Columbia, effective lease enforcement is a challenge, given the myriad local rules that are applicable to a landlord, public or private in the District. DCHA will be exploring various procedural and substantive modifications to its operating rules and procedures, as well as to its outdated lease, in order to recognize and accommodate, where appropriate, the local rules. The goal of this revision to the lease and supporting local regulations is to assure that DCHA can efficiently carry out its mandate to provide decent, safe and sanitary housing for those eligible residents who can best use it to allow them to contribute to a healthy community.

During FY 2007, the Authority revised its lease and conducted an extensive outreach and comment process to solicit the comments of residents. The lease was updated to include language reflecting the latest Federal Fight Back/One Strike provisions and the requirements of the Violence Against Women Act. The new leases were executed by public housing residents during FY 2008.

DCHA will use the flexibility allowed under its MTW Agreement to implement provisions in its updated lease that will allow the incorporation by reference of property specific community rules developed and adopted by the individual Resident Councils.

The resulting lease, local regulations, policies and procedures is expected to allow DCHA to be more effective in ensuring the safety and comfort of its residents, give greater control of its properties to residents who are committed to a community's wellbeing and improve the effectiveness of its lease enforcement efforts.

Objective 3: Achieve Effective Customer Support Services

Introduction

This chapter describes those potential initiatives DCHA will undertake that will enhance the authority's business relationships with its external partners and its residents. This section also includes those initiatives that will be explored to augment the authority's supportive services for both its residents and voucher participants.

Despite DCHA's commitment to provide the necessary services for its customers, the loss of PHDEP funding demands a creative approach to the funding of these critical activities. The flexibility allowed by participation in the demonstration will be an important factor in the DCHA strategy to continue its commitment to customer service. Innovations in how DCHA does business, budgeting and active and creative fundraising and partnership development will continue to be other important components of the strategy.

Both public housing residents and HCVP voucher recipients can benefit from a carefully developed program of support and enrichment services. DCHA can only fully achieve its mission to be an excellent provider of affordable housing for its low income clientele if it can make support services available both to its customers who are HCVP voucher recipients and to those who are public housing residents. The challenge, given funding realities, is to sustain the current services to residents. DCHA will be looking to its nonprofit, 501 (c) 3 DCHA subsidiary, Community Vision, Inc., established in 2003, as a vehicle for raising private and other federal and local public funds for continuing to coordinate and/or provide these services.

DCHA has both a Citywide Resident Advisory Board, which represents the needs of our public housing tenants, and a Participant Advisory Committee, which provides voucher participants and DCHA staff with a forum for the exchange of ideas and discussion of program concerns. DCHA calls on these groups, and its resident council presidents and other active residents for feedback during the formulation of this plan and other DCHA policy issues.

CLS Initiatives

Initiative 3.4.05: Supporting Grandfamilies

Many of DCHA's seniors are raising minors who are in their custody. While many of these seniors are grandparents who have become the legal guardian or primary caregiver for their grandchildren, other seniors are the aunts or uncles or have some other familial relationship with their minor child(ren). DCHA will explore ways to use or modify public housing or voucher policies as resources to help provide support for such families. DCHA will work closely with residents in drafting appropriate responses to this issue and it may require modifications to admission, transfer or other admissions and occupancy policies. DCHA will take these up in consultation with the residents and participants.

This Initiative was specifically requested by the City-Wide Resident Advisory Board as a special concern to many residents, and during the public hearing on the 2008 plan was expanded to include all custodial relationships where the head of household is a senior. Any program and

regulatory modifications will be tailored to a program developed for this specialized population. This initiative is part of DCHA's goal to use its resources as efficiently as possible to meet the needs of its customers.

Initiative 3.5.06: Rent Simplification and Collections

DCHA initiated its research on various models of simplifying the calculation of rent in its housing programs. The impact of modifying HUD's existing requirements for income determination is still being studied and DCHA expects to continue the public vetting of this major policy change during FY 2010.

DCHA is aware of HUD's interest in creating a national rent simplification model, and that other MTW housing authorities have experimented with new models as well. DCHA has used this foundation of knowledge to design a variety of models that simplifies the calculation process while not unduly burdening the neediest of families.

It is DCHA's objective to create a revised system that will ease administrative burdens, reduce potential calculation errors, simplify the collection of all rent and charges, and creative incentives for work.

Initiative 3.6.08: Streamlining the Transition from Project-Based to Tenant-Based Vouchers

The District of Columbia has lost thousands of project-based units over the past several years due to the "opting out" of private owners whose contracts with HUD are expiring. Like most housing authorities, DCHA plays a key role during the transition phase of a project-based development through the counseling of the households impacted and the issuing of tenant-based vouchers. As one can imagine the anxiety of the households is great and it is in everyone's best interest that the transition occurs smoothly and in a timely fashion.

Unfortunately, the large number and short intervals of the opt outs in the District, driven in large part by the aggressive private rental market, is taxing DCHA's intake and voucher staff, and it does not appear that the opt outs will be dwindling in the near future. In response, during FY 2010, DCHA will implement viable options to streamlining the transition of households from a project-based to a tenant-based environment. Given that the affected households are already in a HUD funded program, DCHA hopes to be able to expedite the processing of these families so as to allow a quicker transition into the federal tenant-based voucher program.

Initiative 3.7.08: Reform Housing Quality Standards

DCHA has been considering alternatives to the Standard Inspection scheduling that would concentrate efforts on properties or landlords who persistently do not comply with the HQS

standards. Modifications to the HQS inspections scheduling will make the inspection program more efficient and responsive to customer needs. DCHA will consider categorizing properties with HAP contracts according to risk, quality or upkeep level, and will use this categorization to determine the frequency of inspections. Many properties may only need to be re-inspected on a multi-year schedule thus allowing staff efficiency and a focus on properties or landlords that indicate a need for more frequent inspection.

Landlords and properties that comply on a consistent basis would not be inspected as often, thereby reducing unnecessary oversight for both the participant and the landlord. This revised scheduling process is also expected to include a component encouraging voucher recipients to request inspections when conditions are not up to standard.

Additionally, DCHA will explore the definitions and content of the housing quality standards themselves so as to reduce uncertainty as to the nature of a unit's deficiency. We intend to research and explore the standards with the goal of reducing leasing delays, which negatively impacts our clients, and reducing repetitive inspections, which impacts the efficient use of staff time.

