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Moving to Work Annual Report



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HOUSING REDEFINED

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I. Introduction

A. Overview of Short-Term MTW Goals and Objectives

Moving to Work (MTW) is a U.S. Department of Housing and Urban Development (HUD) demonstration program which allows housing authorities to design and test innovative housing and self-sufficiency initiatives targeted to address local needs. The MTW designation allows INLIVIAN, formally the Charlotte Housing Authority (CHA) to waive certain statutes and HUD regulations in order to increase housing choice for low-income families, encourage households to pursue self-sufficiency, and improve administrative and operational cost effectiveness. As a high-performing, innovative and progressive agency, INLIVIAN received its MTW designation in 2006. In April 2016, the MTW agreement was extended for an additional ten years through 2028. INLIVIAN's MTW designation allows it to test new methods to improve housing services and to better meet the dynamic and everchanging needs of the greater Charlotte-Mecklenburg area.

INLIVIAN's success is informed by forward thinking leadership and an ambitious business approach relating to areas of: asset and property management; site development; and, services delivery. INLIVIAN's MTW designation in short allows policies to be implemented which reach beyond traditional forms of housing assistance. This allows program combination to serve as onramp for housing stability for families on their path to economic independence. It further supports and advances the neighborhoods served by INLIVIAN. INLIVIAN has branded the local effort Moving Forward, which reflects a combination of shared intent, forward movement and an image of affordable housing that serves as a safety net and platform for rebuilding lives.

In compiling the report for fiscal year 2019, it's clear: MTW is an essential part of INLIVIAN's day-to-day operations while it continues to achieve its mission to develop, operate and provide quality housing in sustainable communities of choice for residents of diverse incomes. This next year, INLIVIAN will strive to continue to:

Complete Rental Assistance Demonstration (RAD) Conversions

With INLIVIAN's capacity to utilize both MTW flexibilities and RAD program guidelines, a role can be assumed that is more conducive to the competitive private market. Making the move to RAD will continue to enable INLIVIAN to achieve major goals while safeguarding long term affordability of units without further burdening clients with increased rental costs in our challenging area market. INLIVIAN has converted a total of 3,179 Public Housing units to Project Based Voucher units and is on schedule to convert 100 percent of unit inventory by end of FY 2020.

Utilize Quality Research and Evaluation to Drive Decisions That Shape Effective, Practical Agendas and Policies

Through close partnerships with the region's leading research and consulting institutions, INLIVIAN looks to further utilize its well-organized data collections and management strategies to produce sound evaluations and impact reports so as to regularly examine MTW policy outcomes to



determine if policies: meet the statutory requirements outlined by HUD, and/or can be improved or streamlined. Close partnerships with such great institutions and leaders in their respective fields, allows INLIVIAN to design policies that better correspond to shifting needs of our clients and surrounding regional market.

B. Overview of Long-Term MTW Goals and Objectives

GOAL

Elevate the Customer Experience by Providing a Culture of Service Excellence.

INLIVIAN has increased capacity to advance a broader range of affordable housing priorities that reach beyond the traditional model of a bricks and sticks Public Housing operation. INLIVIAN will continue to seek efficient outcomes through the high standards of delivery, coupled with the understanding that excellent customer service is a hallmark of a successful agency. Whether by a virtual visit to INLIVIAN's website or various social media platforms, or an in-person visit to INLIVIAN headquarters, INLIVIAN will continue to enhance its customer experience by developing and executing a successful system for gathering and responding to customer feedback.

GOAL

Acquire, Develop, and Preserve Diverse Price Point Housing.

An unfortunate by-product of a strong Charlotte economy has been the extreme pressure on the local housing market. This has had a particularly adverse impact on the lowest income populations. As a result, many are relegated to finding housing outside of the city, becoming isolated in areas where there are less job opportunities, access to amenities and transportation options. Understanding that communities are only as sustainable as our vision for the future, INLIVIAN seeks to provide leadership to further affordable housing in the long-term, by preserving or creating 850 diverse price point units during a five-year 2019 Plan period. MTW flexibility will continue to play a vital role in expanding the supply of permanent mixed-income units in Charlotte by maximizing real estate assets through acquisition, rehabilitation, and development of permanent workforce, market rate, and affordable units in desirable neighborhoods.

GOAL

Create and Enhance Diverse Income Streams to Support INLIVIAN's Mission.

INLIVIAN looks to continue its success leveraging real estate assets to maximize value through additional mixed-income and mixed-use development projects. Through a recent organizational transformation and the creation of subsidiary companies, INLIVIAN will utilize vital expertise in development, technology, property management, social service provision, and other areas to generate various lines of business on a fee-for-service basis to other government, non-profit, and for-profit entities. With the successful utilization of RAD and MTW flexibilities, INLIVIAN can continue to foster innovation and evolve from an agency that was bound to complex and firm HUD



rules and regulations, to a visionary agency that is able to better compete in the area's competitive market.

GOAL

Develop and Maintain Meaningful Mutually Beneficial External Partnerships that Further INLIVIAN's Mission.

This new INLIVIAN structure will allow the organization the versatility it needs to use resources more flexibly and enter into partnerships that are more mutually beneficial. Empowered by MTW, INLIVIAN is uniquely positioned in the Charlotte metro region to strategically engage in cross-sector partnerships with allies in education, health, social services, and workforce development to better ensure the impact of social investments for INLIVIAN clients are maximized. With these coordinated efforts, the multiple barriers which often exist on the road to self-sufficiency can be better addressed.

GOAL

Implement a Communication Strategy That Educates the Public on INLIVIAN's Transformation and Engages Stakeholders in Advocacy Efforts that Further INLIVIAN's Mission.

As INLIVIAN no longer functions like a traditional Public Housing authority, effective engagement will entail clarification of common misconceptions surrounding Public Housing, what an innovative agency can offer a growing community in the 21st century, and how the agency and its clients are an integral part of Charlotte's larger social, economic, and physical fabric. The enhanced communication strategy is meant to reach a more diverse and broader-based public and to more effectually explain the complexity and the standing of the affordable housing problem in Charlotte.

GOAL

Acquire, Retain and Develop Top Talent.

As a viable competitor in the talent market, INLIVIAN must focus on rapidly developing its workforce skills and the capabilities of emerging leadership candidates to shape top talent. Our talent management efforts will focus on acquiring, retaining and developing the necessary talent to achieve our goals. To this end, INLIVIAN would focus on four talent management initiatives: we will recruit a diverse workforce that will meet the needs of the organization; we will provide comprehensive development and engagement programs to help staff and managers attain professional growth and accomplish their goals; we will provide the necessary tools that prepare our staff for internal and external environmental changes; and we will ensure our compensation and performance management processes align with staff performance with organizational goals.



II. General Housing Authority Operating Information

A. Housing Stock Information

Actual New Project Based Vouchers

PROPERTY NAME	NUMBER OF VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
Dillehay Courts	136	0	Funding applications and design work in process.	Yes	Redevelopment of Public Housing with tax credit/bond financing

136	0	Planned/Actual Total Vouchers Newly Project-Based
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Please describe differences between the Planned and Actual Number of Vouchers Newly Project Based: Please refer to Status at End of Year column for specific information on particular site.



Actual Existing Project Based Vouchers

PROPERTY NAME	NUMBER OF VOUCHERS PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
940 Brevard	100	100	Leased/Issued	yes,40	Senior
Arbor Glen 50	25	25	Leased/Issued	yes,25	Family
Arbor Glen I	60	60	Leased/Issued	yes,60	Senior, Family
Arbor Glen II	40	40	Leased/Issued	yes,40	Family
Arbor Glen III	12	12	Leased/Issued	yes,12	Family
Ashley Square @ SouthPark	36	36	Leased/Issued	yes,22	Family/Mixed Income
Autumn Place	68	68	Leased/Issued	yes,68	Senior
Cedar Knoll	49	49	Leased/Issued	yes,49	Family
Charlottetown Terrace	161	161	Leased/Issued	yes,161	Disabled
Cherry Gardens	11	11	Leased/Issued	No	Senior
Claremont	50	50	Leased/Issued	yes,50	Family
Dillehay Courts	136	0	Leased	yes	Family
Edwin Towers	176	176	Leased/Issued	yes,176	Senior
Everett House	10	10	Leased/Issued	No	Disabled/Supportive
Fairmarket Square	16	16	Leased/Issued	yes,16	Family/Mixed Income
First Ward	132	132	Leased/Issued	yes, 132	Family/Mixed Income
Gladedale	49	49	Leased/Issued	yes, 49	Family/Mixed Income
Glen Cove	10	10	Leased/Issued	yes, 10	Mixed Income
Hampton Creste	60	60	Leased/Issued	yes,60	Mixed Income/Supportive
Leafcrest	48	48	Leased/Issued	yes,48	Family
Mallard Ridge	35	35	Leased/Issued	yes,35	Family
McAden Park	60	60	Leased/Issued	yes,30	Family, Mixed Income
McAlpine Terrace	26	26	Leased/Issued	yes,26	Senior/Mixed Income
McCreesh Place	88	88	Leased/Issued	yes,63	Supportive
McMullen Woods	21	21	Leased/Issued	yes,21	Family/Mixed Income
Meadow Oaks	32	32	Leased/Issued	yes,32	Family
Mill Pond	51	51	Leased/Issued	No	Mixed Income
Montgomery Gardens	20	20	Leased/Issued	yes,20	Family/Mixed Income
Moore Place I and II	85	85	Leased/Issued	yes,34	Family/Mixed Income/Supportive
Nia Point	29	29	Leased/Issued	yes,29	Family/Mixed Income
Park at Oaklawn	89	89	Leased/Issued	yes,89	Family/Mixed Income
Parktowne Terrace	163	163	Leased/Issued	yes,163	Family/Mixed Income



PROPERTY NAME	NUMBER OF VOUCHERS PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
Prosperity Creek	156	156	Leased/Issued	yes,156	Senior
Residence I	31	31	Leased/Issued	Yes, 31	Family
Residence II	15	15	Leased/Issued	Yes, 15	Renovation/redevelopment forthcoming
Retreat at Renaissance	90	90	Leased/Issued	yes,90	Senior
Robinsdale	30	30	Leased/Issued	yes,30	Family/Mixed Income
Savanna Woods	49	49	Leased/Issued	yes,49	Family
Seigel Point	120	120	Leased/Issued	yes,102	Family/Mixed Income
Seneca Woods	17	17	Leased/Issued	yes,17	Family/Mixed Income
South Oak Crossing	20	20	Leased/Issued	yes,20	Family/Mixed Income
Southside Homes	392	392	Leased/Issued	yes,392	Family/Mixed Income
Springcroft @ Ashley Park (SR)	36	36	Leased/Issued	yes,18	Senior
Steele Creek Seniors	120	120	Leased/Issued	yes,120	Senior/Mixed Income
Stonehaven East	24	24	Leased/Issued	yes,24	Family
Strawn Tower	170	170	Leased/Issued	yes,170	Senior
Sunridge	44	44	Leased/Issued	yes,44	Family
Tarlton Hills	50	50	Leased/Issued	yes,50	Family/Mixed Income
Victoria Square	31	31	Leased/Issued	yes,31	Family
Wallace Woods	48	48	Leased/Issued	yes,48	Family
YWCA Families Together	10	10	Leased/Issued	No	Supportive/Family
Woodlawn House	104	104	Leased/Issued	yes,104	Senior
Landing at Park Road	92	92	Leased/Issued	No	Senior
Oaks at Cherry	81	81	Leased/Issued	yes,81	Family
Springfield Gardens	22	22	Leased/Issued	yes,22	Senior

3,700	3,564	Planned/Actual Total Vouchers Project-Based Vouchers
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Please describe differences between the Planned and Actual Existing Number of Vouchers Project Based: No variances to report.

The Dillehay Courts re-development was delayed, which explains the variance in planned and actual totals of the above chart (136 units). INLIVIAN is close to completing a RAD portfolio conversion with one community remaining in Public Housing; Dillehay Courts. INLIVIAN anticipates converting the operating subsidies of the 136 Dillehay units in 2020/2021. INLIVIAN is converting all of the



Public Housing subsidies in Phase I (36 units) to the RAD PBV program and will use the RAD Transfer of Assistance to preserve these affordable units at other HDP owned communities.

Actual Other Changes to MTW Housing Stock in the Plan Year

There are no additional changes to MTW housing stock to report for plan year 2019.

General Description of All Actual Capital Expenditures During the Plan Year.

In 2019, INLIVIAN's lone public housing property has planned projects utilizing Capital Fund Expenditures. The properties will undergo numerous upgrades, but for the purposes of reporting and in relation to capital funds, can be best defined as, light rehabilitation projects. The projected grand total of Capital Fund Expenditures for FY 2019 totals: \$1,809,121. Outlined below, by property, are major line items planned for 2019. Dillehay Courts; in-units vinyl tile flooring (projected budget \$180,275), Interior Painting (projected budget \$178,241), in-unit amp panel boxes (projected budget \$172,718), Cabinetry (projected budget \$89,760), HVAC In-Unit Cooling (projected budget \$75,309).

B. Leasing Information

Actual Number of Households Served

NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED**	
	Planned^^	Actual	Planned^^	Actual
MTW Public Housing Units Leased	1,320	1,812	110	151
MTW Housing Choice Vouchers (HCV) Utilized	79,476	79,476	6,623	6,623
Local, Non-Traditional: Tenant-Based	2,820	1,596	145	147
Local, Non-Traditional: Property-Based	10,824	10,824	902	902
Local, Non-Traditional: Homeownership	108	216	9	18

Planned/Actual Totals	94,548	93,924	7,789	7,841
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Please describe any differences between the planned and actual households served:

In category *MTW Public Housing Units Leased*, Planned and Actual columns vary due to plan changes and associated delays to phase 1 of redevelopment of the Dillehay Community. In category *MTW Housing Choice Vouchers (HCV) Utilized*, variance is due to a error in amount



planned for during MTW planning process. In 2019, the Landing (92 units) through Tax credit/PBV was removed from the Non-Traditional Tenant-Based category.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS TO BE SERVED*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	2009-3 CBRA	1,740	1,764	145	147
Property-Based	2009-8 Land Acquisition for Future Use; 2011-3 New Construction of Affordable Units; 2008-7 Increase Acquisition and Rehabilitation of Existing Multi-Family Properties	10, 824	10,824	902	902
Homeownership	Homeownership (2016-1)	120	216	10	18

Planned/Actual Totals

12,684	12,804	1,057	1,067
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HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY	AVERAGE NUMBER OF HOUSEHOLDS PER MONTH	TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR
CBRA/Various Partnerships focusing on Homelessness services (ASH, WISH, Urban & Weyland)	1,764	147

HOUSING PROGRAM	DESCRIPTION OF ACTUAL LEASING ISSUES AND SOLUTIONS
MTW Public Housing	Dillehay conversion and redevelopment delayed.
MTW Housing Choice Voucher	No updates to report.
Local, Non-Traditional	The Landing (92 units) through Tax credit/PBV was removed from Non-Traditional Tenant-Based category

C. Waiting List Information

Actual Waiting List Information

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	WAS THE WAITING LIST OPENED DURING THE PLAN YEAR
Federal MTW Housing Choice Voucher Program	Central waitlist type	6,042	Closed	No



Federal MTW Public Housing	Site-based waitlist type	449	Open	Yes
PBV & RAD PBV Units	Site-based waitlist type	7,036	Partially Open	Yes

Please describe any duplication of applicants across waiting lists:

All applicants can be on several site-based waiting lists at the same time. This allows for housing flexibility for the applicant. When an applicant is housed they are removed from all other site-based wait lists managed by INLIVIAN.

Actual Changes to Waiting List in the Plan Year

WAITING LIST NAME	DESCRIPTION OF ACTUAL CHANGES TO WAITING LIST
Federal MTW Housing Choice Voucher Program	No Change during 2019 Plan Year
Federal MTW Public Housing	No Change during 2019 Plan Year
PBV & RAD PBV Units	No Change during 2019 Plan Year

D. Information on Statutory Objectives and Requirements

75% of Families Assisted Are Very-Low Income

A report produced by UNC Chapel Hill's Center for Urban and Regional Studies Department that examines INLIVIAN's compliance with the five Moving to Work (MTW) statutory requirements and two of the three MTW statutory goals, From September 2017-September 2019, shows INLIVIAN exceeded this throughout the study period, with at least 93% of households being considered very low-income.

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR
80%-50% Area Median Income	20
49%-30% Area Median Income	120
Below 30% Area Median Income	510

Total Local, Non-Traditional Households Admitted

650

Maintain Comparable Mix

Through the same evaluation report referenced above, outcomes pertaining to the goal of *maintaining a comparable mix of family size*, show the composition of INLIVIAN's families was consistent across the study period (September 2017-September 2019), with roughly 37.5% being single-person households, 37.5% being two- or three-person households, and 25% being four-person or larger households (from September 2017-September 2019).



BASELINE MIX OF FAMILY SIZES SERVED (upon entry to MTW)					
FAMILY SIZE	OCCUPIED PUBLIC HOUSING UNITS	UTILIZED HCVs	NON-MTW ADJUSTMENTS*	BASELINE MIX NUMBER	BASELINE MIX PERCENTAGE
1 Person	1,186	972	0	2,158	33%
2 Person	391	938	0	1,329	20%
3 Person	287	1,108	0	1,305	20%
4 Person	220	773	0	993	15%
5 Person	95	373	0	468	7%
6+ Person	59	247	0	306	5%
TOTAL	2,238	4,321	0	6,559	100%

Please describe the justification for any “Non-MTW Adjustments” given above:

No Non-MTW Adjustment description to input for 2019.

MIX OF FAMILY SIZES SERVED (in Plan Year)				
FAMILY SIZE	BASELINE MIX PERCENTAGE**	NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR^	PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR^^	PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR
1 Person	33%	3424	41%	8%
2 Person	20%	1584	20%	0%
3 Person	20%	1424	17%	3%
4 Person	15%	1023	12%	3%
5 Person	7%	504	6%	1%
6+ Person	4%	343	4%	0%
TOTAL	100%	8,302	100%	14%

Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:

Family sizes of 1 individual has increased slightly since baseline year. Waitlist preferences are not associated with family size.