Initiative 3.7.09 Enhancements to the Family Self-Sufficiency Program

During FY 2009, DCHA created and began to implement an expansion to its homeownership programs in the HCVP and public housing programs. This expansion effort was designed to inform, educate and counsel residents who are interested in homeownership and who are prepared to become a homeowner. During FY 2010, DCHA will continue these efforts and will identify any regulatory redundancies or obstacles to a more efficient process by reviewing the federal requirements of the HCVP Family Self-Sufficiency program. DCHA's goal is to reduce any unnecessary administrative burdens and to streamline the process for our clients to encourage their efforts.



Initiative 3.8.10 Promoting Deconcentration

DCHA is going to explore methods that enhance the housing authority's ability to encourage voucher participants to exercise their choice in housing. After evaluating the current local market forces, DCHA will explore with the intent to devise a method of establishing payment standards and reasonable rents that are in line with existing market rents. This method will allow the agency to offer higher reasonable rents based on thorough and ongoing analyses of the DC rental market. By creating the in-house capacity to analyze rents annually with monthly assessments of changes in DC submarkets, DCHA will have the increased flexibility to be more responsive to changes in established submarkets, while setting Payment Standards that mirror area rents.

Objective 4: Organize Efficient Businesslike Operating Systems

Introduction

This chapter outlines the initiatives that DCHA will explore and consider for implementation in FY 2009 to target its resources where they are most needed and develop revenue sources to augment those provided by HUD and tenant rent. DCHA expects to continue to develop additional revenue sources through a network of wholly-owned subsidiaries.

As the largest landlord in the District of Columbia, DCHA is an important business citizen of the District. DCHA, in pursuing its mandated activities, has assembled and developed a core of dedicated staff with expertise that has value in the marketplace outside of DCHA's immediate operations. DCHA is using the expertise and commitment of its staff to allow it to take an enhanced position in the District of Columbia business community.

CLS Initiatives

Initiative 4.3.05: Flexible Funding

DCHA intends to exercise its funding fungibility authority as provided for in our MTW Agreement to utilize MTW Block Grant funding to support investments associated with enhanced customer service initiatives, new resident programming, additional public safety efforts, implementing capital projects that improve access to resident services and the expansion of affordable housing opportunities for low-moderate households and households with special needs.

Initiative 4.4.06: Reformulation of HUD Forms

Many of DCHA's functions, both public housing and assisted housing through the Housing Choice Voucher Program, use HUD prescribed forms for implementation. The forms facilitate uniformity and efficiency and in many cases work very well. The staff has discovered, however, that the prescribed forms may not in all cases serve our customers or internal operations as effectively or efficiently as possible. Some forms may not request as much information as would be useful to the customer or to DCHA. Additionally, they may not appropriately request or document information on aspects of the programs that have been modified locally through a CLS Initiative.

DCHA would not be modifying the forms, rather it would substitute, as the Moving to Work program contemplated, a locally devised solution that responds to locally identified program needs.

DCHA contemplates this Initiative continuing through the term of the Moving to Work Agreement in order to facilitate implementation of locally revised or devised programs, rather than a burdensome review of all forms at one point in time when Initiatives are still being developed and implemented.

CONCLUSION

This plan is written for the period from October 1, 2009 through September 30, 2010, DCHA's Fiscal Year 2010. DCHA will report on progress in completing the initiatives described in the Plan for FY 2009 on or before December 31, 2008. The Annual Report will also include information meeting the requirements for the Annual Report described in the MTW Agreement and progress DCHA has made in accomplishing each of several benchmarks established in its MTW Agreement with HUD. In accordance with the terms of the MTW Agreement, DCHA does not provide reports or self assessments for the purposes of PHAS or SEMAP reporting and will be evaluated by HUD exclusively through HUD's review of DCHA's Annual MTW Report and DCHA's progress in meeting its goals and benchmarks.

Flexibility and Local Control

DCHA's participation in the MTW Demonstration with its Creative Living Solutions program provides the Authority with the flexibility and local control that will allow the agency to continue progress towards achieving its mission. This Creative Living Solutions Plan provides DCHA with many exciting possibilities.

The implementation of each of the initiatives described in this plan will allow DCHA to continue to progress in achieving its mission of, "...enhancing the quality of life in the District of Columbia by providing and effectively managing affordable housing which is diverse, well maintained, and aesthetically pleasing for those whose circumstances prevent them from competing in the general marketplace. The District of Columbia Housing Authority seeks to achieve the highest and best use of that housing for people of low and moderate income through the promotion of economic development and self-sufficiency opportunities and the facilitation of other supportive services."

APPENDICES

Appendix A: Capital Budget

DISTRICT OF COLUMBIA HOUSING AUTHORITY

Development and Modernization Administration

CAPITAL FUNDS AVAILABLE FOR MODERNIZATION

Fiscal Year 2010

Draft

Capital Grant Fund, FFY 2009	21,346,032
Less: Replacement Housing Factor Funds	5,074,601
Less: Annual Debt Service	6,075,000
Less: Operations	1,627,143
Less: Administrative Costs 10% limit	1,627,143
Less: Operating - Public Safety & MIP 20% limit	<u>3,254,286</u>
Net Capital Funds Available, for FY 2009	3,687,859

Property Name	General Description	TOTAL COSTS
Claridge Towers	Hazmat Abatement, Hallways Renovations & Interior Improvements	300,000
Harvard Towers	Hazmat Abatement & Interior Improvements	300,000
Horizon House	Risers Replacement & Interior Improvements. Units Rehabilitation	900,000
Judiciary House	Elevators Replacement, Flooded Units Renovations & Interior Improvements	400,000
Kentucky Courts	Site Improvements. Risers Replacement & Stairwells Upgrades	400,000
Regency House	Kitchens Upgrades & Interior Improvements	400,000
Front Line Costs at various Properties	Blueprints, Designs, Inspections, Marketing, Planning Fees	537,859
Front Line Costs at various Properties	Mechanical Repairs, Mechanical Systems Upgrades, Emergency Repairs &	250,000
Front Line Costs at various Properties	Non-Dwelling Equipment	100,000
Front Line Costs at various Properties	Resident Relocation Costs	100,000

Net Capital Funds Available, for FY 2010

3,687,859

Appendix B: Bond Funded Projects and Energy Improvement Projects

District of Columbia Housing Authority
ENERGY CAPITAL IMPROVEMENT PROGRAM
PROJECT LISTING AS OF JULY 2009

Property Number	Property	Units	Duration	Start	Finish	Supervision	TOTALS
DC-1-16	Highland Addition 400 Atlantic Street, SE	118	18	12/15/2005	6/15/2007		\$217,000.00
DC-1-23	Stoddert Terrace 155 Ridge Road, SE	158	12	12/15/2005	12/15/2006		\$159,180.00
DC-1-01	Fort Dupont Dwellings 155 Ridge Road, SE	110	8	3/15/2006	11/15/2006		\$99,840.00
DC-1-95	Columbia Road Apartments 1475 Columbia Road, NW	23	8	3/15/2006	11/15/2005		\$101,080.00
DC-1-53	Highland Dwellings 400 Atlantic St., SE	208	18	12/15/2005	6/15/2007		\$217,000.00
DC-1-24	Syphax Gardens 64 P Street, SW	174	12	12/15/2005	12/15/2006		\$467,040.00
DC-1-97	Colorado Apartments 5336 Colorado Ave., NW	21	8	3/15/2006	11/15/2006		\$92,200.00
DC-1-91	Villager, The 3810 Southern Ave., SE	20	6	3/15/2006	9/15/2006		\$126,700.00
DC-1-36A	Woodland Terrace 2301 Ainger Place, SE	234	36	3/15/2006	3/15/2009		\$2,159,640.00
DC-1-08	Kelly Miller Apartments 234 W Street, NW	169	36	12/15/2005	12/15/2008		\$1,131,240.00
DC-1-17	Richardson Dwellings 5331 Dix Street, NE	190	24	4/15/2006	4/15/2008		\$432,400.00
DC-1-19	Kenilworth Courts 4500 Quarles Street, NE	290	18	3/15/2006	11/3/2007		\$1,778,400.00
DC-1-03	James Creek 100 N Street, SW	239	18	12/15/2005	6/15/2007		\$229,440.00
DC-1-60	Claridge Towers 1221 M Street, NW	343	36	12/15/2005	12/15/2008		\$909,280.00

District of Columbia Housing Authority
ENERGY CAPITAL IMPROVEMENT PROGRAM
PROJECT LISTING AS OF JULY 2009

Property Number	Property	Units	Duration	Start	Finish	Supervision	TOTALS
DC-1-22	Benning Terrace 4450 G Street, SE	274	24	3/15/2006	3/15/2008		\$675,040.00
DC-1-25	Langston Terrace 2101 G Street, NE	274	36	3/15/2006	3/15/2009		\$1,595,680.00
DC-1-98	Lincoln Road 1140 North Capitol St, NW	20	6	3/15/2006	10/15/2006		\$69,200.00
DC-1-34	Park Morton 617 Morton St., NW	174	36	3/15/2006	3/15/2009		\$1,187,040.00
DC-1-65	Judiciary House 461 H Street, NW	271	36	12/15/2005	12/15/2008		\$675,160.00
DC-1-68	Harvard Towers 1845 Harvard Street, NW	193	24	3/15/2006	3/15/2008		\$763,280.00
DC-1-29	Sibley Plaza 1140 North Capitol St., NW	246	24	3/15/2006	3/15/2008		\$867,160.00
DC-1-21	Greenleaf Senior 201 N Street, SW	215	36	3/15/2006	3/15/2009		\$806,400.00
DC-1-37	Garfield Terrace 2301 11 Street, NW	279	24	3/15/2006	3/15/2008		\$1,049,000.00
DC-1-69	Regency House 5201 Connecticut Ave., NW	160	36	12/15/2005	12/15/2008		\$733,600.00
DC-1-64	Fort Lincoln 2855 Bladensburg, Road, SE	120	24	12/15/2005	12/15/2007		\$685,200.00
DC-1-62	Horizon House 1150 12th Street, NW	105	24	12/15/2005	12/15/2007		\$365,800.00
DC-1-39A	Ledroit Apartments 2125 4th Street, NW	124	24	12/15/2005	12/15/2007		\$464,040.00
DC-1-36B	Kentucky Courts 1332 D Street, SE	163	12	3/15/2006	3/15/2007		\$1,056,480.00

District of Columbia Housing Authority
ENERGY CAPITAL IMPROVEMENT PROGRAM
PROJECT LISTING AS OF JULY 2009

Property Number	Property	Units	Duration	Start	Finish	Supervision	TOTALS
DC-1-03	James Apartments 1425 N Street, NW	141	18	12/15/2005	6/15/2007		\$956,360.00
DC-1-61	Knox Hill 2700 Jasper Street, SE	122	6	12/15/2005	6/15/2006		\$707,120.00
DC-1-36C	Carroll Apartments 410 M Street, SE	60	6	12/15/2005	6/15/2005		\$267,600.00
Totals							\$21,044,600.00

Notes: DCHA reserves the right at its sole discretion, at any time and from time to time, to substitute any any of the projects listed herein for new Projects

Property Costs do not include Energy Service Company (ESCO) fees such as measurement and verification, commissioning, design and cost of issuance.

District of Columbia Housing Authority
 Modernization Program
 Bond Financed Project List as of July 2009