Number of Households Transitioned to Self-Sufficiency in the Plan Year

MTW ACTIVITY NAME/NUMBER	NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY*	MTW PHA LOCAL DEFINITION OF SELF SUFFICIENCY
2009-5 Moving Forward Supportive Services	118	Successful exit of program and lives unsubsidized.
2016-3 Rent Reform and Work Requirement		
2009-2 Community Based Rental Assistance (CBRA)	0 (Expected)	Successful exit of program and lives unsubsidized.
	118	Households Duplicated Across MTW Activities
	118	Total Households Transitioned to Self Sufficiency

III. Proposed MTW Activities

All proposed MTW activities that were granted approval by HUD are reported in Section IV as 'Approved Activities'. The rest of this page is intentionally left blank.



IV. Approved MTW Activities

A. Implemented Activities

YEAR- ACTIVITY #	MTW ACTIVITY	STATUTORY OBJECTIVE	PAGE #
2019-1	Housing Choice Provider Incentive Program	Housing Choice	22
2018-1	Self-Certification of Re-inspection for HQS Initials	Cost Effectiveness	23
2018-2	Modified Terms of Over Subsidy	Cost Effectiveness, Housing Choice	24
2017-2	Imputed Earned Income	Cost Effectiveness, Self Sufficiency	25
2017-3	Exception Payment Standards	Housing Choice, Self Sufficiency	27
2016-1	Home Ownership Initiative	Housing Choice, Self Sufficiency	28
2016-2	Triennial Re-examinations	Cost Effectiveness	29
2016-3	Rent Reform and Work Requirement (Revision)	Cost Effectiveness, Self Sufficiency	30
2016-4	Single Platform for Inspections	Cost Effectiveness	33
2016-5	Controlled Program Moves	Cost Effectiveness	34
2016-6	Modified Definition of Elderly	Housing Choice	36
2011-3	New Construction of Affordable Units	Housing Choice	37
2009-3	Community Based Rental Assistance	Cost Effectiveness, Housing Choice, Self Sufficiency	38
2009-5	Moving Forward Supportive Services	Cost Effectiveness, Self Sufficiency	43
2009-8	Land Acquisition for Future Use	Housing Choice	45
2008- 3	Investment Policies Consistent with State Law	Cost Effectiveness	47
2008-7	Increase Acquisition and Rehabilitation of Existing Multi-Family Properties	Cost Effectiveness, Housing Choice	48



2019-1 Housing Choice Provider Incentive Program

Statutory Objective: Housing Choice

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval for this initiative in 2019. The following program is planned to be rolled-out quarter 3 of 2019 and will include the specific incentives as explicated in the activity's proposal to HUD.

Description/Impact/Update:

INLIVIAN's Housing Choice Voucher (HCV) program has been negatively impacted by a severe shortage of affordable housing units along with a strong and competitive rental market. This is making it increasingly difficult for HCV applicants and participants to locate affordable housing units. In response to these local realities, INLIVIAN proposed this activity as an amendment to the FY 2019 MTW Plan late in 2018. The program will operate based upon the availability of funding so as to recruit and retain landlords by providing more choice for INLIVIAN's Housing Choice applicant and participant families. A range of incentives such as, but not limited to the following will be introduced through the proposed program. Upon initial rollout, the following 3 incentives will be applied September of 2019:

Landlord Incentive Payment. Provides owner participants a one-time payment upon execution of a HAP contract who meet eligibility criteria.

Vacancy Assistance Payment. Pays up to a fixed amount for a transition period in which the unit remains vacant for owners who lease to another voucher holder within a maximum amount of days.

Risk Reduction/ Mitigation Funds. Can offer landlords funds up to a certain amount, for tenant-caused damages at the time of move-out, and after providing documentation of charges, including but not limited to: invoices, receipts, and pictures. This initiative aims to increase housing choice for low income families.

Actual Non-Significant Changes:

There are no non-significant changes to this activity to report for 2019; as this program matures through 2020, staff will evaluate as needed to determine if program adjustments should be made.

METRIC	BASELINE	BENCHMARK	OUTCOME
HC#5 Increase in Resident Mobility			
Number of Households able to move to a better unit and/or neighborhood of opportunity as a result.	0	25	14



Actual Changes to Metrics/Data Collection:

After implementation of activity, metrics and various qualitative data will be appraised to determine if above incentives are effective and/or need to be adjusted, and if alternative incentives ought to be explored.

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

After further evaluation of activity, metrics and various qualitative data will be appraised to determine if above incentives are effective and/or need to be adjusted, and if alternative incentives ought to be explored.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity.

2018-1 Self Certification of HQS Initials

Statutory Objective: Cost Effectiveness

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval for FY 2018 for the Self-Certification of Re-inspection for HQS Initial Inspections. This activity was implemented in June 2018.

Description/Impact/Update:

The activity allows a self-certification in lieu of a re-inspection when an initial inspection fails, and there are 10 or less different types of non-life-threatening deficiencies. Photos and invoices are required and must be submitted within 30 days of the failed report. A self-certification of completion executed by the participant and the housing provider is also required prior to executing a Housing Assistance Payment (HAP) contract.

Actual Non-Significant Changes:

The activity began in June 2018. There were no non-significant changes through FY 2019 to this activity.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
Decrease in total cost of task (staff time)	30 min x 744 units = 372	30 min x 596 units = 298	Fail rate increased no decrease
CE#2 Staff Time Savings			
Decrease total cost in staff time	372 hours x \$21.09/hour = \$7,845	298 hours x \$21.09/hour=\$6,285	Fail rate increased no decrease
CE #3 Decrease in Error Rate of Task Execution			



Average error rate in completing a task	Initial fail rate of 46%	Reduce initial fail rate by 10%	Fail rate of 47%; increased by 1%
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Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods

2018-2 (Replaced 2017-1) Modified Terms of Over-Subsidy

Statutory Objective: Housing Choice, Cost Effectiveness

Plan Year Approved, Implemented, Amended:

The activity to modify terms of over-subsidy was approved for FY 2017 and implemented in the first quarter of 2018. Proposed amendment to this activity, as highlighted below were submitted to HUD for initial review on June 12, 2020. HUD subsequently provided comments/edits for INLIVIAN staff to complete for resubmission (as of August 18, 2020).

Description/Impact/Update:

The definition of over-subsidy has been modified in the tenant based and traditional project-based voucher programs. Under this activity, HAP contract terminations occur if the INLIVIAN is paying \$75.00 or less, or what is equivalent to INLIVIAN's minimum rent in monthly housing assistance payments for 180 consecutive calendar days. In RAD PBV communities where the RAD HAP contract rents are set below INLIVIAN's payment standard, the 180-day over-subsidy requirement will not apply until the family has reached 80% of AMI for their family size. The participant can remain in the unit and the unit will stay under the HAP contract until 180 days after the family's adjusted income reaches 80% AMI. Tenants who were in place at the time of a RAD conversion are exempt from over subsidy regulations.

Actual Non-Significant Changes:

There are no non-significant changes to report outside of the proposed significant changes for this activity currently under review.

METRIC	BASELINE	BENCHMARK	OUTCOME
HC#3: Decrease in Wait List Time			
Average applicant time on wait list in months (decrease)	870 months	624 months	584 months



Actual Significant Changes

The proposed changes to the activity as highlighted above, are designed to expand housing choice and to expand existing flexibility to allow new residents moving into RAD PBV communities with tenant portions of rent that are equal to or exceed the contract rent where the contract rent is lower than the payment standard.

Actual Changes to Metrics/Data Collection:

The above metrics apply to current iteration of the activity and changes to metrics to reflect the above described proposed amendments, will include HUD standard metrics: HC#5 and HC#3 in forthcoming MTW Planning and Reporting documentation.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity in its current form. The impact of this activity once approved, will be monitored to verify current evaluation strategy and/or explore new methods.

2017-2 Imputed Earned Income

Statutory Objective: Cost Effectiveness, Self Sufficiency

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement Imputed Earned Income in the FY 2017 Annual Plan. The activity was implemented for the April 2018 re-certifications and the March 2018 transfer lease-ups.

Description/Impact/Update:

In both the traditional voucher and Project-Based Section 8, INLIVIAN does not process interims three months prior to a recertification, three months after a recertification or within three months after a lease up, when there is a loss of income (except in cases of unintentional employment termination) for work abled households. The activity was implemented for the April 2018 re-certifications and March 2018 transfer lease ups. INLIVIAN has had to deny some changes in decreased income once families received their rent change letter for re-certifications, as well as within days after they sign their new leases for transfers. INLIVIAN currently does not process interims of increased income unless the household is a minimum rent household or being recertified.

This activity has not been fully implemented via the agency's PBV platform.

There has not been any request for hardships, but protocol has been established. Hardship cases will be referred to the INLIVIAN Hardship Committee and evaluated using the Hardship Policy established by the agency.

Actual Non-Significant Changes:

There were no non-significant changes through FY 2019 to this activity.



METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
cost of task in dollars (decrease) (income interim) average staff time X hourly salary & benefits	\$5,888	\$2,948	\$1,073.23
CE#2 Staff Time Savings			
total cost of task in dollars (decrease) (income interim) average staff time)	296 hours	148 hours	38 hours
CE#5 Increase in Agency Rental Revenue			
Decrease in average HAP amount in dollars	The average HAP is \$621	A decrease to equal \$583 average HAP	\$678
SS#1 Increase Household Income			
Average earned income of households affected by the policy in dollars (increase) *at all sites except FSS (tenant based and RAD PBV)	\$16,394	\$16,938	\$17,021
SS#3 Increase in Positive Outcomes in Employment Status			
Employed *at all sites except FSS (tenant based and RAD PBV)	1,854	2,955	3,051
SS#6 Reducing Per Unit Subsidy Costs for Participating Households			
Average amount of Section 8 subsidy per household affected by this policy in dollars	\$616	\$155	\$215

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

The above metrics are based on the Moving Forward Program and will be reviewed on an annual basis due to program attrition

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.



2017-3 Exception Payment Standards

Statutory Objective: Housing Choice, Self-Sufficiency

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement Exception Payment Standards for FY 2017. The activity was implemented in the first quarter of 2017.

Description/Impact/Update:

INLIVIAN acknowledges that the climb out of poverty for families in Charlotte was recorded as last place in 50 of the United States largest cities (*according to the Harvard University and California-Berkeley study on upward mobility*). To assist families in deconcentrating poverty through upward mobility, INLIVIAN established a Choice Mobility program.

Neighborhoods defined as opportunity, were established based upon criteria such as, but not limited to, areas with low poverty, low crime rate, access to better services including schools, transportation and job opportunities. To complement the program, INLIVIAN has increased payment standards more than 120 percent of the FMR but not more than the lower of comparable market rents, or 150 percent of HUD's published FMR. This activity provides participants the flexibility to relocate to areas of higher opportunity. The impact will continue to increase housing options and expand opportunities for housing choice voucher participants in more in demand/competitive neighborhood markets.

The first lease ups utilizing the exception payment standard began in the first quarter of 2019, to coincide with the initial rollout of INLIVIAN's choice mobility program, Opportunity Housing.

Actual Non-Significant Changes:

There were no non-significant changes through FY 2019 to this activity.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
cost of task in dollars (decrease) (income interim) average staff time X hourly salary & benefits	\$5,888	\$2,948	This cannot be measured until the end of 2020. First unit to contract was in January 2019 not enough data to measure
CE#2 Staff Time Savings			



total cost of task in dollars (decrease) (income interim) average staff time)	296 hours	148 hours	This cannot be measured until the end of 2020. First unit to contract was in January 2019 not enough data to measure
CE#5 Increase in Agency Rental Revenue			
Decrease in average HAP amount in dollars	The average HAP is \$621	A decrease to equal \$583 average HAP	Increased HAP to average of \$1,198
SS#1 Increase Household Income			
Average earned income of households affected by the policy in dollars (increase) *at all sites except FSS (tenant based and RAD PBV)	\$16,394	\$16,938	\$16,940
SS#3 Increase in Positive Outcomes in Employment Status			
Employed *at all sites except FSS (tenant based and RAD PBV)	1,854	2,955	3,051
SS#6 Reducing Per Unit Subsidy Costs for Participating Households			
Average amount of Section 8 subsidy per household affected by this policy in dollars	\$616	\$155	\$215
SS#8 Households Transitioned to Self-Sufficiency			
Number of households transitioned to self- sufficiency (no subsidy)	0	0	0
HC #5 Number of Households able to Move to a Better Unit/ Increase in Resident Mobility			
Number of Households able to move to a better unit/neighborhood of opportunity as result of activity	0	5	26

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

The above metrics are based on the Moving Forward Program and will be reviewed on an annual basis due to program attrition

Challenges in Achieving Benchmarks and Possible Strategies



There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2016-1 Homeownership Initiative

Statutory Objective: Cost Effectiveness, Self Sufficiency

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement a Homeownership Program in the FY 2016 Annual Plan for qualifying Housing Choice Voucher participants and RAD-PBV participants who are eligible as a first-time home buyer, defined by HUD's and have earned income, Social Security (SS), or Supplemental Security income (SSI).

Description/Update:

General requirements for program participation include, but are not limited to the following:

- Must be a Housing Choice Voucher, tenant based, or RAD PBV program participant.
- Participating households must demonstrate a minimum 24 months of stable employment history or stable receipt of acceptable fixed income for elderly/disabled.
- Must possess a minimum annual income of \$25,000 (amount changed from \$20,000 in FY 2019) for families reporting earned income.

- A minimum annual income of \$9,000 for elderly or disabled designated households.

All households must attend a mandatory Orientation and participate and successfully complete an INLIVIAN approved HUD- certified Homeownership Education and Counseling program. The program provides workshops and individualized tailored counseling plans on budgeting, credit, the home buying process, roles and responsibilities of the lender and realtor. The Homebuyer Education Provider will assess participants for mortgage readiness through review of their tri-merge credit scores, debt ratio, employment history, reserves, and other financial concerns that directly impact the participant's ability to become mortgage ready. There is an 8-hour workshop provided to each participant once they become mortgage ready. This workshop is recognized by down payment assistance programs. The number of counseling hours needed for each individual is directly correlated to their mortgage readiness status.

In 2019, 18 families became homeowners through Destination Homeownership.

Actual Non-Significant Changes:

Two non-significant changes to the program include:

- Annual income criteria for participation, for those reporting earned income: from \$20,000 to \$25,000 (amount changed from \$20,000 in FY 2019).
- As a result of COVID, the Destination Homeownership program will offer virtual "Financial Workshops".

Actual Significant Changes



There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2016-2 Triennial Re-examination

Plan Year Approved, Implemented, Amended:

The Triennial Re-examination was approved in 2016, and was implemented, effective October 2018. This activity is approved for all housing authorities; however, INLIVIAN uses the MTW flexibility to waive implementation of any Cost-of-Living Adjustment (COLA) between re-examinations.

Description/Impact/Update:

Effective October 2018 INLIVIAN is implemented triennial re-examinations for designated elderly or disabled families. That will be all elderly or disabled tenant-based voucher families or PBV families that have an elderly and/or disabled designation on the 50058 for the Head of Household, Spouse or Co Head. PBVs include RAD converted or traditional PBV sites.

Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

METRIC	BASELINE	BENCHMARK	OUTCOME
Decrease in total cost of task in dollars	\$16,150 (2015)	\$3,800 (set in 2015)	Rolled out in 2018 will not see affect until 2020 report
CE#2: Staff Time Savings			
Decrease in total time to complete the task in staff hours	807.5 hours (last established 2016 plan)	190 hours (last established 2016 plan)	Rolled out in 2018 will not see affect until 2020 report
CE#5: Increase in Agency Rental Revenue			
Increase in rental revenue in dollars	Rental Revenue estimate agency wide for FY2015 is \$3,723,776	INLIVIAN anticipates rental revenue agency wide of \$2,798,379	Rolled out in 2018 will not see affect until 2020 report

Actual Significant Changes

In response to the conditions created by the coronavirus (COVID-19) that impede the processing of biennial re-examinations during FY2020, INLIVIAN is proposed a technical amendment to this activity, and was approved, the expansion of triennial recertifications beyond elderly and/or disabled households across portfolios. Based on the expected efficiencies that will be created, INLIVIAN looks to continue the implementation across its entire subsidy portfolio, not just those



recertifications due in FY2020. The appropriate standard metrics as accepted in the technical amendment proposal will be monitored and reported in future MTW Plans and Reports, as this modification rolled out in FY 2020. Metrics from original activity which was implemented in 2018, will be recorded as soon as data can be collected, in the agency's 2020 MTW Report.

Actual Changes to Metrics/Data Collection:

Changes to standard metrics associated with the approved technical amendments to this activity will be reported via the agency's FY 2020 MTW Plan.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2016-3 (Replaced 2010-1) Rent Reform and Work Requirement

Statutory Objective: Cost Effectiveness, Self Sufficiency

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement Rent Reform and a Work Requirement in the FY2010 annual plan. The activity was implemented in FY2011 and updated and approved via the 2016 Plan.

Description/Impact/Update:

While elderly and disabled are not required to participate in the work requirement, they are mandated to participate in rent reform. Rent simplification applies to both INLIVIAN Public Housing, Housing Choice Voucher and RAD PBV. Per approval of the revision in the FY 2016 Annual Plan, the work requirement for families that port into Mecklenburg County applies when the work requirement is implemented for the HCV program.

Work Requirement:

INLIVIAN believes it is essential to create a clear expectation that all applicants and participants who are non-elderly and non-disabled should work. To this end, INLIVIAN instituted a work requirement under which each non-elderly/non-disabled household will be expected to work at least 20 hours per week. The tenants and participants of INLIVIAN have support under the Work Requirement Policy through the Client Services Department. Case Management is available to assist households with identifying strengths, removing barriers to employment and achieving their goals towards self-sufficiency. At the time of implementation, a household who works less than 20 hours per week will have the work requirement waived for a period of up to 6 months or until a household has found employment; whichever is sooner. For new admissions, employment will be verified at the time of admission to INLIVIAN and all households must become compliant within 6 months of admission. All children under the age of 16, who have not graduated from high school or received their GED, must be enrolled in school full time.



Any time a household enters a Sanction Phase they will be referred to the CORE Program staff where a Certified Life Coach will be available to assist and ensure the household remains in compliance with the Work Requirement Policy.

Rent Reform:

In 2010, as part of our Moving Forward Initiatives (MFI), INLIVIAN revised the rent calculation to an income-based, stepped rent process with stepped escrow deposits. The income bands are a \$2,500 range with the stepped rent being 30% of the range low end. For example, in a \$5,000 – \$7,499 annual income band, the low end of \$5,000 is divided by the 12 months of the year and multiplied by 30%. The total tenant payment required by the tenant would be \$125. Annual adjusted income will be used to establish the income band. A ceiling flat rent was established at INLIVIAN Fair Market Rents (PBV units only) by bedroom size and is reviewed/updated annually every fall. In 2018, INLIVIAN removed the escrow deposit and replaced it with two new incentive programs; The Challenging Barriers Program and the Milestone Program. The income bands for rent calculation have not changed.

Income earned by seasonal employment will be annualized if the employee has maintained employment for more than 60 days. Employees of temporary agencies will be annualized after an initial 30 days of assignments.

Income from assets with a combined value of less than \$5,000 will be excluded. The annual recertification will include self-certification for households with combined assets at or below \$5,000, or third-party verification for assets over \$5,000. Traditional medical and childcare deductions are eliminated. Participants need only verify enough non-reimbursable expenses to meet the requested deduction level listed below.

MEDICAL EXAMPLE	MEDICAL DEDUCTION	CHILDCARE EXPENSE	CHILDCARE DEDUCTION
\$0 - \$2,499	\$0	\$0 - \$2,499	\$0
\$2,500 - \$4,999	\$2,500	\$2,500 - \$4,999	\$2,500
\$5,000 - \$7,499	\$5,000	\$5,000 - \$7,499	\$5,000
\$7,500+	\$7,500	\$7,500+	\$7,500

Actual Non-Significant Changes:

Although non-significant changes via this activity have recently been enacted due to economic impacts due to COVID-19, these modifications did not take place until FY 2020, and will be reported and accounted for in the agency's FY 2020 Plan and Report.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
Total cost of rent reform in dollars	The cost of task prior to implementation of activity is \$67,960 (3,398 staff hours multiplied by \$20 per hour for FTE of specialist/property manager)	The expected cost of task \$38,160	\$38,400



CE#2 Staff Time Savings			
Decrease total time to complete the task in staff hours	Total amount of staff time prior to implementation of the activity is 3,398 hours	Expected amount of total staff time dedicated 1,908 hours	1,920 hours
CE#3 Decrease in Error Rate of Task Execution			
Decrease in average error rate in rent calculation task as a percentage.	The average error rate of task prior to implementation of Blue Horizon was not set	7%	7%
CE#5 Increase in Agency Rental Revenue			
Increase in rental revenue in dollars	INLIVIAN had agency wide rental revenue of \$4,780,995.99	A project rental revenue of \$2,798,379	*\$300,959

Actual Significant Changes:

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

The above metrics are based on the Moving Forward Program and will be reviewed on an annual basis. *For FY2019, the yearend actual "Project Rental Revenue" was \$300,959 (audit book, FDS schedule). This amount is significantly lower than the \$2,798,379 expected benchmark. The only property reported in MTW is Dillehay (non-RAD).

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity and the new metrics associated with the non-significant modifications in response to the COVID-19 pandemic, will continue to be monitored to verify current evaluation strategy and/or explore new methods. These new metrics associated with the 2020 modifications will be incorporated into the agency's FY 2020 MTW Plan and Report.

2016-4 Single Platform for Inspections

Statutory Objective: Cost Effectiveness

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to standardize the inspection protocol for all programs during the FY2016 plan year.

Description/Impact/Update:

INLIVIAN may use the Uniform Physical Condition Standard (UPCS) as the model for inspection in lieu of Housing Quality Standards (HQS) and exclude the UPCS inspection criteria that impacts the building systems, site common areas, such as playgrounds, pools, laundry mats, and other amenities. In addition, INLIVIAN received approval to allow the agency's certified/trained UPCS inspector or HCV certified designees as described in the HCV Administrative Plan to conduct inspection of the units that the agency and/or their subsidiaries has an ownership interest in.



INLIVIAN does use some of the UPCS components in the RAD PBV units and allows self-certification on annual for tenant-based units.

Actual Non-Significant Changes:

We did not reach our benchmark anticipated for the decrease in total cost of re-inspections. The benchmark should be changed to reflect the increase in costs for salaries and benefits since the baseline was created.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
Decrease total cost of re-inspection in dollars	\$73,208 cost for re-inspections (FY2015)	\$24,403 cost for re-inspections	\$56,925 cost for re-inspections
CE#2: Staff Time Savings			
Decrease total time to complete reinspection in staff hours	3,748 hours on re-inspections (FY2015)	1249.50 hours on re-inspection	1895 hours on re-inspection
CE#3: Decrease in Error Rate of Task Execution			
Average percent of re-inspections of initial inspections	55% (FY2015)	40%	47%

LOCAL METRIC	2019 BENCHMARK	OUTCOME
Initial inspections pass rate increase	Pass rate of 50%	Pass rate of 53%
Annual Inspections pass rate increase	Pass rate of 30%	Pass rate of 45%
Reduction in re-inspections	Reduction rate of 6%	Reduction by 15%
Total cost of re-inspections	Reduction to \$23,000	Reduction to \$25,992
Total staff time	1,200 hours	855 hours

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

At this time, local metrics illustrated above more efficiently track progress for current iteration of activity. Metrics will be further evaluated during the reporting process for FY2020 and adjusted as necessary. Standard HUD metrics did not change in 2019. Data collection methods will continue to be evaluated as aspects of activity roll-out, and outcomes are determined.

Challenges in Achieving Benchmarks and Possible Strategies

INLIVIAN did not reach 2019 benchmarks anticipated for the decrease in total cost of re-inspections. Through FY2020 MTW Planning and Reporting, the above benchmarks will be updated to reflect the increase in costs for salaries and benefits since the baseline was created.



2016-5 Controlled Program Moves

Statutory Objectives: Cost Effectiveness

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to control program moves in the HCV tenant-based program during the FY 2016 plan year. The initiative was implemented during the first quarter of 2016.

Description/Impact/Update:

INLIVIAN will approve elective move transfers only if the participant has lived in the current unit for a minimum of eighteen (18) consecutive months unless the situation involves a mandatory or permissible move.

MANDATORY:	PERMISSIBLE:
Abatement	Domestic Violence
Breach of contract by owner	Reasonable Accommodations
Transfer of ownership where new owner is not participating in the HCV program	Health or safety of a family member, or to address an emergency which a family has no control of.
Notice of Pending Foreclosure	Educational opportunities
Under Housed	Employment opportunities
Natural disasters that make the unit uninhabitable	
Decrease in the payment standard	

INLIVIAN will also deny a participant permission to make an elective move if the family is currently in a repayment agreement until they are paid in full and will be denied if pending termination. This policy applies to moves within the PHA's jurisdiction or outside it under portability.

Third party documentation will be required for all requests inside of the 18month period. Documentation examples include a job offer, school letter, police report, bank notices, or any documentation that verifies the legitimacy of the reason for the request to move inside of the 24-month period. Owner agreement to terminate may be applicable in some situations. This activity will apply to all tenant-based voucher holders and port-ins.

INLIVIAN implemented the 18-month elective move/transfer in March 2016. months is meant to better align with the local rental policy of one-year leases and annual lease renewals. Providers have indicated that they renew leases at 1 year, not month to month or 6-month leases, so INLIVIAN would like to align with those to avoid confusion. In addition, the rental market in



Charlotte is becoming increasingly costly for voucher participants and those transferring are saturating the market and creating challenges for port ins and wait list applicants in securing units because they are under contract in existing units and the new units for a short time.

Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
Decrease in total cost of processing move requests	\$26,230 per 18 months	\$22, 756 per 18 months	\$99.00
CE#2 Staff Time Savings			
Decrease total staff time (in hours) to complete transfers	1,398 hours per 18 months	1,213 per 18 months	5.37 hours

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2016-6 Modified Definition of Elderly

Statutory Objectives: Housing Choice

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to modify the definition of elderly from 62 or older to 55 or older during the FY 2016 plan year. The initiative was implemented with RAD.

Description/Update:

The definition of elderly families for eligibility in both the Public Housing and Project Based Voucher Programs has been modified from head, co- head or spouse age 62 and older, to head, or co-head or spouse age 55 and older. This activity enables INLIVIAN to expand housing choice for near elderly households.



Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

METRIC	BASELINE	BENCHMARK	OUTCOME
HC#1: Additional Units of Housing Made Available			
Number of new housing units made available for households at or below 80% AMI as a result	95	95	2,960
HC#3: Decrease in Wait List Time			
Average applicant time on wait list in months	11 years	16 years	11 years
HC#4: Displacement Prevention			
Number of near elderly households at or below 80% AMI to lose assistance or need to move	338	0	0
HC#5: Increase in Resident Mobility			
Number of households to move to a better unit	77	77	77

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2011-3 New Construction of Affordable Units

Statutory Objectives: Self Sufficiency, Housing Choice

Plan Year Approved, Implemented, Amended:

The activity was approved in March 2010 as a first amendment to the FY 2011 plan. The activity was implemented in FY 2011 and was amended as New Construction of Affordable Units so as to serve a broader scope which garnered approval in FY2012.

Description/Impact/Update:

INLIVIAN proposes to redevelop 100% low-income properties into mixed-income communities. The projects will include units intended for a wide range of income levels, from market rate to units that are affordable to those earning less than 30% area median income (AMI). Adding these units will



increase housing choices for those needing affordable housing in viable and sustainable projects. These communities will create opportunities for residents to excel in CHA's Moving Forward program.

Actual Non-Significant Changes:

Ongoing projects set forth in 2019 Plan include:

- Tall Oaks – INLIVIAN had fully leased all 81 units of this development, now known as The Oaks at Cherry and pre-development activities for Tall Oaks II are still underway.
- Approximately 180 units will be constructed on newly acquired land described above (Baxter Street) or other land acquisitions utilizing FHA financing or other available financial tools. INLIVIAN's goal includes mixed income developments and to achieve this goal, multiple properties are required to deconcentrate poverty. INLIVIAN seeks to re-tool its portfolio to eliminate the traditional Public Housing deal structure where 100% of the property is occupied by low and very low-income families. To that end, INLIVIAN is contemplating a Transfer of Assistance of the remaining 11 units of subsidy available at Strawn Cottages and the subsidies for vacant units at Dillehay Courts (a RAD conversion-slanted development) to go to planned new developments that include a range of incomes, up to and including workforce housing and market rate, thus providing housing, and opportunities, for very low-income residents.

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2009-3 Community Based Rental Assistance

Statutory Objectives: Cost Effectiveness, Self Sufficiency, Housing Choice

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement the Community Based Rental Assistance program during the FY2009 plan year. The initiative was implemented during the first quarter of FY 2009 and expanded in the FY 2011.

Description/Impact/Update:

INLIVIAN operates a Community Based Rental Assistance (CBRA) program (also known as the project-based voucher program). The CBRA program encompasses Traditional Project-Based vouchers, Special Needs units (elderly, disabled, supportive service and homeless) and Local Rental



Subsidy programs. The CBRA policy is also applicable to units converted to PBV under the Rental Assistance Demonstration (RAD) program.

There is no annual benchmark for this activity because INLIVIAN's Board of Commissioners approves CBRA projects and program partnerships on a case by case basis. In selecting families to occupy Project-Based Voucher (PBV) units, INLIVIAN has delegated determination of program and project eligibility to the PBV owner/agent. However, INLIVIAN's standards must still be met. INLIVIAN retains the flexibility to use, as necessary, the Public Housing program guidelines for PBV participants that reside in mixed-finance communities with regard to various operational and procedural functions, including but not limited to forming resident organizations, informal hearing procedures, etc. This streamlined approach creates consistency for residents and efficiencies in application for staff.

INLIVIAN may delegate to the owner/agent the full responsibility of administering all aspects of the CBRA program. This includes: waiting list selection and administration, eligibility, admissions, and functions related to continued occupancy to include, but not limited to regularly scheduled recertification, interim recertification, and transfer moves, at the property level based on the community's approved tenant selection plan and the Administrative Plan. The owner/agent is also authorized to administer informal hearing processes provided that no cause evictions are not permitted and all policies and practices comply with fair housing and other related requirements.

Traditional Project Based Voucher Activity

In FY 2009, INLIVIAN was approved to implement a Community Based Rental Assistance (CBRA) program. The activity was implemented in FY2009 to simplify the selection process in order to maximize the number of quality project-based voucher units throughout Charlotte. INLIVIAN revised the current CBRA Policy to further increase efforts of deconcentrating poverty and expanding housing and economic opportunities.

Traditional Project Based Voucher Activity

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#2 Staff Time Savings			
Decrease total time to complete inspections in staff hours.	Total staff time dedicated to inspections prior to implementation of the activity is 272 hours	272 hours	270 hours
CE#3: Decrease in Error Rate of Task Execution			
Decrease in the average percent error rate in completing HQS and UPS inspections.	Average (%) failed HQS inspections and UPCS inspections prior to implementation equal 4% and 14.99% respectively.	0%	0%

Supportive Housing Project-Based Activity

In FY 2009, INLIVIAN was approved to implement Housing for Persons with Disabilities, Special Needs and Homeless. The activity was implemented in FY 2009. The activity enables INLIVIAN to expand its role in the supportive housing community by leveraging funding and resources to social



service and supportive housing providers. This will help alleviate the existing housing burden, as well as increase the income-based housing opportunities in the Charlotte community.

The activity has impacted Charlotte's supportive housing projects by enabling local agencies to produce additional units for the targeted population to fill a needed void in Charlotte's continuum of care. Without INLIVIAN's fund leveraging or resource commitment, projects may be delayed or not occur. As of June 2018, INLIVIAN has provided a total of 120 units at Moore Place, 15 for Supportive Housing Communities (moved to Local Rental Subsidy when they became scattered), 26 PBV and 63 RAD PBV at McCreesh Place, and 60 units to The Salvation Army's SHIP Program at Hampton Creste Apartments, which are RAD PBV.

Through MTW flexibility, INLIVIAN allows supportive housing programs to operate on a month to month lease, rather than requiring them to modify their program to comply with existing HUD regulations requiring 12-month initial leases. This is significant in respect to non-compliance and participant termination. INLIVIAN may also designate certified UPCS and/or HQS certified Supportive Housing staff as HCV Inspectors, as described in the Implement a Single Platform for Inspections activity and HCV Administrative Plan, in order to conduct initial/new move-in inspections. Supportive Housing sites must have a track record of passing initial inspections in order to be designated as an HCV Inspector. This flexibility is significant because it aligns with the fundamental goal of rapid re-housing by reducing the amount of time a person is homeless.

Supportive Housing Project-Based Activity

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#4 Increases Resources leveraged			
Increase in amount of funds leveraged in dollars	Amount of leverage prior to implementation of the activity is \$0.	Expected amount leveraged is \$2,300 per family for supportive services	Moore Place \$5,034 per family McCreesh \$7,034 per family
HC#5: Increase in Resident Mobility			
Number of new housing units made available for special needs, homeless or disabled households at or below 80% AMI as a result of the activity	0	0	Moore Place 120 McCreesh 89 Hampton (SHIP) 60 Total: 269

Local Rental Subsidy Activity

The activity was approved in FY2011 as a second amendment to the Plan. The activity was implemented in FY2011. INLIVIAN awards partner agencies with an allocation of tenant-based vouchers to house families participating in intensive supportive services.

INLIVIAN may grant special admissions to referrals from partner agencies participating in the Local Rental Subsidy Program and admit families that are not on the HCV waiting list or without considering the family's position on the HCV waiting list. However, referrals that are on the HCV waiting list will have preference. Families referred to INLIVIAN by partner agencies must meet HCV eligibility criteria and adhere to the partner's supportive services requirements for continued eligibility. Partner agencies participating in the Local Rental Subsidy program may impose voucher



time limits based on their INLIVIAN-approved service delivery model. INLIVIAN is collaborating with four partners to implement the Local Rental Subsidy Program:

a. Charlotte Family Housing (CFH) receives 40 rental subsidies. The families referred through CFH are either working or participating in a self-sufficiency or educational program and earning less than 30% of the Area Median Income (AMI). INLIVIAN may subsidize up to 15 families that need employment

at the time of admission. The CFH program targets families who are situationally or transitionally homeless and ready for transition from local shelters. The CFH program is a collaborative effort that joins local agencies that are already providing services to this population with funds from the faith community, the corporate community and the public sector. The goal is to help families achieve self-sufficiency within three to five years by providing comprehensive family development via social work, intensive case management and access to services while the family is permanently housed in a stable apartment community.

CFH has established operating procedures, landlord relationships and administrative staff to deliver wrap-around services and assist families in locating suitable housing. The CFH partnership enables delivery of supportive services at no cost to INLIVIAN. INLIVIAN and CFH modified the \$500 subsidy cap for

working households due to the impact on larger families' ability to locate units below the INLIVIAN payment standard.

b. A Stable Home (ASH) is collaboration with A Child's Place, and INLIVIAN to provide stability for homeless school children and their families.

ASH case managers identify and refer homeless families at participating schools for participation in the local Rental Subsidy Program. INLIVIAN provides case management to referrals that meet HCV eligibility and Family Self-Sufficiency/Moving Forward Supportive Services program requirements. INLIVIAN provides the flexibility for ASH's voucher allocation up to 50 based on their average utilization rate.

c. Supportive Housing Communities (SHC), formerly known as Weyland II, receives 15 rental subsidies for chronically homeless families and/or individuals with disabilities. SHC transitioned from a site-based rental subsidy program at Weyland Apartments to a scattered-site program in 2016. Referrals for the SHC local Rental Subsidy Program are received by SHC through Mecklenburg County's Coordinated Assessment. Coordinated Assessment aims to connect individuals and families who are homeless, or at imminent risk of becoming homeless to available shelter and housing resources in the Charlotte-Mecklenburg community. Supportive services are provided to families participating in the SHC Local Rental Subsidy Program. Families must comply with HCV requirements and SHC supportive services to maintain continued eligibility.

d. Urban Ministry Center (UMC) has received an allocation of vouchers to serve chronically homeless families and/or individuals with disabilities. The first phase of the Local Rental Subsidy Program was implemented in 2017 with 15 initial vouchers and may increase up to 120 voucher subsidies based on utilization. Referrals for the UMC Local Rental Subsidy Program are received



through Mecklenburg County's Coordinated Assessment. Coordinated Assessment aims to connect individuals and families who are homeless, or at imminent risk of becoming homeless to available shelter and housing resources in the Charlotte-Mecklenburg community. UMC provides supportive services to families participating in the Local Rental Subsidy Program. Families must comply with HCV requirements and UMC supportive services to maintain continued eligibility.