Property Number	Property	Units	Duration	Start	Finish	Construction	Construction Admin. Fees	Relocation	TOTALS
DC-1-30	Hopkins Apartments 1430 L Street, SE	158	20	3/1/2006	8/1/2007	\$ 265,067.10	\$ 26,506.71	\$ 2,945.19	\$294,519.00
DC-1-34	Park Morton 617 Morton Street, NW	174	18	8/1/2007	2/1/2009	\$ 1,846,800.00	\$ 184,680.00	\$ 20,520.00	\$2,052,000.00
DC-1-09	Barry Farm Dwellings 1230 Sumner Road, SE	432	20	7/1/2005	3/1/2007	\$ 125,391.60	\$ 12,539.16	\$ 1,393.24	\$139,324.00
DC-1-16	Highland Addition 400 Atlantic Street, SE	118	12	1/1/2008	1/1/2009	\$ 1,890,000.00	\$ 189,000.00	\$ 21,000.00	\$2,100,000.00
DC-1-23	Stoddert Terrace 155 Ridge Road, SE	158	7	7/1/2007	2/1/2008	\$ 791,325.00	\$ 79,132.50	\$ 8,792.50	\$879,250.00
DC-1-01	Fort Dupont Dwellings 155 Ridge Road, SE	110	13	2/1/2006	3/1/2008	\$ 720,000.00	\$ 72,000.00	\$ 8,000.00	\$800,000.00
DC-1-95	Columbia Road Apartments 1475 Columbia Road, NW	23	11	6/1/2007	5/1/2008	\$ 450,000.00	\$ 45,000.00	\$ 5,000.00	\$500,000.00
DC-1-85	Elvans Road 2440 Elvans Road, SE	20	13	2/1/2008	3/1/2009	\$ 630,000.00	\$ 63,000.00	\$ 7,000.00	\$700,000.00
DC-1-44	Montana Terrace 1625 Montana Ave., NE	65	4	10/1/2007	2/1/2008	\$ 630,000.00	\$ 63,000.00	\$ 7,000.00	\$700,000.00
DC-1-58	Wade Apartments 2608-2640 Wade Rd., SE	12	12	7/1/2005	7/1/2006	\$ 360,000.00	\$ 36,000.00	\$ 4,000.00	\$400,000.00
DC-1-57	Fort Dupont Addition 155 Ridge Road, SE	19	26	12/1/2005	2/1/2008	\$ 315,675.00	\$ 31,567.50	\$ 3,507.50	\$350,750.00
DC-1-98	Lincoln Road Apartments 11 R Street, NE	33	9	12/1/2006	9/1/2007	\$ 180,000.00	\$ 18,000.00	\$ 2,000.00	\$200,000.00
DC-1-53	Highland Dwellings 400 Atlantic St., SE	200	15	11/1/2007	2/1/2009	\$ 2,250,000.00	\$ 225,000.00	\$ 25,000.00	\$2,500,000.00
DC-1-22	Benning Terrace 4450 G Street, SE	274	24	9/1/2006	9/3/2008	\$ 3,347,098.20	\$ 334,709.82	\$ 37,189.98	\$3,718,998.00

District of Columbia Housing Authority
 Modernization Program
 Bond Financed Project List as of July 2009

Property Number	Property	Units	Duration	Start	Finish	Construction	Construction Admin. Fees	Relocation	TOTALS
DC-1-37	Garfield Terrace 2301 11 Street, NW	279	24	9/1/2006	9/1/2008	\$ 3,341,700.00	\$ 334,170.00	\$ 37,130.00	\$3,713,000.00
DC-1-69	Regency House 5201 Connecticut Ave., NW	160	36	9/1/2005	9/1/2008	\$ 3,150,000.00	\$ 315,000.00	\$ 35,000.00	\$3,500,000.00
DC-1-64	Fort Lincoln 2855 Bladensburg, Road, SE	120	23	10/1/2006	9/1/2008	\$ 2,700,000.00	\$ 270,000.00	\$ 30,000.00	\$3,000,000.00
DC-1-62	Horizon House 1150 12th Street, NW	105	29	9/1/2006	2/1/2009	\$ 3,600,000.00	\$ 360,000.00	\$ 40,000.00	\$4,000,000.00
DC-1-39A	Ledroit Apartments 2125 4th Street, NW	124	24	10/1/2005	10/1/2007	\$ 2,700,000.00	\$ 270,000.00	\$ 30,000.00	\$3,000,000.00
DC-1-36B	Kentucky Courts 1332 D Street, SE	163	30	2/1/2006	8/1/2008	\$ 810,000.00	\$ 81,000.00	\$ 9,000.00	\$900,000.00
DC-1-03	James Apartments 1425 N Street, NW	141	28	8/1/2005	12/1/2007	\$ 1,350,000.00	\$ 135,000.00	\$ 15,000.00	\$1,500,000.00
DC-1-61	Knox Hill 2700 Jasper Street, SE	122	18	12/1/2006	6/1/2008	\$ 630,000.00	\$ 63,000.00	\$ 7,000.00	\$700,000.00
DC-1-40	Langston Addition 2101 G Street, NE	34	42	9/1/2005	3/1/2006	\$ 227,108.70	\$ 22,710.87	\$ 2,523.43	\$252,343.00
DC-1-13	Lincoln Heights 400 50th Street, NE	440	24	2/1/2006	2/1/2008	\$ 108,000.00	\$ 10,800.00	\$ 1,200.00	\$120,000.00
DC-1-36C	Carroll Apartments 410 M Street, SE	60	26	1/3/2007	3/1/2009	\$ 405,000.00	\$ 40,500.00	\$ 4,500.00	\$450,000.00
Totals						\$ 67,129,828.20	\$ 6,712,982.82	\$ 745,886.98	\$77,074,541.00

NOTE: DCHA reserves the right at its sole discretion, at any time and from time to time, substitute any of the Properties listed herein for other DCHA properties and to increase or decrease the amount of funds expended on any particular Property.

This time schedule will be adjusted based on field conditions as discovered or as they develop, however all funds will be expended within four (4) years.

Appendix C: Replacement Housing Factor Plan



District of Columbia Housing Authority

1133 North Capitol Street, N.E.
Washington, D.C. 20002-7599
(202) 535-1500 • TTY: (202) 535-1691
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Office of the Executive Director
Michael Kelly, Executive Director

Mr. Lee Palman
Director, Public Housing Division
U.S. Department of Housing and
Urban Development
Washington Field Office
820 1st Street, N.E., 3rd Floor
Washington, D.C. 20002

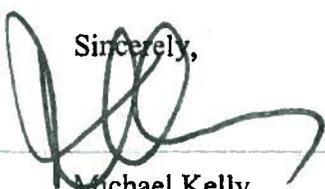
JUN 30 2008

Dear Mr. Palman:

Please find enclosed copies of the Amended Replacement Housing Factor (RHF) Plan for the periods of 2000 to 2004 and a Second Increment Plan for the years beyond based on HUD's multi-tier system for RHF plans. The plan indicates that significant leverage of other public and private funds has already been realized in the first three projects, thereby qualifying us for additional second increment RHF funding. The additional projects proposed will add significantly to our leverage ratios.

DCHA views the attached RHF Plans as an important tool in its strategy to increase the supply of affordable housing in the District of Columbia. Our objective is to increase public housing units through development and/or acquisition to help offset the units we have taken off line. We recognize that there may need to be adjustments to the plan as submitted, as well as amendments in the future to reflect the various changes needed as specific projects move ahead. We appreciate your assistance to date in providing us information on the various requirements of the RHF funding program. If you have any questions or need additional information, please contact Larry Dwyer (202-535-2786) or Knox Hayes (202-535-2571) of my staff.

Sincerely,



Michael Kelly
Executive Director

Cc Sharon Scharf
Kamille Lonon

**Amended
Replacement Housing Factor Plan
District of Columbia Housing Authority
FY 2000 to 2004
(June 30, 2008)**

This amends the District of Columbia Housing Authority's (DCHA) Replacement Housing Factor (RHF) Plan submitted in January 2007. The multi-tier structure for RHF plans as explained to us by HUD staff is extremely complex, and at this time does not include dollar estimates. The different counts of demolished/disposition units qualifying for RHF funding has occurred in 8 different increments (or tiers). This means that we apparently should be planning based on 8 tiers, each of which has a 5-year first increment and a 5 year second increment. In theory, this could result in the need for 16 5-year plans. This format is difficult from a practical planning standpoint. Accordingly, in this amendment we are attempting to simplify our plan by outlining just two 5-year increments at this time. Following HUD review, we would be glad to try further refinement of the plans if necessary.

Following is our 5-year first increment plan reflecting RHF funding for FY 2000 to 2004. We have dropped RHF funding for FY 1998 and 1999 totaling \$247,969 since those dollars could be used for regular modernization activity (and in fact were used that way by DCHA). This plan also includes 2 spreadsheets which cover a time period for both the FY 2000-2004 increment, the 2005-2009 increment, and other years through FY 2012. These spreadsheets outline the multi-year tier system noted above, and attempt to show actual and estimated funding for FY2000-2012 as well as actual and projected RHF funding by project. The specific spreadsheets are:

- A. RHF Fund Allocations by Project, 6/2008 (actual and projected obligations)
- B. RHF Multi Tier Projection FY2000 to 2012

RHF Funding from HUD

RHF Funding received to date for years 2000 through 2004 is as follows:

<u>Fiscal Year</u>	<u>Amount</u>	<u>Obligation Date</u>	<u>Expenditure Date</u>
FY 2000	\$1,960,471	Nov. 30, 2002	Nov. 30, 2004
FY 2001	\$2,964,943	Sept. 29, 2003	Sept. 29, 2005
FY 2002	\$3,444,637	Sept. 4, 2004	Sept. 4, 2006
FY 2003	\$3,106,337	Sept. 15, 2005	Sept. 15, 2007
FY 2004	\$4,390,625	Sept. 13, 2006	Sept. 13, 2008

Use of RHF Funds

The \$15,867,013 of RHF funds received for FY 2000-2004 has funded 117 units for the Kentucky Courts, Eastgate Senior and Oxford Manor projects listed in the following sections of this plan, and provided partial funding for St. Martin's.

DCHA is maintaining flexibility for the use of these funds so that they can be used for either new construction or acquisition with or without rehabilitation. All structure types will be allowed (e.g. row, walk-up, elevator, single family, etc). More specifics are provided below for projects funded to date.

**Replacement Housing Factor Plan
Spread Sheets**

- A. RHF Fund Allocations by Project (actual and projected obligations)**
 - B. RHF Multi Tier Projection FY2000 to 2012**
-

RHF
Actual FY 2000 to 2008
and
Multi Tier Projection
FY2000 to 2012

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1			RHF Units	RHF-2000	RHF-2001	RHF-2002	RHF-2003	RHF-2004	RHF-2005	RHF-2006	RHF-2007	RHF-2008	RHF-2009	RHF-2010	RHF-2011	RHF-2012
2				1,960,471	2,964,943	3,444,637	3,106,337	4,390,625	2,906,046	2,708,092	4,196,100	5,074,601	5,000,000	5,000,000	4,500,000	4,250,000
3				1,960,471	2,964,943	3,444,637	3,036,209	4,304,556	1,223,710	782,738	1,599,417	2,030,423				
4							70,128	86,069	1,682,336	1,925,354	2,596,683	3,044,178				
5																
6	"Tier 1"		Unknown	1stinc/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	2nd/Yr5					
7																
8	"Tier 2"		547	1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	2nd/Yr5			
9																
10	"Tier 3"		161	1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	2nd/Yr5			
11																
12	"Tier 4"		384		1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	2nd/Yr5		
13																
14	"Tier 5"		296			1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	2nd/Yr5	
15																
16	"Tier 6"		45				1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	2nd/Yr3	2nd/Yr4	
17																
18	"Tier 7"		9						1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1	2nd/Yr2	
19																
20	"Tier 8"		415								1stinc/Yr1	1st/Yr2	1st/Yr3	1st/Yr4	1st/Yr5	2nd/Yr1
21																
22	Total RHF Units		1857													

NOTE: Thru 2008 actual; 2009 thru 2012 estimated.

**Amended RHF Plan
Actual and Projected Project Commitments
as of 6/30/2008**

- 1. Kentucky Courts**
 - 2. Minnesota Commons (deleted)**
 - 3. Eastgate Senior**
 - 4. Oxford Manor**
-

Actual Project Commitments as of 6/30/2008 and Schedules for RHF Funding

1. **Kentucky Courts; 11th and C Street, SE**
Development: 38 total units; 12 units of public housing
New Construction; stack townhomes

This redevelopment occurred on a site cleared of 45 units of uninhabitable public housing, with new construction of stack townhomes for a combination of rental and sales housing. The RHF funds were used to construct the public housing units. The development was completed and occupied during 2005.

Schedule:

Selection of property/developer:	Feb., 2001
Completion of Relocation:	July, 1997 *
Completion of Demolition:	July, 2002 *
Completion of arch. plans:	April, 2002
Submit Development HUD Proposal:	July, 2004
Complete Construction:	June, 2005
Occupancy Complete:	June, 2005

* Note: Initial relocation and demolition were accomplished under a HUD approved demolition program, and regular modernization funds were used for related expenses. DCHA may consider using RHF funds to "replace" the modernization funds used for those activities.

Funding:

Total Development Cost:	\$ 7,738,713
Sources:	
RHF	\$ 1,960,471 (FY 2000 funds)
Other Private	\$ 4,775,000 (Riggs Bank)
Date RHF funds obligated:	3/28/2002
Date RHF funds fully expended:	10/24/2003

Leverage:

Riggs Bank Loan of \$4,775,000 dated 5/6/2004. See separate leverage section.