Local Rental Subsidy Activity

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1 Agency Cost Savings			
Decrease in total cost of average HAP in dollars	Cost of task prior to implementation of the activity TBD	implementation of the activity TBD Expected cost of task after implementation of the activity.	Not Applicable
CE#4: Increase in Resources Leveraged			
Increase in amount of funds leveraged in dollars	Amount leveraged prior to implementation of the activity is \$0.	Expected amount leveraged for supportive services is \$5,000 per family	Average Supportive service funds leveraged for CBRA Program \$7,949 per family
SS#1 Increase Household Income			
Increase in average earned income of households affected by this policy in dollars	Average earned income of households affected by this policy prior to implementation of the activity is \$12,322	Expected average earned income of households affected by this policy is \$12,630 (2.5%)	<i>ASH Program</i> 65% earned income Average wage \$10,234 <i>CFH Program</i> 81% earned income Ave. wage \$14,097
SS#3: Increase in Positive Outcomes in Employment Status			
Employed Full Time	Head of households employed full time prior implementation: 23	Expected head of households employed full time is 25	42 CBRA HOH are working or 30%
SS#5: Households Assisted by Services that Increase Self Sufficiency			
Increase in number of households receiving services aimed to increase self- sufficiency	Households receiving self-sufficiency services prior to implementation of the activity is 0	Expected number of households receiving self-sufficiency services is 50	142
SS#8: Households Transitioned to Self Sufficiency			
Increase in number of households transitioned to self sufficiency	Households transitioned to self-sufficiency (no subsidy) prior to implementation is 0	Expected households transitioned to self-sufficiency (no subsidy) is 0	<i>ASH-</i> 2 out of 4 transitioned to self-sufficiency (50%) <i>CFH-</i> 18 out of 20 transitioned to self-sufficiency (90%)



HC#5: Increase in Resident Mobility			
Increase in number of households able to move to a better unit and/or neighborhood of opportunity as a result	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation is 0	Expected households able to move to a better unit and/or neighborhood of opportunity is 154	142

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

The above metrics are based on the Moving Forward Program and will be reviewed on an annual basis.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods. Due to the fact that only one CBRA program has a work requirement, standard metric CE#1, marked: not applicable.

2009-5 Moving Forward Supportive Services

Statutory Objectives: Cost Effectiveness, Self Sufficiency

Plan Year Approved, Implemented, Amended:

The Moving Forward Supportive Services was approved in the FY 2009 Annual Plan. Implementation began in FY2009.

Description/Impact/Update:

Since 2009, Moving Forward Supportive Services have been gradually rolled out across three pilot groups to the non-elderly, non-disabled residents and HCV participants; Group 1 in 2009: Claremont, Victoria Square and the Housing Choice Voucher FSS program participants, Group 2 in 2010: Cedar Knoll, Leafcrest, Tarlton Hills, and Boulevard Homes, and Group 3 in 2017: Southside Homes, Dillehay, Robinsdale, Sunridge, Meadow Oaks, Wallace Woods, Savannah Woods, Mallard Ridge, Gladedale, Oaks at Cherry (Formerly Tall Oaks). As of January 2018, Supportive Services are now provided to the entire INLIVIAN portfolio in conjunction with the agency-wide implementation of the Work Requirement Policy. Therefore, the three pilot groups have been combined into one large group and now include the HCV Program.

The Moving Forward Supportive Services (MFSS) Program is now available to all INLIVIAN properties that are subject to the Work Requirement Policy. In addition, CORE Programs will provide supportive services to HCV Participants that must comply with the work requirement. MFSS provides case management services that directly supports a resident's compliance with the Work Requirement Policy. The work requirement policy requires that all non-senior, non-disabled households must work at least 20 hours per week or participate in an approved work-related



activity (monitored by a Case Manager). The head-of-household or any eligible adult member of the household, in combination, may comprise the total required 20 hours. The Moving Forward Program is similar to the Family Self-Sufficiency Program (FSS) by establishing goals and connecting to resources, however, a FSS participant is under a contractual agreement for five (5) years. The Moving Forward Program services are voluntary and there is not a contractual commitment.

Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

INLIVIAN Combined Moving Forward Programs:

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1: Agency Cost Savings			
Decrease in total cost of average supportive services in dollars.	Total cost prior to implementation is \$2,300 per household	Expected cost of task is \$1,300 per household	\$1,311
CE#2: Staff Time Savings (calculated by tier level of caseload)			
Total time to complete the task (case management) in staff hours	Total amount of staff time dedicated to the task prior to implementation is 100	Expected amount of total staff time dedicated to the task is ≥ 150 hours monthly	125
CE#4: Increase in Resources Leveraged			
Increase in amount of funds leveraged in dollars	Amount leveraged prior to implementation is \$0	Expected amount leveraged is \$8,000	\$248,000
SS#1: Increase in Household Income			
Increase in average earned income (1% increase) of households affected by this policy in dollars.	Averaged earned income of households affected by this policy prior to implementation of the activity is \$13,779	Expected average earned income of households affected by this policy after implementation of this activity: \$16,640	\$20,691t
SS#3: Increase in Positive Outcomes in Employment Status			
# Employed FT (32+)	23	≥ 250	246
# Employed PT (1-31)	54	≥ 350	131
Enrolled in an Educational Program	2	50	15
Enrolled in Job Training Program	2	50	12
Unemployed	≤ 23	≤ 750	94



Other (workshop)	≥23	≥300	397
SS#4: Households Removed from TANF			
Decrease in number of households receiving TANF assistance	Households receiving TANF prior to implementation of the activity is 3	Households receiving TANF 35	33
SS#5: Households Assisted by Services that Increase Self Sufficiency			
Increase in number of households receiving services aimed to increase self-sufficiency.	Households receiving self-sufficiency services prior to implementation is 78	Expected number of households receiving self-sufficiency services is ≥	757
SS#8: Households Transitioned to Self Sufficiency			
Increase in number of households transitioned to self-sufficiency.	Increase in number of households transitioned to self-sufficiency prior to implementation is 2	Increase in number of households transitioned to self-sufficiency 13	5

* Adjusted to match combined performance across all Moving Forward Programs

*Total time-task calculation: # of Tier 1 x 12hrs/# staff on caseload; # of Tier 2 x 6hrs/# staff on caseload; # of Tier 3 x 1hr/# staff on caseload.

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

The above metrics are based on the Moving Forward Program and will be reviewed on an annual basis due to program attrition.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2009-8 Land Acquisition for Future Use

Statutory Objectives: Housing Choice, Self Sufficiency

Plan Year Approved, Implemented, Amended:

The agency was approved to implement land acquisition for future affordable housing in FY 2009. The activity was implemented in FY 2009.

Description/Impact/Update:

MTW flexibility allows INLIVIAN to acquire sites without prior HUD approval, if the agency certifies that HUD site selection requirements have been met. This allows INLIVIAN to be nimble and



competitive in the market when opportunities become available. With INLIVIAN's plan to increase the number of affordable housing opportunities, acquiring land is an option to be considered.

This MTW initiative has allowed INLIVIAN to work in partnership with Mecklenburg County officials to negotiate a land swap for land that they own that is contiguous to the Charlottetown Terrace site. The result will provide Horizon Development Properties (HDP), INLIVIAN's wholly-owned real estate development non-profit subsidiary, with developable land to build housing opportunities, in a mixed-income community, with a nearby park that is being expanded by the County because of the land swap. The land swap has been submitted to HUD for approval.

INLIVIAN's goal laid out in the 2019 MTW Plan includes mixed-income development and to achieve this goal, multiple properties are required to deconcentrate poverty. INLIVIAN seeks to eliminate 100% family very low-income properties from its portfolio. To that end, INLIVIAN is contemplating a Transfer of Assistance of the remaining 11 units of subsidy available at Strawn Cottages and the subsidies for vacant units at Dillehay Courts (a RAD conversion-slanted development) to go to a planned new development of workforce housing, thus providing housing for very low-income families in a mixed-income environment. Baxter Street would be one such community.

HDP partnered with ECG Archdale Family LP and purchased 7.2 acres of land to develop 202 affordable housing opportunities for families. Archdale Flats Families will serve families ranging from 30% - 80% AMI. The (36) units set aside for 30% AMI households will be assisted with (36) PB Vouchers. HDP also partnered with ECG Archdale Seniors LP and purchased 4.12 acres of land to develop 131 units for seniors ranging from 30% to 80%. The (7) units set aside for 30% AMI households will be assisted with (7) PB Vouchers. Both projects closed in December 2019 and construction began January 2020.

HDP is in the process of developing a Request for Proposals for Development Services and will be seeking opportunities to partner with other Development companies. Baxter Street will be one of the sites identified to begin development planning.

New opportunities via this activity for 2019 include:

In 2019 Evoke Living at Westerly Hills and Abbingtion on Mt. Holly received \$2MM each of Housing Trust Funds from the City of Charlotte. Both projects also received approximately \$1.775MM from Charlotte Housing Opportunity Investment Funds (CHOIF). Westerly Hills closed in May 2020 and construction has begun on the 156 units. Abbingtion on Mt. Holly has not yet closed. Abbingtion on Mt. Holly will be 102 units of housing available to families that earn between 30% and 70% of AMI. In both projects, an affiliate of INLIVIAN is acting as co-developer and is the controlling member of the owner so has the right to purchase the project and all other owner interests at the end of the tax credit compliance period.

Freedom Flats is a 220-unit family development; 100% affordable to families earning up to 80% of the AMI. This project will close in September of 2020. An affiliate of INLIVIAN is acting as co-developer and is the controlling member of the owner so has the right to purchase the project and all other owner interests at the end of the tax credit compliance period. INLIVIAN will provide eleven (11) RAD vouchers for this project.



Freedom and Toomey – No activity during this reporting period.

Ashley Flats is a 150-unit family development; 100% affordable to families earning up to 80% of the AMI. This project will close in September of 2020. An affiliate of INLIVIAN is acting as co-developer and is the controlling member of the owner so has the right to purchase the project and all other owner interests at the end of the tax credit compliance period. INLIVIAN will provide eight (8) RAD vouchers for this project.

Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

METRIC	BASELINE	BENCHMARK	OUTCOME
HC#1: Additional Units of Housing Made Available			
Increase in number of new housing units made available for households at or below 80% AMI as a result of the activity	There were 0 housing units of this type prior to implementation of this activity.	There are 0 units planned for FY2019.	0 to date

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2008-3 Investment Policies Consistent with State Law Initiative

Statutory Objectives: Cost Effectiveness

Activity Description and Background:

INLIVIAN proposed to adopt an investment policy consistent with state law in FY 2009 and was approved. The agency implemented the new activity in FY 2009.

INLIVIAN invests only in securities authorized under NC state law that allow the flexibility to invest productively and efficiently to achieve a portfolio which is safer, more liquid, and obtains competitive yield. INLIVIAN's investments are performed in accordance with HUD regulations and North Carolina Statutes. This activity has allowed INLIVIAN to achieve higher earnings on idle funds in a safer, more liquid environment. The activity is on schedule and effective.



INLIVIAN's investment policy restricts amounts deposited or invested for different types of investments as a percentage of the overall portfolio. The agency has less ability to invest in commercial paper than in previous years, however, with what funds are available for investment, INLIVIAN is gaining more interest on dollars leveraged in the NC portfolio.

Description/Impact/Update:

The activity has allowed INLIVIAN to achieve higher earnings on idle funds in a safer, more liquid environment. The interest rates during the baseline period averaged 4.41% per month. The current average interest rate is .349% due to the economy. INLIVIAN has experienced a higher interest rate under the new portfolio strategy since implementation began in 2009, resulting in a higher net portfolio return which achieves greater cost effectiveness in Federal expenditures. During the current year, interest rates rose significantly compared to the last several years the activity is on schedule. The chart below illustrates the outcome compared to the baseline and benchmark.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#4: Increase in Resources Leveraged			
Increase amount of funds leveraged in dollars	Increase in amount of funds leveraged prior to start of this activity was \$0	The expected amount of funds leveraged after this activity is \$30,000	~\$73,689

Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2019 for this activity. The impact of this activity will continue to be monitored to verify current evaluation strategy and/or explore new methods.

2008-7 Increase Acquisition and Rehabilitation of Existing Multi-Family Properties

Statutory Objectives: Cost Effectiveness, Housing Choice

Plan Year Approved, Implemented, Amended:

INLIVIAN received approval to implement increasing the acquisition/rehabilitation of existing multi-family properties; in the 2008 – 2009 MTW Annual Plan. Implementation began in FY 2009. In FY 2012, INLIVIAN received approval to expand this initiative to acquire and rehabilitate existing multi-family properties in mixed-income communities.

Description/Impact/Update:

INLIVIAN is anticipating the purchase of expiring tax credit and market rate units. INLIVIAN has had success in the past acquiring and rehabilitating properties that were at the end of the tax credit compliance period but still had the extended use agreement in place. After acquisition, the



properties were rehabilitated. First Ward Place, INLIVIAN's first Hope VI, is presenting itself as an opportunity to be acquired at the end of its compliance period. The two-phase project contains 283 units with RAD, tax credit and unrestricted market units. The property is in a high opportunity area and preservation of income restricted units is a high priority. INLIVIAN is considering acquiring this property.

In 2019 HDP submitted a Preliminary Tax Credit application to the North Carolina Housing Finance Agency (NCHFA) to rehabilitate First Ward Place. The application was subsequently pulled due to lack of site control. It is the intent of HDP to re-apply for tax credits in 2021 to renovate what will be Phase I. Phase I will include 109 of the 283 total units.

The surge in demand for high-end rental is putting pressure on the moderately priced apartment complexes (NOAHs) so finding a complex to purchase is challenging in this seller's market. Demand outstrips the supply creating higher than average demand limiting opportunities for acquisitions in the Charlotte Market, however, we continue to look for opportunities. Individuals who reside within the acquired properties will be processed as necessary in accordance with the Uniform Relocation Act.

Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2019.

METRIC	BASELINE	BENCHMARK	OUTCOME
CE#1: Agency Cost Savings			
Decrease in total cost of unit acquisition	Cost of building new units prior to implementation was ~\$120,000 per unit	Expected cost of acquiring buying and rehab is ~\$150,000 per unit	~\$150,000
HC#1: Additional Units of Housing Made Available			
Increase in number of new housing units made available for households at or below 80% AMI as a result of the activity.	There were 0 housing units of this type prior to implementation of this activity.	Expected number of housing units of this type is 283	0
HC#4: Displacement Prevention			
Decrease in number of households at or below 80% AMI that would lose assistance or need to move.	Households losing assistance/moving prior to implementation of the activity was 0	Expected households losing assistance or moving after implementation of the activity is 0 for FY2019	0
HC#5: Increase in Resident Mobility			
Increase in number of households able to	Households able to move to a better unit	Expected households able to move to a better	0



move to a better unit and/or neighborhood of opportunity as a result of the activity.	and/or neighborhood of opportunity prior to implementation was 0	unit and/or neighborhood of opportunity is 0 for FY2019
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Actual Significant Changes

There are no significant changes to report for this activity in 2019.

Actual Changes to Metrics/Data Collection:

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2019.

Challenges in Achieving Benchmarks and Possible Strategies

In 2019 HDP submitted a Preliminary Tax Credit application to the North Carolina Housing Finance Agency (NCHFA) to rehabilitate First Ward Place. Pertaining to HC#1 outcomes not achieved, the tax credit application was subsequently pulled due to lack of site control. It is the intent of HDP to re-apply for tax credits in 2021 to renovate what will be Phase I. Phase I will include 109 of the 283 total units (HC#1).

B. Not Yet Implemented Activities

There are no approved activities that have not yet been implemented.

C. Activities on Hold

2008-2 Participant and Landlord Tracking

Statutory Objectives: Housing Choice

Activity Description and Background:

INLIVIAN received approval in the FY 2008 annual plan to implement a Participant and Landlord Tracking Program. The activity was implemented in FY 2008. The agency began tracking the locations of Housing Choice Vouchers to best inform data-driven results, aimed at increasing access to affordable housing prospects in high opportunity areas.

Using the Geographic Information Science (GIS) mapping services of the University of North Carolina at Charlotte (UNCC), INLIVIAN identified each voucher holder within Mecklenburg County (Charlotte, Pineville, Huntersville, Mint Hill, Matthews, Davidson, Cornelius). INLIVIAN identified where poverty is low and Housing Choice Voucher participation is also low in order to design a program which would encourage participants to move into those areas. INLIVIAN staff contacts landlords and apartment complexes in those areas where poverty levels are low in order to increase awareness of the benefits of renting to Housing Choice Voucher families.

The Participant Landlord Tracking initiative provided insight for current policy undertakings and the success of the initiative will continue to inform the Exception Payment Standards Initiative which was implemented in the first quarter of the FY 2017. In an effort to avoid duplicative policies and advance



successes, this initiative will be put on hold for plan year 2019 and be further assessed to determine any status changes.

2013-2 Biennial Agency-Wide Inspections

Statutory Objectives: Cost Effectiveness

Activity Description and Background:

INLIVIAN began the first biennial inspections in November 2015 for all properties and units. This activity is no longer applicable to MTW planning as HUD currently permits all housing authorities to conduct biennial inspections; no MTW flexibility is required. However, INLIVIAN does not want to lose the flexibility in the long-term, in case, HUD should reverse broad approval of general policy.

Tracking, updating, or modifying metrics, baselines, or benchmarks will be accomplished should Biennial Inspection of Housing Choice Voucher Units initiative be reestablished as an implemented activity.

D. Closed Out Activities

2015- Public Housing No Assistance Termination Policy (Mixed-Income Communities Only)

The Activity Closed out in 2017.