- 2. Minnesota Commons Apartments; 4069-4075 & 4077-4089 Minnesota Ave, NE**
83 total units
Acquisition (turnkey) of existing building; garden apartments

Update as of 9/2005:

Minnesota was a "live" proposal from 2002 through early 2005. This project involved as-is acquisition of the property, which was to occur after the owner, at his own expense, renovated the existing apartment building. However, problems with the long term covenants that HUD puts on ACC units ultimately prevented the completion of the specifics of the project financing. Based on pressures from the interim financiers of the building owner's renovation, the owner closed on permanent financing without proceeding with the proposed acquisition by DCHA for the planned public housing units.

Thus, in early 2005 the project could not proceed, and the RHF money involved was reprogrammed to the Eastgate public housing senior building.

3. Eastgate Senior Housing ; Ridge Road & B Street, SE

Development: 100 units; 75 public housing
New Construction; garden apartments

The development of this mixed finance housing is part of the overall HOPE VI development of Eastgate, but is on a different site (formerly part of Stoddert Terrace), and is funded independent of HOPE VI funding.

Schedule:

Selection of property/developer:	<u>8/14/2002</u>
Completion of Relocation:	<u>1998*</u>
Completion of Demolition:	<u>1998*</u>
Completion of arch. plans:	<u>6/2005</u>
Submit Development Proposal:	<u>8/2005</u> (mixed finance proposal)
Bond Closing:	<u>9/2005</u> (escrow of RHF funds)
Start of Construction:	<u>11/2005</u>
Complete Construction:	<u>12/2006</u>
Complete occupancy	<u>12/2007</u>

* Note: Relocation and demolition occurred (using other funding) prior to RHF funding at the site of Stoddert Housing.

Funding:

Total Development Cost:	<u>\$ 12,663,580</u>
Sources:	
RHF	<u>\$ 2,885,855</u> (FY 2001 funds)
RHF	<u>\$ 3,289,637</u> (FY 2002 funds)
RHF	<u>\$ 237,040</u> (FY 2003 funds)
RHF	<u>\$ 400,000</u> (FY 2005 funds)
Other Public	<u>\$ 350,000</u> (CDBG; District Govt)
Other Public	<u>\$ 500,000</u> (Cap.Improve.; District Govt)
Other Private	<u>\$ 4,906,000</u> (Tax Credit)
Date RHF funds obligated:	9/2004 and other
Date RHF funds fully expended:	<u>Est: 9/2008</u>

DCHA entered into a Memorandum of Agreement (MOA) with A&R Development Corp. on 5/16/2003. The mixed finance proposal for the Eastgate-Senior building was submitted to HUD during the summer of 2005, and HUD approved the mixed finance evidentiaries on 10/21/2005 (initial mixed finance approval on 9/2005).

This project leveraged \$5,756,000 of other public and private funds (see separate leverage section).

4. Oxford Manor ; 2607 – 2637 Bowen Rd, SE
Development: 226 units; 30 public housing units
(Renovation of garden apartments)

This project was recently completed. The mixed finance proposal was approved by HUD on September 13, 2006, evidentiary materials have also been approved, and RHF funds have been expended.

Schedule:

Selection of property/developer:	<u>April, 2006</u>	(developer working on project since 12/2003)
Completion of Relocation:	<u>July, 2006</u>	
Completion of Demolition:	<u>n/a</u>	
Completion of arch. plans:	<u>Sept, 2004</u>	
Submit Mixed Finance Proposal:	<u>July, 2006</u>	
Start of Construction:	<u>Apr, 2005</u>	
Completion/occupancy:	<u>July, 2006</u>	

Funding:

Total Development Cost:	<u>\$25,943,109</u>	
Sources:		
RHF	<u>\$ 3,572,123</u>	(FY 2003 and other funds)
Other Public	<u>\$ 4,000,000</u>	(DC CDBG)
Other Private	<u>\$18,370,986</u>	(Tax Credits)
Date RHF funds obligated:	<u>June, 2006</u>	
Date RHF funds fully expended:	<u>Dec, 2006</u>	

This project leveraged \$22.37 million of other public and private funds (see separate leverage section).

Amended RHF Plan Financial Leveraging

Financial Leveraging – First Five Year Increment

The Kentucky Court, Eastgate Senior and Oxford Manor projects noted above have a total development cost of \$46,345,402, and involve a commitment of \$12,345,126 of RHF funding. As spelled out in our last RHF amendment of December, 2007, other public and private funding commitments for these three projects total \$32,901,986. This represents a leverage ratio of 2.665 of other funds to the RHF funding for these 3 projects. In relation to the entire amount of RHF funding received for FY 2000 to 2004 of \$15,867,013, we have already achieved a leverage ratio of 2.074 of other funds from these 3 projects in relation to all RHF funding for those 5 years. Documentation of the noted leverage was submitted with the RHF amendments of November, 2005 and December, 2007.

In summary, the \$32.9 million of leverage accomplished to date exceeds HUD's requirement that one third of RHF funding be leveraged (1/3rd of the total of \$30,752,931 in RHF funding received through FY 2008 would equal \$10,250,977). This information demonstrates DCHA's capture of sufficient leveraging in the first five year increments of RHF funding to justify second five year increments of funding from HUD.

Kentucky Courts Leverage: Previously documented (\$4,775,000)

Eastgate Senior Leverage: Previously documented (\$5,756,000)

Oxford Manor Leverage: Previously documented (\$22,370,986)

**Amended
Replacement Housing Factor Plan
District of Columbia Housing Authority
Second Five Year Increment
FY 2005 to 2009**

This is the District of Columbia Housing Authority's (DCHA) Replacement Housing Factor (RHF) Plan for the second five year increment of FY 2005 to 2009. DCHA should qualify for this additional funding based on having met all deadlines for commitment of funds to date, and the demonstration of significant leveraging of other funds for RHF projects. This information is noted in DCHA's Replacement Housing Factor Plan for FY 2000 to 2004.

Please refer to RHF Spreadsheets included in Amended RHF Plan for FY 2000 to 2004, since they also cover the time period of this amended plan.