INLIVIAN received approval June 24, 2014 in the FY 2015 Annual Plan (April 1, 2014 – March 31, 2015) to implement a policy that terminates Public Housing assistance for households no longer using the subsidy in mixed- income communities. This activity has been combined with 2017-1- Modified Terms of Over Subsidy. This activity was closed-out effective fiscal year end 2016 (following HUD approval of the FY 2017 Plan and RAD Conversion).

2011-1 Acquisition of General Partnership Interest

The Activity Closed out in 2016.

Acquire the General Partnership interest in the Little Rock Apartments - This activity was approved in March 2010 but was made as a first amendment to the FY 2011 plan. In June, 2011, INLIVIAN, acting through its subsidiary Horizon Acquisition Corp. (Horizon), acquired the general partnership interest in Little Rock Apartments, a 240-unit Section 8 multi-family project adjacent to the Boulevard Homes site (now known as The Renaissance).

2011-2 Local Non-Traditional Initiatives

The Activity Closed out in 2018.

The initiative was proposed for close-out last plan year due to RAD conversion. The Supportive Housing Innovative Partnership (SHIP) units will now be considered Supportive Housing units under our Community Based Rental Assistance Policy. The apartments are owned by INLIVIAN's non-profit



subsidiary, Horizon Development Properties, Inc. and have been refinanced and rehabilitated into a mixed-income community. The activity was branded the Supportive Housing Innovative Partnership (SHIP) at Hampton Creste. The Salvation Army (TSA) is responsible for providing the supportive services.

2009-6 Youth Initiatives

The Activity Closed out in 2015.

In FY2009, INLIVIAN was approved to establish a Cooperative Agreement to Form Partnerships with Communities In School (CIS), Charlotte-Mecklenburg Schools (CMS), Partners in Out of School Time (POST), and the Charlotte Housing Authority Scholarship Fund (CHASF) in order to connect INLIVIAN participants to programs and services that address truancy, post-secondary education preparation, and academic performance improvement. The Agreement has expired; however, INLIVIAN's focus continues to be on providing services for youth that are assisted by INLIVIAN housing programs as a means to help break the cycle of generational poverty. The authority will be seeking other partners and initiatives which can provide outcomes for the desired metrics for INLIVIAN's student portfolio. CIS's data was reporting aggregate data and did not allow INLIVIAN to see the progress of its student population.

2008-1 Site Based Waiting List for Public Housing and Project-Based Housing Choice Voucher

The Activity closed out 2013.

INLIVIAN was approved to implement the site-based waiting lists for Public Housing and Project Based HCV units in FY2009. The activity began in the same year. INLIVIAN continues to manage the waiting lists for Public Housing and project-based voucher units at the site level. INLIVIAN considers this activity a success due to no 3rd offers in FY2013.

2008-2 Biennial Review Process for Elderly and Disabled

The Activity closed out 2013.

A biennial review process for elderly and disabled heads of households was approved by HUD for FY2009. Implementation of the Biennial Review Process began December 2010. The activity is being closed out because the agency has implemented an agency wide Biennial Process. The elderly and disabled will be reported on as part of the entire agency report on skipped/conducted. The activity was closed out FYE 2013.

2008-5 Good Neighbor Training

The Activity closed out 2014.

INLIVIAN proposed the Good Neighbor Training (GNT) activity in FY 2008. The activity implementation began in FY 2008 for HCV households and 2011 for Public Housing households. The training was designed to assist families' acclimation to a neighborhood. Participants learn more



about being “Good Neighbors” by focusing on topics such as building codes and standards, property maintenance, basic zoning regulations, home maintenance, neighborhood involvement, school and amenities locations, and conflict resolution.

INLIVIAN continues to provide mandated GNT, which is conducted by INLIVIAN staff, to all new HCV and Public Housing applicants entering the program. This activity was closed out effective December 2014. INLIVIAN no longer requires the waiver to hold GNT since it has been incorporated into the briefing and all existing participants have been trained.

2008-2009 Development of Local Design Standards

The Activity Closed out in 2014.

INLIVIAN proposed and received approval for the Development of Local Design Standards in the Fiscal Year 2008 – 2009 Moving Forward Annual Plan. The design standards were created in the fiscal year, however utilization did not begin until 2011 because there were no new construction projects that received funding or started that would necessitate the stated guidelines.

2007-2 Affordable Housing Impact Study

The Activity Closed out in 2010.

INLIVIAN commissioned UNCC to research the pattern and density of affordable housing and evaluate the association between the housing stock and crime rate, housing and property values, and school equity in surrounding residential communities.

2007-2008 Section 8 Property Rating System

The Activity Closed out in 2011.

A quantitative evaluation rating system for the exterior appearance of a Section 8 property was developed to improve the housing quality standards of participating property owners where in the end, produced an increase in the percentage of high-quality Section 8 rental units.



V. Sources and Uses of MTW Funds

A. Actual Sources and Uses of MTW Funds

Actual Sources of MTW Funds in the Plan Year

INLIVIAN will submit prescribed information through the Financial Assessment System-PHA.

Actual Uses of MTW Funds in the Plan Year

INLIVIAN will submit prescribed information through the Financial Assessment System-PHA.

Describe Actual Use of MTW Single Fund Flexibility

INLIVIAN continues to use MTW Single Fund Flexibility to support various housing programs and services as well as invest in development projects to further the agency's mission and strategic goals. The flexibility allows INLIVIAN to balance the funding needs among various programs to achieve higher outcomes that would otherwise be constrained by the limited resources. Actual uses of MTW Single Fund Flexibility includes supporting the following programs:

Housing Choice Voucher (HCV) Program

The HCV Program enables low-income families, the elderly and the disabled to afford decent and safe housing in the private market. The HCV Program is a major use of MTW Single Fund Flexibility, which allows the agency to direct funding towards addressing specific local needs, such as increasing greater access to opportunity areas and existing housing supply via landlord incentives and outreach initiatives.

CORE, Inc. (CORE)

CORE consists of the Client Services Department, which delivers supportive services to residents in gaining the necessary skills for success intended to increase the resident's quality of life. The program goal is to help families become financially stable and decrease their dependence on housing subsidy. Case managers work with families to identify barriers and coordinate resources to address these barriers. MTW Single Fund Flexibility provides for CORE operating activities and special resources such as the following:

The Center for Employment Services (CES)



The Center for Employment Services (CES) is a Moving Forward initiative of the Charlotte Housing Authority to promote employment and self-reliance in West Charlotte. According to INLIVIAN, one of the largest barriers to employment that clients in its portfolio face is lack of job skills or training. CES focuses on addressing this issue. To ensure the employment services were accessible, INLIVIAN chose a location in West Charlotte on the CATS bus line.

Located at the corner of Caronia Street and Clanton Road, CES provides space to local service providers to bring career development opportunities to the area. Current partners residing at the center include: Charlotte Works and Grace-Mar Services.

Located at the corner of Caronia Street and Clanton Road, CES provides space to local service providers to bring career development opportunities to the area. In 2019, CES hosted the Sustainable Employment Training (SET) Program. This federally-funded program is facilitated by the non-profit, Training Within an Industry Niche (TWIN). The 8-week program provides environmental certifications in up to nine (9) industry recognized skills. Graduate of the program have found job placement opportunities with average hourly wages of \$15.00.

Due to recent repair need, CES will reduce activities in 2020 and look to relaunch programming in the last quarter of 2020.

CES Success Measures

1. Number of clients in training and/or educational programs
2. Number of clients who secure employment
3. Increase in client wages

With Every Heartbeat is Life (WEHL) Program

The WEHL Program educates our residents on the importance of cardiovascular disease awareness, making healthy food selections, and the importance of physical activity. The WEHL Program strongly believes in the “each one, teach one” method. This means sharing what you learn with others. This method is used to extend awareness as much as possible to Public Housing Communities to promote better health choices in hopes of developing healthy communities.

MAXimize Your Potential Academic Enhancement Program (MAX)

The MAX Program is a youth development program that aims to provide the skills needed to prepare high school students for academic success in high school, college and beyond. Over the course of a school year, students participated in stimulating college and career readiness workshops and activities designed to develop intrinsic motivation and the confidence students need to be successful in their post-secondary future. To help improve their academic performance, students received tutoring via one-on-one and group sessions. Though the program is focused on improving academic success, it also provides inspiration for students to do their very best. The MAX Program empowers students by drawing on their unique talents, strengths, and capabilities. By holding to these standards, the Program strives to reinforce self-motivation and personal responsibility and propel students toward academic excellence.

Development Projects



MTW Single Fund Flexibility is used for development and revitalization projects to increase the supply of diverse price point housing. INLIVIAN maintains its mission to expand quality affordable housing opportunities through these real estate development initiatives, which may include predevelopment, redevelopment, administrative costs related to the capital project and other investments involving public-private partnerships.

B. Local Asset Management Plan

i. Did the MTW PHA allocate costs within statute in the Plan Year?	<input checked="" type="radio"/> Yes	<input type="radio"/> No
ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?	<input checked="" type="radio"/> Yes	<input type="radio"/> No
iii. Did the MTW PHA provide a LAMP in the appendix?	<input checked="" type="radio"/> Yes	<input type="radio"/> No

VI. Administrative

A. Reviews, Audits and Inspections

There were no major HUD reviews, audits, and/or physical inspection issues which required INLIVIAN to take actions to address.

B. Evaluation Results

Evaluating Moving to Work Compliance and Progress toward Statutory Goals, INLIVIAN's Annual Moving Forward/MTW Report was published in January 2019 by the University of North Carolina's Center for Urban and Regional Studies Department. This document is provided in full and included in this report as Appendix C.

C. MTW Statutory Requirement Certification

Signed Statutory Requirement Certification attached to this document as Appendix A.

D MTW Energy Performance Contract (EPC) Flexibility Data

Not applicable, as INLIVIAN does not possess and/or utilize such flexibility.

E. Appendix

- Appendix A: Statutory Requirement Certification
- Appendix B: 2019 Real Estate Activities Updates
- Appendix C: Evaluating Moving to Work Compliance and Progress Toward Statutory Goals





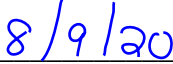
CERTIFICATION OF STATUTORY COMPLIANCE

INLIVIAN, formerly the Charlotte Housing Authority (CHA), certifies that the agency adhered to the three statutory requirements of the MTW demonstration during the fiscal year 2019 by:

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



A. Fulton Meachem, Jr.
President/CEO



Date



Real Estate Activities Updates: 2019

The Dillehay Courts Community 2019 Updates

4.27-acres of the total 17-acre parcel have been designated as Phase I and rezoned in 2019 from R-22MF to UR-3(CD) which allows for greater density. This new designation will allow HDP to demolish the existing 36 units in Phase I and build new, one building with 143 units. HDP requested an early demolition allowance from the RAD Office which was subsequently approved. There was a high vacancy rate at this site. All families remaining in Phase I were transferred from Phase I to Phase II, demolition has been approved and plans are underway to begin demolition to make way for the construction of the new units. After Phase I is redeveloped and the rate of lease up is known, planning for Phase II will begin. This community is in an Opportunity Zone and is in need of revitalization but is emerging.

Tall Oaks II 2019 Updates

The rezoning process continues to be delayed as a result of neighborhood opposition. Surrounding neighborhood does not agree with our desired density.

The Hampton Creste Community 2019 Updates:

HDP is continuing to review opportunities to undertake a major renovation of the 213-unit property (60 RAD PBV units) that serves as both a source for transitional housing and workforce housing. HDP is currently seeking a developer partner for this community as part of a multiple community RFP for Developer Partners.

The Tarlton Hills Community 2019 Updates

No action to report during the 2019 reporting period.

Hall House 2019 updates

has selected a developer partner and design team. HUD has approved the demolition and disposition of the site. INLIVIAN will be disposing of the site to its development affiliate HDP. HDP will enter into a land lease with the owners of a mixed-income project in concept development but currently is programmed to provide 110 affordable units and 260 market-rate in one building. HDP has also secured a commitment for \$6MM from the County for the affordable units.

The Seneca Woods Community 2019 updates

An application for rezoning has been submitted; however, this project has been suspended due to financing-related issues.

The “Baxter Street” Community 2019 updates

No action to report during the 2019 reporting period.

The Gladedale Apartments Community 2019 updates

INLIVIAN is pursuing opportunities to redevelop 49 units at the Gladedale community in south Charlotte. It is anticipated that the Gladedale RAD assistance will transfer off-site to another mixed-income development opportunity so that the Gladedale site can be razed and redeveloped with 4% tax credits and bonds. Transfer of assistance has not yet occurred as we are still pursuing redevelopment plans at other sites.

Acquisition and/or Rehabilitation Activities

Opportunity Development

HDP is exploring purchasing an apartment complex in a High or Very High Opportunity Census tract to continue our efforts to deconcentrate poverty. This is proving to be challenging given Charlotte's current market which is experiencing an affordable housing crisis. We will continue to seek out these opportunities.

Acquisition Strategy

HDP may consider an acquisition strategy based on expiring tax credits or other methods that will benefit the people routinely served by INLIVIAN/HDP. Also, under consideration is an opportunity to dispose of vacant and/or excess land currently owned by INLIVIAN/HDP. It is our intent to create a pool of real estate brokers that will assist us in this endeavor.

Rehabilitation Strategy

HDP may consider a rehabilitation strategy that may include using a variety of financing tools to do substantial renovations on developments currently owned or recently purchased where extensive work is needed to extend the useful life of these affordable units for another 40 years.

Other Activities

Renaissance Police Memorial 2019 updates

No action to report during the 2019 reporting period.

Seeds for Change 2019 updates

In October 2018 HUD authorized HDP to enter into a 10-year Ground Lease with Seeds for Change. This Ground Lease covered the 3.5 acres and had an initial term of one year commencing on the date the last party executed the agreement. The Ground Lease also had renewal terms for one additional four-year term and one additional five-year term with Milestones and Deliverables identified as Exhibit B and made part of the Ground Lease. The approved Ground Lease was subsequently executed however members of the Board for Seeds for Change approached HDP with a request to extend the terms from 10 years to 99 years. Their rationale for extending the Ground Lease terms was related to their ability to attract future funding for the co-op grocery store. HDP's Legal team, The Banks Law Firm drafted the long-term lease and submitted same to the Seeds for Change for review. No further action has occurred during this reporting period.

Brooklyn Village 2019 updates

In 2015 the City of Charlotte, Mecklenburg County and CHA entered into a Memorandum of agreement to assist each other in the development and accomplishment of a Vision Statement and Master Plan for Brooklyn Village. Since that time, the County created a process to select a Master Planner, BK Partners, LLC to partner in the redevelopment of Brooklyn Village. Once onboard, the initial Agreement was revised and expanded to include additional parcels in Uptown Charlotte and the surrounding community now known as the Walton Plaza site. HDP's contribution under the new agreement includes assisting with the inclusion of affordable housing as a component of the redevelopment efforts.

Evaluating Moving to Work Compliance and Progress toward Statutory Goals

Moving Forward Annual Report

December 2019

Prepared by the Center for Urban and Regional Studies

Michael D. Webb, PhD, Co-Principal Investigator

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COLLEGE OF ARTS AND SCIENCES

Center for Urban and Regional Studies

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Executive Summary

This report examines INLIVIAN's compliance with the five Moving to Work (MTW) statutory requirements and two of the three MTW statutory goals. In doing so, it relies on administrative and case management data, as well as some secondary neighborhood data. The time period of this report roughly corresponds to the September 2017–September 2019 period. Key findings include:

- INLIVIAN implemented four new Moving Forward activities in 2017–2018. Two pertain to the Housing Choice Voucher (HCV) program: one to simplify the inspection process while the other hopes to encourage HCV households to locate in higher-opportunity areas.
- We find that INLIVIAN and the Moving Forward program have complied with the five MTW statutory requirements from September 2017–September 2019. More specifically:
 - **Ensuring that at least 75% of households served are very-low income:** INLIVIAN exceeded this throughout the study period, with at least 93% of households being considered very low-income.
 - **Serve substantially the same number of families:** For the agency's two major subsidy programs (RAD and HCV), INLIVIAN served an average of 8,422 households across the study period. The minimum number of households served for any month was 8,223 (a 2.3% shift).
 - **Maintain a comparable mix of families by family size:** The composition of INLIVIAN's families was consistent across the study period, with roughly 37.5% being single-person households, 37.5% being two- or three-person households, and 25% being four-person or larger households.
 - **Implement a rent policy that encourages employment:** Moving Forward rent reforms aim to encourage INLIVIAN clients to gain work. We find that the percentage of clients with incomes under \$3,000 decreased by 28% from September 2017–September 2019.
 - **Maintain HUD housing quality standards:** As discussed above, a new Moving Forward activity maintains HUD housing quality standards while simplifying the HCV inspection process.
- To help families achieve self-sufficiency, the Moving Forward program includes an activity to provide site-based supportive services paired with a work requirement. In late 2017, INLIVIAN expanded the activity to its seven RAD sites. Analysis of case management data show that:
 - Approximately 280 households are enrolled in supportive services at the expansion sites.
 - From March 2018–September 2019, unemployment at the expansion sites decreased by nearly half (from 42% to 23%). This figure only includes households enrolled in supportive services.
 - As of September 2019, only 11 percent of households at the expansion work requirement sites were facing rent sanctions for non-compliance.
- Another MTW statutory goal is to expand housing options for low-income families. Analyzing changes from 2017–2019, we find that HCV families' neighborhood conditions modestly improved between 2017–2019 in terms of poverty rates, school quality, and crime rates.
- Under a new activity, INLIVIAN has designated all Mecklenburg County Census tracts on a five-point opportunity scale and has set higher payment standards for higher-opportunity tracts. While this activity is new, we find that a plurality of current HCV families currently reside in 'very low' opportunity neighborhoods. Going forward, we will evaluate whether this activity increases the number of families living in higher-opportunity areas.

Introduction

This report is the latest in a series of annual and biennial evaluations produced by the Center for Urban and Regional studies at the University of North Carolina-Chapel Hill (CURS) of the Moving Forward program. INLIVIAN (then known as the Charlotte Housing Authority) joined the Moving to Work demonstration program (MTW) in 2009 and has branded its MTW program locally as *Moving Forward*.

Authorized as part of the 1996 federal budget, the Moving to Work demonstration program provides a select group of participating public housing authorities with the flexibility to innovate to meet local housing needs. To do so, MTW allows participating agencies two key flexibilities. For one, they may combine public housing (Section 9) operating funds, Housing Choice Voucher (Section 8) operating funds, capital fund grants, and Housing Choice Voucher administration fees into a single, flexible account. Second, they may request waivers from provisions in the 1937 Housing Act; these waivers must be approved by HUD prior to being implemented.

Terms of participation in the MTW demonstration are broad, and participating agencies must meet five broad statutory requirements. Three of these requirements pertain to their client pool: compared to the period before joining MTW, agencies must (i) serve substantially the same number of clients and (ii) maintain a comparable mix of family sizes, while (iii) at least 75% of their clients must earn less than 50% of the area median income. In addition, agencies must (iv) implement a rent policy that encourages employment and (v) maintain HUD housing quality standards.

Since beginning the Moving Forward program, INLIVIAN has implemented many MTW activities to meet the demonstration's three statutory goals: achieving cost effectiveness, increasing housing options, and encouraging families to become self-sufficient. These include activities to facilitate the acquisition and construction of affordable units, assist Housing Choice Voucher clients to become homeowners, modify how INLIVIAN calculates clients' rents and how often their incomes are recertified, and implement a work requirement for work-able households.

This report is unique in that it is the first we have undertaken to analyze INLIVIAN's compliance with the five MTW statutory requirements over the previous two years. In addition to this, the report analyzes case management and administrative data to understand how INLIVIAN is meeting two of MTW's statutory goals: helping work-able families become self-sufficient and increasing housing choices for low-income families. Data sources used for the report include INLIVIAN administrative and case management data as well as selected secondary data on neighborhood characteristics.

The remainder of the report proceeds as follows. The next section outlines INLIVIAN's compliance with the five statutory requirements of the Moving to Work program. Following that, we review case management data to examine whether INLIVIAN's supportive services are encouraging work-able households to become more economically self-sufficient. The next section reviews data on the location of Housing Choice Voucher (HCV) families to see how their neighborhoods have changed over the last two years. The report then concludes with summarizing comments and recommendations for Moving Forward implementation.

Moving Forward Program Update

Prior to analyzing INLIVIAN's compliance with MTW's statutory requirements and progress toward meeting its statutory goals, we first provide a brief update on new Moving Forward initiatives. Between 2017–2018, INLIVIAN received HUD approval to implement four MTW activities. Three activities pertain to the MTW goal of achieving cost effectiveness, while two each pertain to increasing housing choice and helping families achieve self-sufficiency (activities may meet more than one statutory goal).

Self-Certification of Re-Inspection for Housing Quality Standards (HQS): Under this activity—whose implementation began in June 2018—INLIVIAN allows landlords of Housing Choice Voucher properties to self-certify if their unit fails an initial inspection with 10 or fewer non-life-threatening deficiencies. Prior to implementing this activity, INLIVIAN would conduct a full re-inspection of these units; thus, this activity is designed to save the agency time and expense. Landlords must self-certify that they have corrected the deficiencies by submitting photos and invoices to INLIVIAN. Per their 2018 annual MTW report, the activity saved the agency \$4,000 between June–December 2018.

Imputed Earned Income: Under this activity, INLIVIAN does not process interim recertifications within three months of a recertification or lease-up for work-able tenant- and project-based voucher clients. The exception for this prohibition is when a client suffers an unintentional employment termination. The purpose of this activity is to both reduce administrative expenses related to processing interim recertifications and to discourage clients from lowering their income prior to a recertification. Given that INLIVIAN does not process interim recertifications for increases in income (except for minimum renters), agency staff feared that tenants would lower their incomes prior to normally-scheduled recertifications to 'lock in' a lower rent.

Exception Payment Standards: Like at many agencies that administer Housing Choice Vouchers, INLIVIAN's HCV participants are concentrated in lower-opportunity neighborhoods with high crime and poverty rates and poor-performing schools. In response, INLIVIAN has worked with external partners to identify high-opportunity Census tracts in Mecklenburg County, and this activity allows INLIVIAN to set higher payment standards (up to 150% of Fair Market Rents) for clients leasing-up in those tracts.

This activity is analyzed in greater detail in the 'Expanding Housing Options' section below.

Modified Terms of Over-Subsidy: This activity, which was implemented to replace a previous (2017) MTW activity, defines when INLIVIAN will terminate a Housing Assistance Payment (HAP) contract. For tenant-based voucher and (non-RAD) project-based voucher participants, INLIVIAN will terminate a Housing Assistance Payment contract if the HAP amount is \$75.00 or less for 180 consecutive days. These terms were present in the initial activity and remain in the re-purposed activity.

The new provisions in the activity pertain to RAD project-based vouchers. For communities where the RAD HAP contracts are set below the payment standard, the threshold for the 180-day period is when a family's income reaches 80% of the area median income. The modified activity also states that tenants who were living in their communities prior to the RAD conversion are exempt from this activity.

Compliance with Statutory Requirements

This section examines INLIVIAN'S compliance with the five statutory requirements of the MTW program. These statutory requirements comprise:

1. Ensuring that 75% of households served are very low income—meaning they earn less than roughly 50% of the Area Median Income
2. Serving substantially the same total number of families
3. Maintaining a comparable mix of families by family size
4. Implementing a rent policy that encourages employment
5. Certifying that housing meets quality standards

We examine overall compliance with the first four statutory requirements within INLIVIAN's different subsidy programs—including the Rental Assistance Demonstration (RAD)¹ and Housing Choice Voucher (HCV) programs—from September 2017 (Q3 2017) to September 2019 (Q3 2019).

Our results indicate that INLIVIAN has complied with all statutory requirements of MTW program across the entire study period. Key findings include:

- At a minimum, 93% of households served by the INLIVIAN were very low-income, easily surpassing the statutory requirement that at least 75% of households served must be classified as very low-income. This finding was consistent across both of INLIVIAN's major subsidy programs.
- INLIVIAN served substantially the same number of families across the study period. On average, INLIVIAN served 8,422 families per quarter. The lowest number of families served across all quarters was 8,223 (Q4 2017),
- The composition of families by family size was also consistent across the study period, with INLIVIAN serving approximately 3,000 single-person households, 1,500 two-person households, 1,500 three-person households, and 2,000 households with four or more people per quarter.
- The number of households paying minimum rent—indicating they had \$3,000 or less in annualized adjusted income—decreased by roughly 28%, suggesting that the agency's rent policies encouraged employment.
- As discussed in the previous section, INLIVIAN maintained HUD housing quality standards while implementing policies to reduce the administrative burden of inspection on landlords.

In the remainder of this chapter, we discuss INLIVIAN's compliance with these statutory requirements in turn.

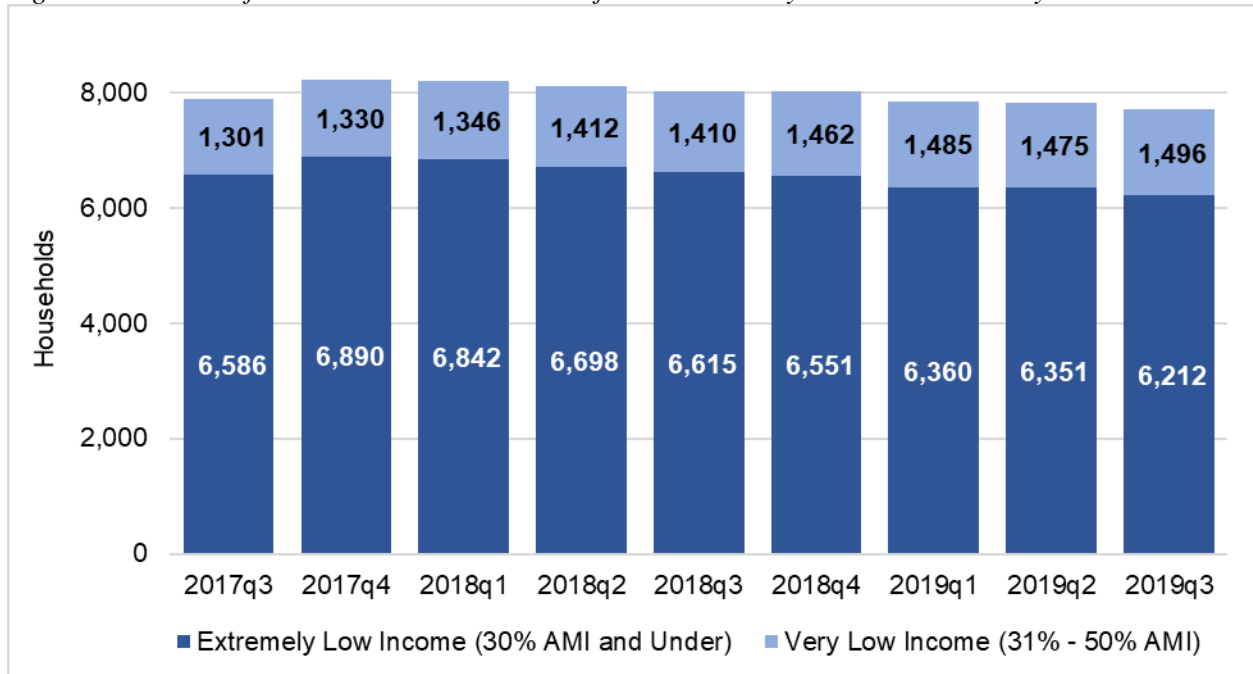
Maintain a client pool in which 75% of assisted households are very low-income

INLIVIAN easily met the MTW requirement to serve a client pool in which 75% of assisted households are very low-income (VLI), which is defined as any household that earns 50% or less of the Area Median

¹ For this section, we include the small number of traditional public housing households at Dillehay Courts within the RAD figures.

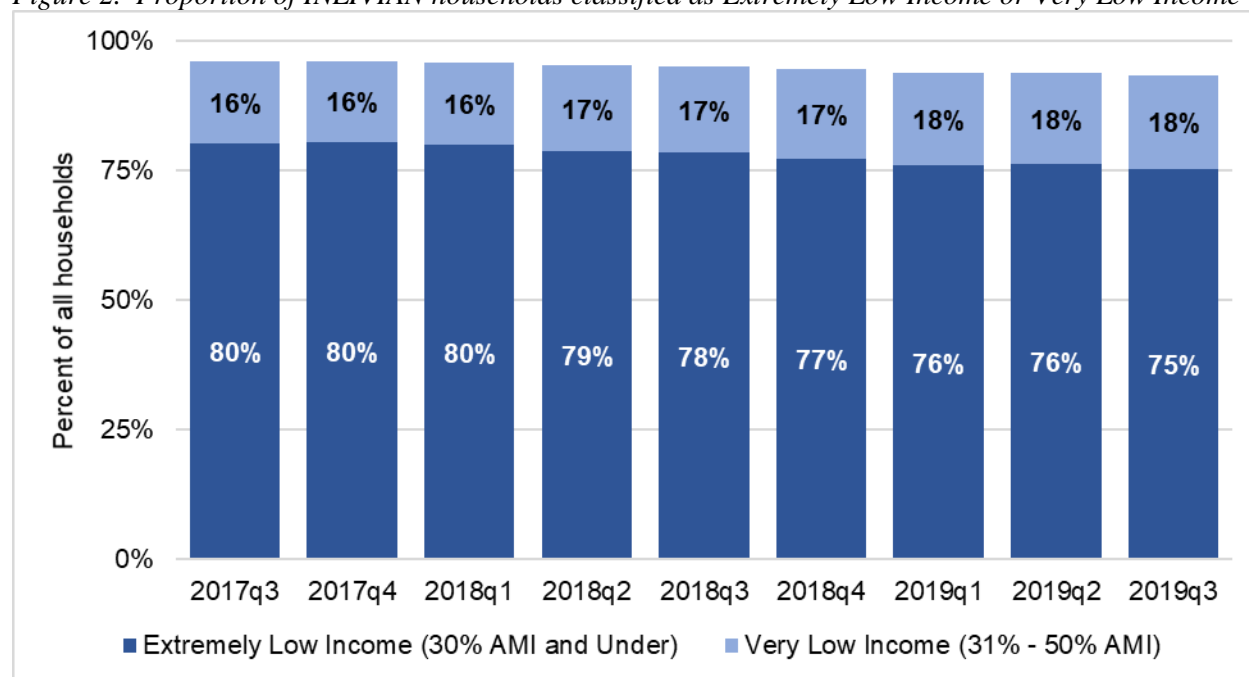
Income (AMI). For each quarter in this study, at least 93% of all households assisted were VLI, which is roughly equivalent to 7,900 households (see Figure 1). Further, most of these households were *extremely* low-income, earning less than 30% of AMI. Across the study period, the breakdown of extremely and very low-income households for each quarter is quite consistent, highlighting the stability of the INLIVIAN's client pool by income level (see Figure 2).

Figure 1. Number of INLIVIAN households classified as Extremely Low Income or Very Low Income



Data source: INLIVIAN administrative data

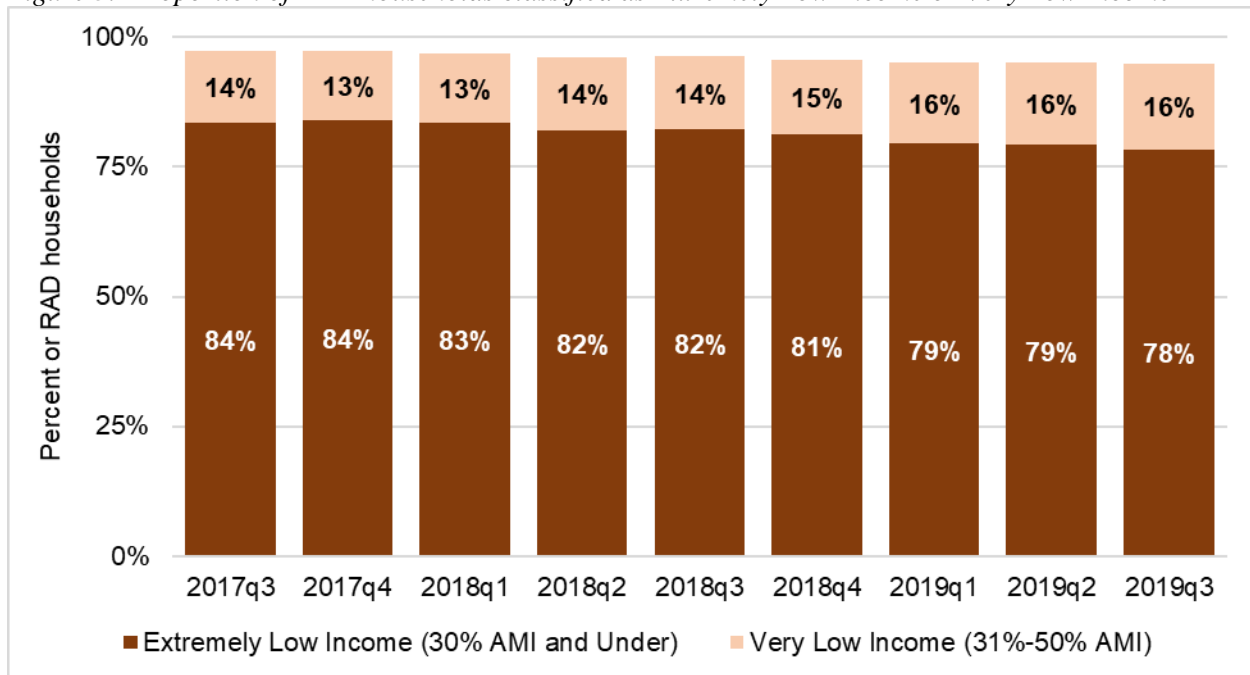
Figure 2. Proportion of INLIVIAN households classified as Extremely Low Income or Very Low Income



Data source: INLIVIAN administrative data

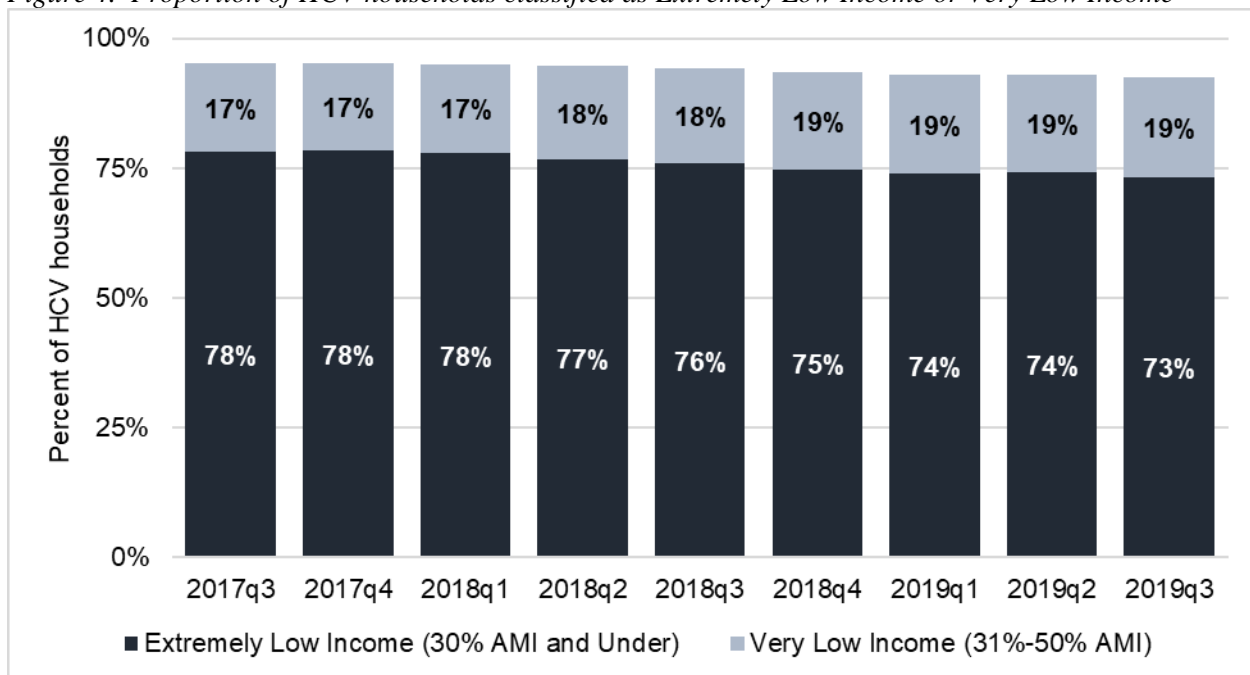
Both of INLIVIAN's major subsidy programs—RAD and tenant-based HCV—were also compliant with the statutory requirement to maintain a client pool in which 75% of households were VLI for all quarters in the study period (see Figure 3 and Figure 4). Within each of these programs, at least 92 percent of all households qualified as VLI. Across these programs, public housing had the highest quarterly average for proportion of ELI households (87%), followed by RAD (81%), and finally the HCV program (76%). Like overall trends, we do not observe major differences in the breakdown of ELI and VLI households within INLIVIAN's major subsidy programs across the study period.