RHF Funding from HUD

HUD has not provided estimates of RHF funding for the FY 2009 year of the plan. However, we have made a tentative projection of possible funding using our recent RHF funding levels.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Obligation Date</u>	<u>Expenditure Date</u>
<u>Actual</u>			
FY 2005	\$2,906,046	August 17, 2007	Aug. 17, 2009
FY 2006	\$3,215,416	July 17, 2008	July 17, 2010
FY 2007	\$4,196,100	Sept. 12, 2009	Sept. 12, 2011
FY 2008	\$5,074,601	June 12, 2010	June 12, 2010
<u>Estimated</u>			
FY 2009	\$5,000,000	Sept. 30, 2011	Sept. 30, 2013

Estimated RHF Funding for FY 2005 to FY 2009 is \$20,392,163.

Use of RHF Funds

DCHA estimates that the estimated FY 2005-2009 RHF funding will fund an estimated 151 units of housing (based on an estimate of \$135,000 per unit average, based on RHF funds used for projects in 2000-2004). The estimated units could be higher if DCHA is able to leverage significant additional public-private funding. DCHA is maintaining flexibility for the use of these funds so that they can be used for either new construction or acquisition with or without rehabilitation. All structure types will be allowed (e.g. row, walk-up, elevator, single family, etc).

**Amended RHF Plan
Second Increment
FY 2005 to 2009**

**Actual and Possible Project Commitments
as of 6/30/2008**

- 5. St. Martin's**
- 6. Ainger Place**
- 7. Community Builders**
- 8. Capitol Gateway**
- 9. Highland**

Note: These projects, if approved, are estimated to require all projected RHF funding for FY 2005 through FY 2007, and some of FY 2008 (see RHF spread sheets).

Actual and Possible Project Commitments as of 6/30/2008 and Schedules for RHF Funding

5. St. Martin's ; 116 T Street, NE

Development: 178 units; 50 public housing units

New construction; mid-rise apartments

DCHA has executed a Memorandum of Understanding in 2005 with Catholic Community Services for the development of a mixed-income project, to include 50 ACC units to house graduates of the Archdiocese's assistance programs for low income families. DCHA will contract with Catholic Community services for the ACC units. The proposed property is located on a parcel owned by the Washington Archdiocese. The conceptual plans have been developed with extensive community input, and Grimm and Parker have been selected as architects for this project. The project will be 100% rental, including 50 ACC units, 10 project based voucher units, and units within allowable tax credit limits.

Schedule:

Selection of property/developer:	<u>May, 2005</u>
Completion of Relocation:	<u>NA</u>
Completion of Demolition:	<u>Dec, 2007</u> (non-residential)
Completion of arch. plans:	<u>Jan, 2008</u>
Submit Development Proposal:	<u>Feb, 2008</u> (Mixed finance)
Start of Construction:	<u>Sept, 2008</u>
Completion/occupancy:	<u>Sept, 2010</u>

Funding:

Total Development Cost:	<u>\$42,726,642</u>
Sources:	
RHF	\$ 4,000,000 (FY 2004,5 funds)
Other Public	\$ 9,512,000
Other Private	\$29,214,642
Date RHF funds obligated:	<u>2006</u>
Date RHF funds fully expended:	<u>Est: 2010</u>

This project will leverage an estimated \$38.7 million of other public and private funds. This will be documented at a later date.

6. Ainger Place; 25th Street & Ainger Place, SE

Development: 6 rental units; 6 public housing units

New construction; town homes (some with elevators)

DCHA selected Beechwood, LLC through a competitive process to develop mixed-income housing on a publicly owned land site. The developer proposes to construct 14 modular homes, of which 6 will be rental housing (including 4 UFAS accessible units), and the remaining 8 homes will be sold as market rate owner housing.

Schedule:

Selection of property/developer:	<u>May, 2007</u>
Completion of Relocation:	<u>NA</u>
Completion of Demolition:	<u>NA</u>
Completion of arch. plans:	<u>July, 2008</u>
Submit Development Proposal:	<u>April, 2008</u>
Start of Construction:	<u>Sept, 2008</u>
Completion/occupancy:	<u>March, 2009</u>

Funding:

Total Development Cost:	<u>\$ 2,866,566</u>
Sources: RHF	\$ 1,240,000 (FY 2005 funds)
Other Public/Private	\$ 1,626,566
Date RHF funds obligated:	<u>2007</u>
Date RHF funds fully expended:	<u>Est: 2009</u>

7. Community Builders; Penn Avenue, NE

Development: 98 units; 30 public housing units

Renovation; walk-up apartments

DCHA has executed a Commitment Letter with The Community Builders for the development of a mixed-income project, to include 30 low income public housing units in a 98 unit scattered site renovation. Detailed plans are in progress, and financial closing is expected in September of 2008. The project will be 100% rental, including 10 project based vouchers, 30 ACC units and the balance tax credit units.

Schedule:

Selection of property/developer:	<u>Dec, 2006 (by DHCD)</u>
Completion of Relocation:	<u>NA</u>
Completion of Demolition:	<u>NA</u>
Completion of arch. plans:	<u>July, 2008</u>
Submit Development Proposal:	<u>July, 2008 (Mixed finance)</u>
Start of Construction:	<u>Oct, 2008</u>
Completion/occupancy:	<u>Oct, 2009</u>

Funding:

Total Development Cost:	<u>\$20,100,728</u>
Sources:	
RHF	<u>\$ 3,824,189</u>
Other Public	<u>\$16,276,439</u>
Other Private	<u>\$29,214,642</u>
Date RHF funds obligated:	<u>Est 2008/9</u>
Date RHF funds fully expended:	<u>Est: 2009</u>

This project will leverage an estimated \$16.7 million of other public and private funds. This will be documented at a later date.

8. Capitol Gateway ; 5900 E. Capitol Street, SE

Development: 302 units; 50 public housing units

New construction; mid-rise apartments

This development is part of the larger Capitol Gateway HOPE VI project, funded by HUD in 2000. The project involves the redevelopment of a FHA foreclosed property. This property will partially demolish the interior of the high rise structure, and rebuild it for a mixed finance development. No HOPE VI funds will be used in the financing of this specific housing development.

Schedule:

Selection of property/developer:	<u>Feb, 2000</u>
Completion of Relocation:	<u>1998</u> (FHA foreclosure)
Completion of Demolition:	<u>Dec, 2008</u> (Partial Demolition)
Completion of arch. plans:	<u>TBD</u>
Submit Development Proposal:	<u>TBD</u> (Mixed finance)
Start of Construction:	<u>TBD</u>
Completion/occupancy:	<u>TBD</u>

Funding:

Total Development Cost:	<u>\$45,200,000</u>
Sources:	RHF \$ 5,000,000 (FY 2007/8)
	Other Public/Private \$40,200,000 (FHA grant, tax credit, bonds)

This project will leverage an estimated \$40.2 million of other public and private funds. This will be documented at a later date.

9. Highland Apartments; 9th and Valley Avenue, SE

138 total units; 30 rental with 10 public housing units

New construction; 2 story stack-grand and row homes

Highland Addition was once a 246-unit property, built in 1954 on 17 acres of land. DCHA demolished 128 units on 9 acres (leaving 118 occupied units adjoining the vacant land), and selected a developer to build on the vacant land in December of 2003. A design for the site was developed during 2004-5, and will provide an estimated 138 units of mixed income sale and rental housing. This will involve 30 units of lower income rental housing, and 108 units of sales housing for a balanced mix of incomes. Total development cost for the rental housing is estimated at \$6 million. Development has been somewhat delayed by city plan approvals and obtaining city funding for public street improvement costs.

Schedule:

Selection of property/developer:	December, 2003
Completion of Relocation:	not applic.
Completion of Demolition:	not applic.
Completion of arch. plans:	Est. July, 2008
Submit Development Proposal:	Est. Jan, 2009
Start of Construction:	Est. July, 2009
Completion/occupancy:	Est. Fall, 2010

Funding:

Total Development Cost:	\$ 6,050,000
Sources:	
RHF	\$ 2,300,000 (FY 2007,8 funds)
Other Public	\$ 1,600,000 (CDBG)
Other Private	\$ 2,679,591 (tax credit)

This project will leverage an estimated \$4.28 million of other public and private funds. This will be documented at a later date.

Possible Additional Commitments and Schedules for RHF Funding

The projects outlined above would involve most of the RHF funding received to through FY 2008. Since estimates of funding for FY 2009 are not available from HUD at this time, it is difficult to project specific development commitments beyond those currently identified above at this time. However, the following outlines the efforts that DCHA plans to identify projects over the next several years.

DCHA has adopted a comprehensive strategy to expand the supply of affordable housing in the District of Columbia over the next several years. This strategy includes:

1. The creation of a subsidiary non-profit housing development entity to seek out development opportunities. This entity, the District of Columbia Housing Enterprises (DCHE), has been established, has a Board and staffing, and is actively pursuing housing development opportunities.
2. DCHA has marketed vacant land sites for affordable and/or mixed income housing, including the potential use of RHF funding for part or all housing development. One site with a developer already selected is Sheridan Terrace.
3. DCHA/DCHE issues, from time to time, Requests for Qualifications (RFQ) to solicit private sector housing developers/owners who are interested in pursuing development projects (existing, renovation or new construction) in partnership with DCHA/DCHE.
4. DCHA has a strong cooperative relationship with the District of Columbia's Department of Housing and Community Development (DCHD) and Housing Finance Agency (DCHFA) for joint funding of projects. Both of these other agencies issue periodic Requests for Proposals (RFP's) for housing development projects. With the recent significant city funding of the Housing Production Trust Fund (HPTF), city housing officials expect many new affordable housing opportunities to be identified, and these developments can also be expected to generate some demand for use of RHF funding.

All of the above should help identify additional affordable housing developments which can use RHF funding.

Appendix D: Board Resolution and Certifications

RESOLUTION 09 – 23

**TO APPROVE THE CREATIVE LIVING SOLUTIONS PLAN
FOR FISCAL YEAR 2010**

WHEREAS, the District of Columbia Housing Authority (DCHA) has entered into an agreement with the U.S. Department of Housing and Urban Development (HUD) setting forth the terms and conditions of DCHA's participation in the Moving to Work Demonstration Program (MTW Agreement); and

WHEREAS, DCHA has prepared its Fiscal Year 2010 Plan in accordance with the requirements of the MTW Agreement and has called this Plan the "Creative Living Solutions Plan" (CLS); and

WHEREAS, the CLS Plan outlines the initiatives that DCHA will pursue for this seventh year of participation in the MTW Demonstration Program and provides information regarding the operation of the Authority as required by HUD; and

WHEREAS, the draft CLS Plan was made available to the public and discussed at a public hearing on July 1, 2009 and the final draft of the MTW Plan was prepared taking the comments from the public, residents, staff and the Board of Commissioners into consideration; and

WHEREAS, the Board of Commissioners is required to certify that the Plan complies with the requirements of the MTW Agreement and that it meets various other federal requirements.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby approves the CLS Annual Plan for Fiscal Year 2010 and authorizes the Executive Director to finalize and submit the FY 2010 CLS Annual Plan for submission to HUD on or before July 31, 2009.

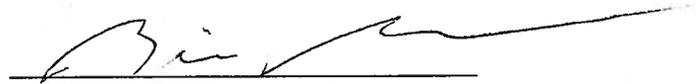
ADOPTED, by the Board of Commissioners and signed in authentication of its passage, this 8th day of July, 2009.

ATTEST:



Michael Kelly
Executive Director/Secretary

APPROVAL:



William Slover
Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:



Hans Froelicher
General Counsel

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

District of Columbia Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. **Sites for Work Performance.** The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that are not identified on the attached sheets.

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)

Name of Authorized Official

Michael Kelly

Title

Executive Director

Signature

Date

X

July 28, 2009

**Certification of Payments
to Influence Federal Transactions**

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

Applicant Name

District of Columbia Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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)

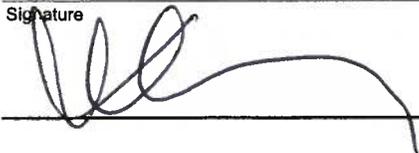
Name of Authorized Official

Michael Kelly

Title

Executive Director

Signature



Date (mm/dd/yyyy)

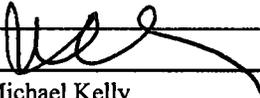
07/28/09

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB
0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 4c	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: US Dept. of Housing & Urban Development	7. Federal Program Name/Description: Moving to Work Demonstration CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ N/A	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i> N/A	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature:  Print Name: Michael Kelly Title: Executive Director Telephone No.: 202-216-4466 Date: 07/28/09	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)