Figure 3. Proportion of RAD households classified as Extremely Low Income or Very Low Income



Data source: INLIVIAN administrative data

Figure 4. Proportion of HCV households classified as Extremely Low Income or Very Low Income



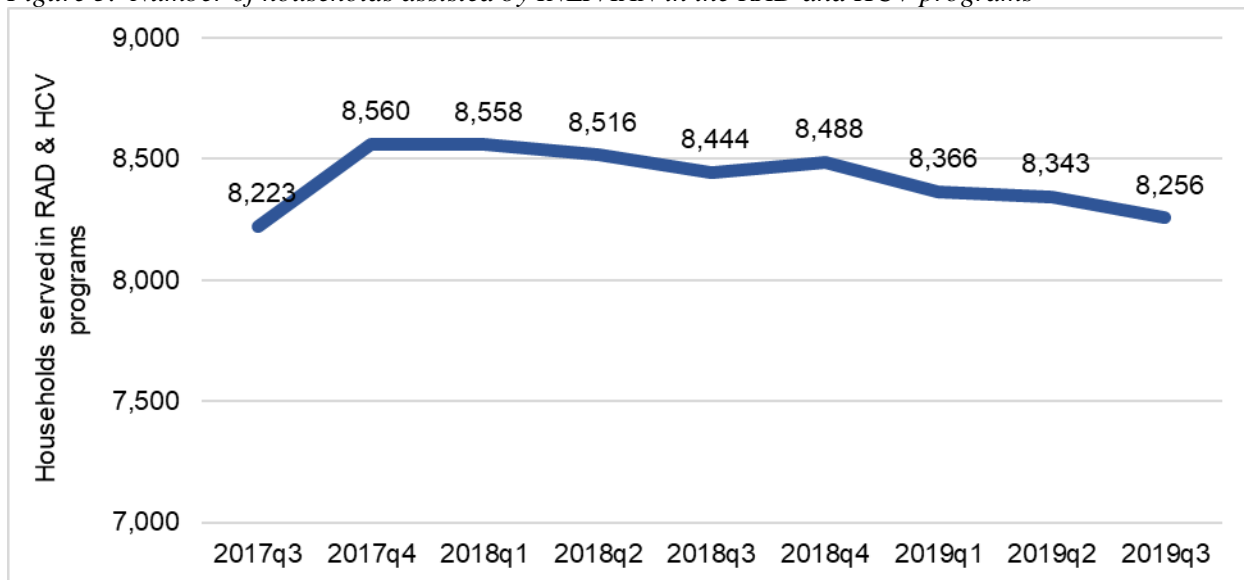
Data source: INLIVIAN administrative data

Serve substantially the same number of households

The second MTW statutory requirement is that participating agencies must serve substantially the same number of families, although HUD has struggled to define “substantially the same.” Nevertheless, we find that INLIVIAN consistently served roughly the same number of households across the study period in its

two primary subsidy programs (see Figure 5). On average, the agency assisted 8,422 households per quarter in those two programs. After reaching a high in Q4 2017 of 8,560, the total number of households in those programs decreased slightly to 8,256 in Q3 2019. One should note, though, that INLIVIAN only served 7,206 households in the public housing and HCV programs in the fiscal year prior to joining MTW (2008).

Figure 5. Number of households assisted by INLIVIAN in the RAD and HCV programs

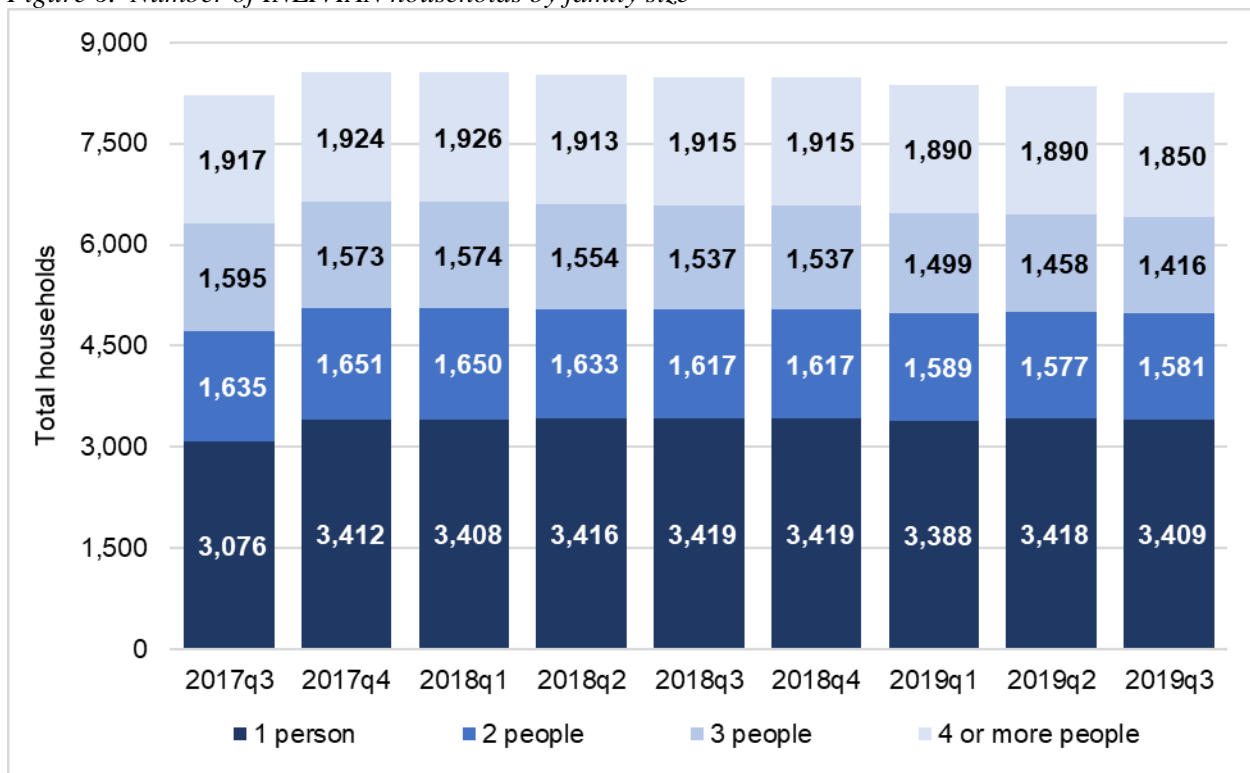


Data source: INLIVIAN administrative data

Maintain a comparable mix of family sizes

Regarding the third MTW statutory requirement, we find that INLIVIAN has also served a comparable mix of households by family size (see Figure 6). To make this determination, we examined the change in household size for each INLIVIAN households in the RAD and HCV programs. The most common family size assisted by INLIVIAN is single-person households; the agency served an average of 3,354 such households per quarter. That noted, INLIVIAN also assisted roughly 1,500 two-person, 1,500 three-person, and nearly 2,000 four or more-person households per quarter.

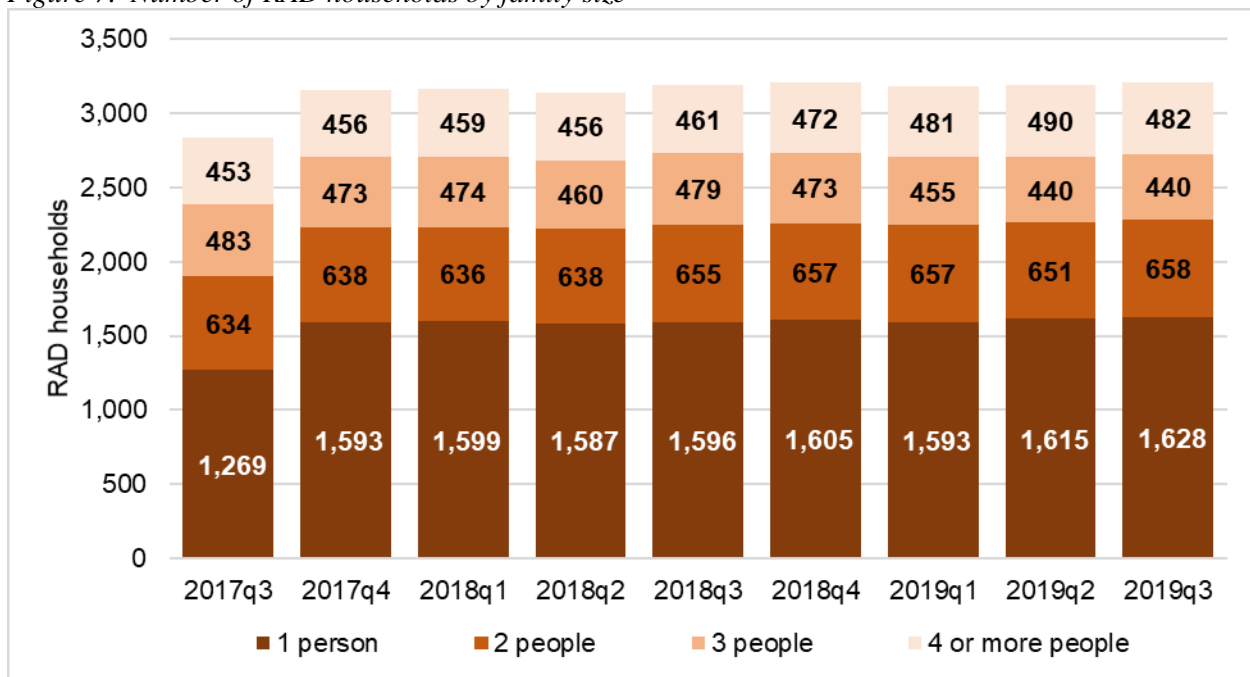
Figure 6. Number of INLIVIAN households by family size



Data source: INLIVIAN administrative data

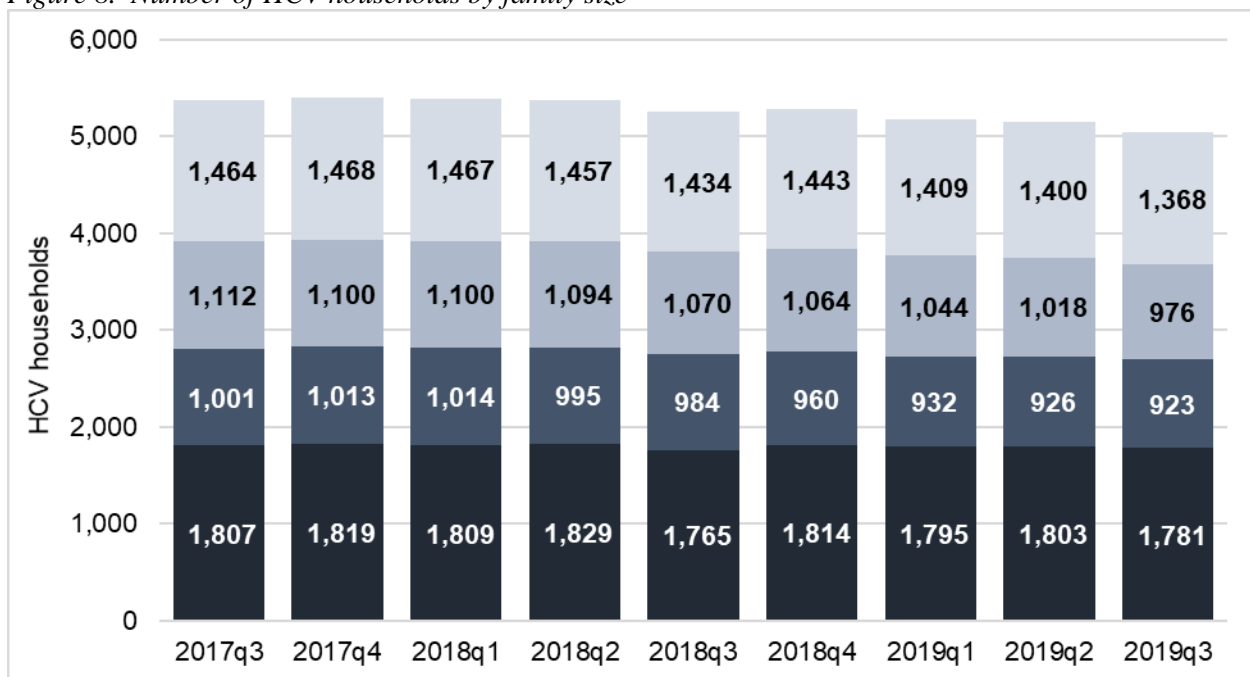
A closer look at family size within INLIVIAN's different subsidy programs also shows that, while RAD households are mostly single-person, HCV and public housing households are more likely be three-person or four or more-person families (see Figure 7 and Figure 8). The larger number of single-person RAD households is likely due to the large number of elderly-only RAD properties which are predominately one-bedroom, such as Charlottetown Terrace and Strawn Towers.

Figure 7. Number of RAD households by family size



Data source: INLIVIAN administrative data

Figure 8. Number of HCV households by family size



Data source: INLIVIAN administrative data

Implement a rent policy that encourages employment

This section examines whether the rent policies INLIVIAN has implemented through the Moving Forward program have encouraged employment among assisted households. These policies include:

1. Work Requirement: First implemented at five public housing sites in 2014, INLIVIAN's work requirement policy mandates that work-able (non-elderly, non-disabled) households either obtain employment or participate in work-related activities, such as jobs training, GED classes, or higher-education programs. Work-able households who do not comply with the policy are sanctioned via increasing rent sanctions. In November 2017, INLIVIAN expanded this policy to apply to all RAD (formerly public housing) sites.
2. Minimum rent: INLIVIAN has increased its minimum rent from \$50 to \$75. By slightly increasing TTP amounts, the goal of this policy is to encourage residents to obtain employment and work towards financial self-sufficiency.
3. Banded Rents: INLIVIAN implemented a banded rent policy in which households pay rent based on 30% of the lower range of \$2,500 income bands. For example, a household with an adjusted income of \$12,000 would fall in the \$10,000 to \$12,500 income band and their rent would be 30 percent of \$10,000, the lower range of the band. By tying rents to the lower end of bands, the policy allows residents to increase their income up to \$2,500 without increasing their rent, thereby removing the disincentives to work associated with non-banded rent policies.²
4. Biennial Income Recertification: Implemented for all households in 2013, the biennial recertification policy allows all INLIVIAN households to recertify their income every other year rather than annually. Under this policy, households who increase their income between recertifications do not need to request an interim recertification—which, under normal HUD rules, would result in them paying more in rent. Households experiencing a decrease in income may request an interim recertification, and any household paying the minimum rent must report an increase in income.

We examine the impact of these policies in two ways. First, we examine change in the number of minimum renter households – that is, the number of households with a Total Tenant Payment (TTP) of \$75. Only households that have an annual earned income of \$3,000 or less qualify for the minimum rent. Thus, examining change in the number of minimum renter households allows us to examine whether households that were unemployed or under-employed have increased their income, though this increase may be due to earned income (wages) or another source.

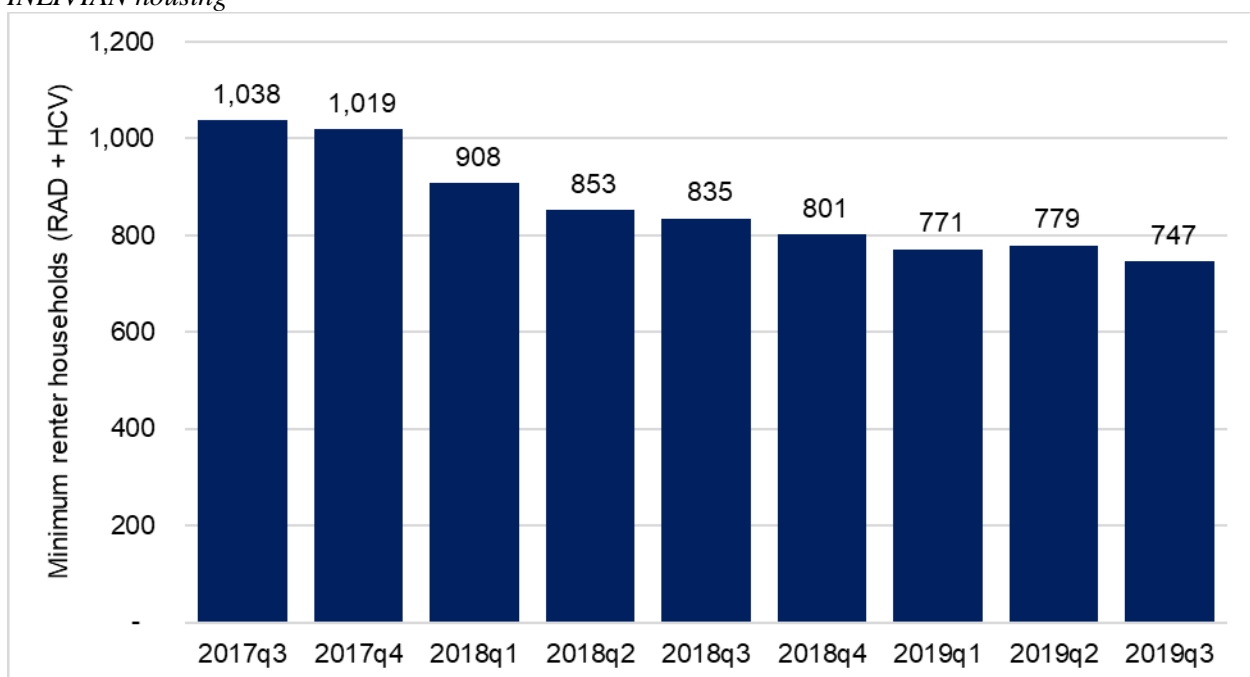
Second, we examine change in wages among work-able INLIVIAN households. While this analysis allows us to examine changes in the number of households reporting earned income (wages), one should note that the biennial recertification policy means that we do not have complete data for this metric. If anything, our analysis will *underestimate* the number of households with earned income.

² Banded rents differ from the typical approach to calculating rents, which bases rent based on 30% of household income. This approach has been criticized as creating a disincentive to work because 30 cents of every additional dollar earned goes to CHA.

For both analyses, we focus on households that continuously resided in INLIVIAN housing during the study period. We focus on this group to ensure the trends we observe are attributable to the agency’s policies themselves and not impacted by tenant entrances and exits.

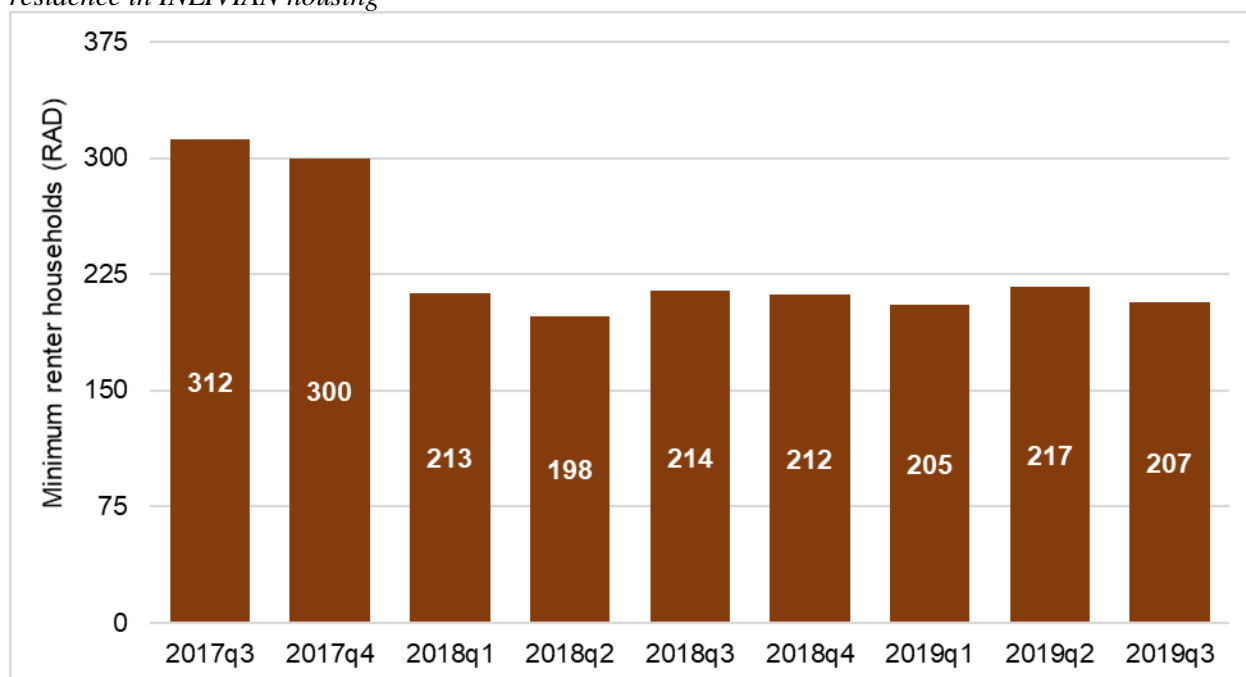
For the first analysis, we find that the number and percentage of minimum renter households decreased across the study period. Among households that continuously maintained residence in INLIVIAN housing, the number of minimum renter households decreased from 1,038 to 747—a 28% decline (see Figure 9). Across both of the agency’s major subsidy programs, we observe similar changes in minimum renter status (see Figure 10 and Figure 11). That noted, whereas the HCV program has seen a steady, incremental decline in minimum renter households, RAD experienced an initial substantial drop that then stabilized.

Figure 9. Change in minimum renter status among households that continuously maintained residence in INLIVIAN housing



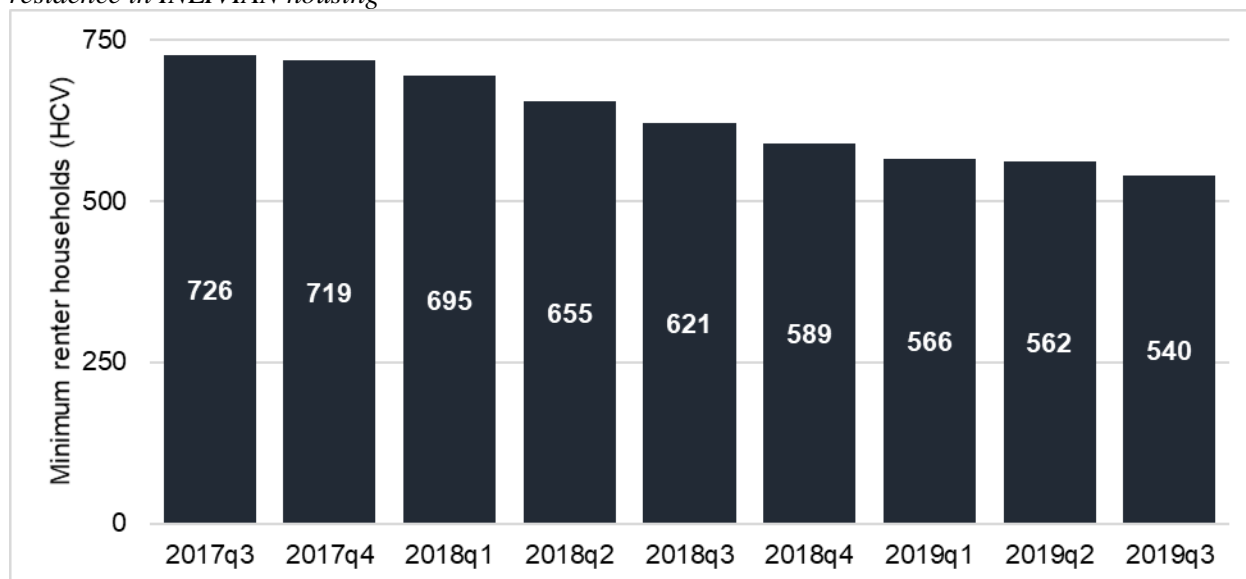
Data source: INLIVIAN administrative data

Figure 10. Change in minimum renter status among RAD households that continuously maintained residence in INLIVIAN housing



Data source: INLIVIAN administrative data

Figure 11. Change in minimum renter status among HCV households that continuously maintained residence in INLIVIAN housing

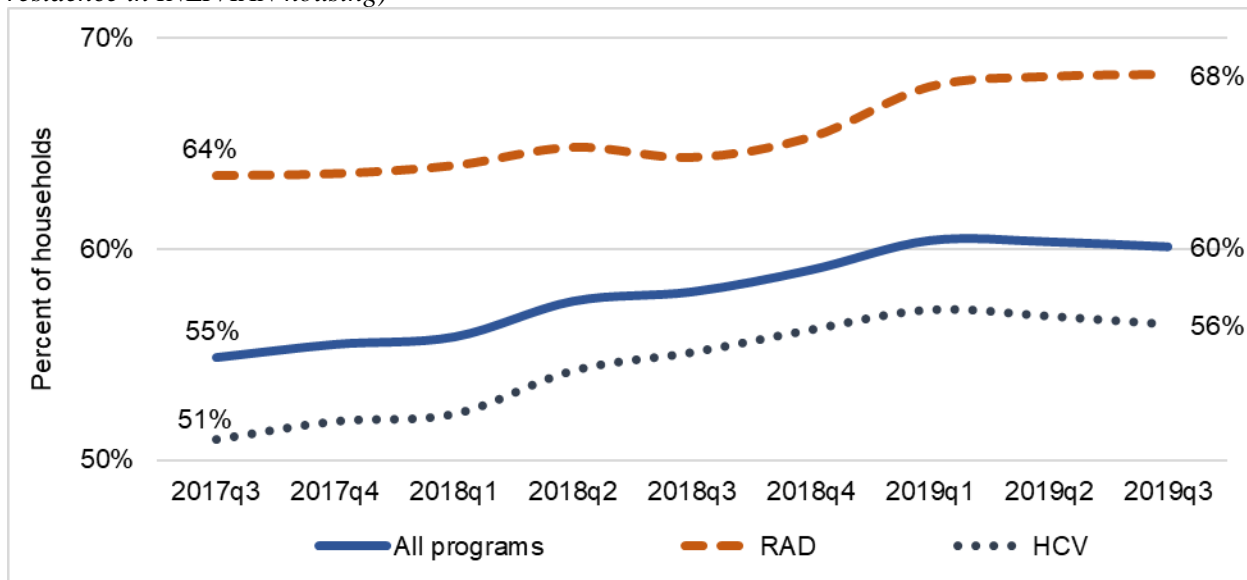


Data source: INLIVIAN administrative data

Among households that continuously maintained residence in INLIVIAN housing, we also observe a slight increase in the number of households reporting any wage income (i.e., earnings from paid employment) and the average annual wage amount (see Figure 11 and Figure 12). Within this group, the total number of households reporting having some wages increased by 9.4%, rising from 1,865 to 2,042 over the study

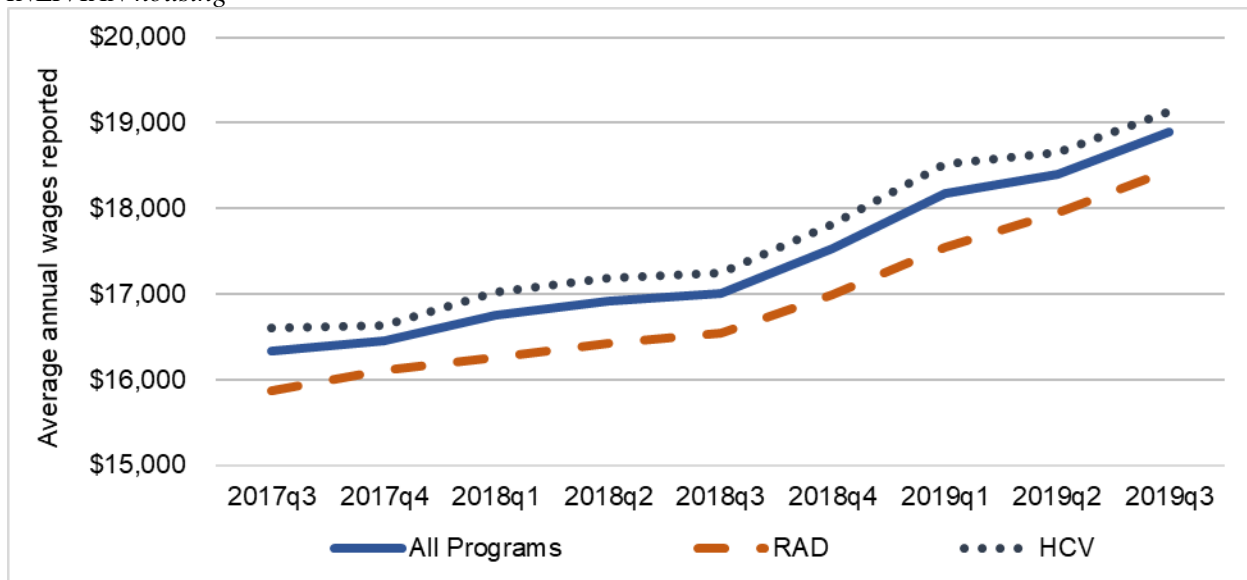
period. Of these 177 households, most were HCV recipients (72%) with the remainder being RAD households (28%). We further observe a 16 percent increase (\$2,550) in the average wages of households that continuously maintained residence in INLIVIAN housing, with the average wage amount increasing from \$16,340 to \$18,890 over the study period. Across the agency's programs, increases in wages were nearly equal with both RAD and HCV households experiencing roughly a \$2,500 increase.

Figure 12. Change in percent of households with any wages (households that continuously maintained residence in INLIVIAN housing)



Data source: INLIVIAN administrative data

Figure 13. Change in average annual wages among households that continuously maintained residence in INLIVIAN housing



Data source: INLIVIAN administrative data

Helping Families Achieve Self-Sufficiency

The report now turns to INLIVIAN's efforts to meet MTW's statutory goal of helping families achieve self-sufficiency. Among other activities, key to this is INLIVIAN's supportive services paired with a work requirement. While this activity was initially only implemented at five public housing sites, it has recently expanded to all the agency's former public housing (now RAD) developments. In both the pilot and expansion sites, the work requirement aspect of the activity only applies to work-able (i.e., non-elderly and non-disabled) individuals.

Supportive services policy background

In September 2011, the Charlotte Housing Authority (now known as INLIVIAN) began offering site-based supportive services at five public housing developments.³ At that time, the agency anticipated beginning to enforce a work requirement 12 months after services began; however, due to continued economic effects of the Great Recession, enforcement was delayed for several years.

In January 2014, the agency began enforcing a 15-hour per week work requirement to work-able households at five pilot housing sites; this amount was later increased to 20 hours per week per household. In lieu of working, residents may complete case manager-approved "work-related activities" that include job training, education, and volunteering. Under the initial policy, non-compliant households were initially placed on a two-month Improvement Plan, during which residents must meet weekly with their case manager. If a household remained non-compliant following the Improvement Plan, their rent would be raised to 50% of the contract rent for six months. Continued non-compliance resulted in the agency raising the household's rent to 100% of the contract rent.

In response to evaluations showing that the pilot work requirement policy was effective at increasing affected households' work efforts without increasing evictions, INLIVIAN expanded the work requirement to eight additional remaining former family public housing (now RAD) sites⁴ and Southside (the Jobs-Plus site) in 2017. INVLIAN is currently working to further expand the work requirement to work-able HCV households in 2020.

For the expansion, INLIVIAN has modified the work requirement policy to both streamline its implementation and comport its policy parameters with the RAD (project-based voucher) program. These include:

- While all tenants will be eligible for supportive services, case managers will prioritize working with the highest-needs residents – especially those paying minimum rent.

³ At two of those sites, residents were already receiving supportive services through the Family Self-Sufficiency program.

⁴ The seven former public housing expansion sites are Gladedale, Mallard Ridge, Meadow Oaks, Robinsdale, Savanna Woods, Sunridge, and Wallace Woods.

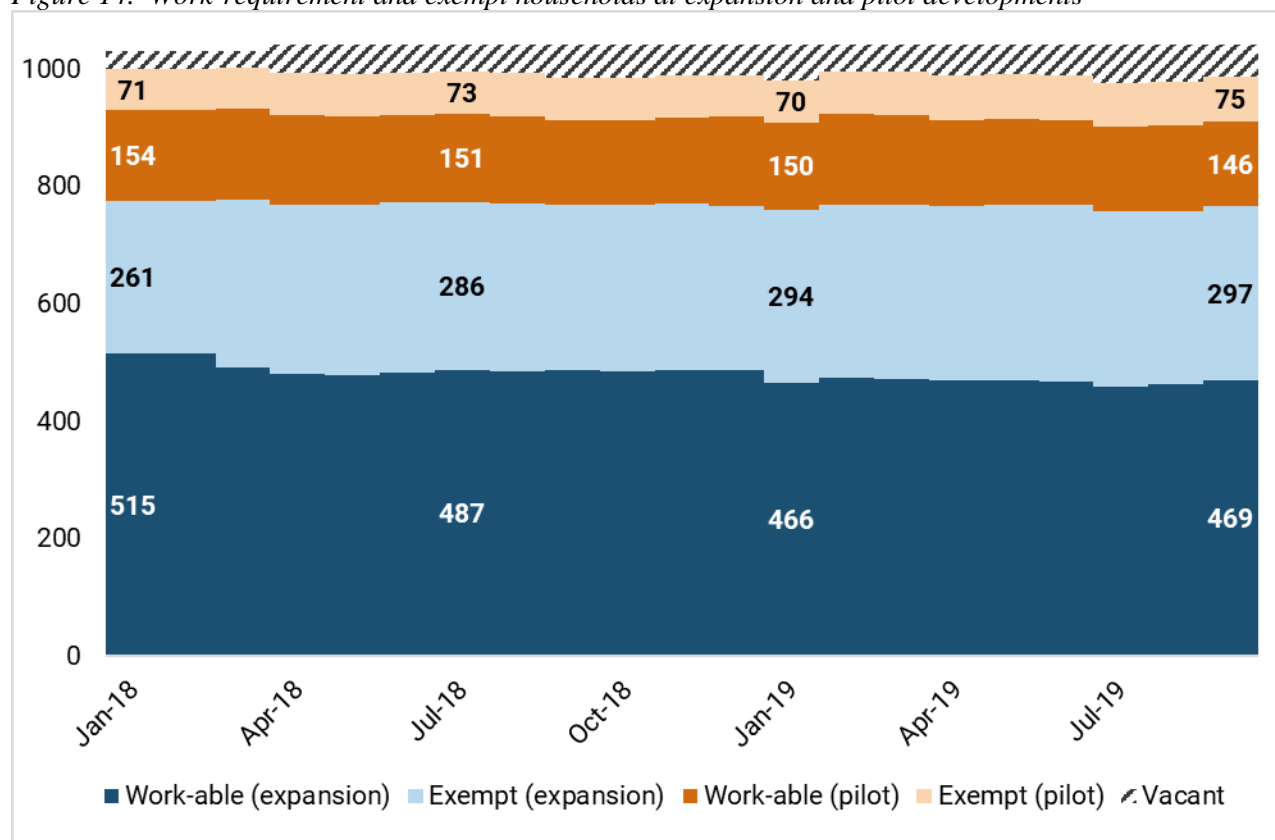
- Tenants at these developments, as well as new residents in the original developments, will receive case management for six months, rather than the current one year, prior to sanction enforcement.
- The initial rent sanction will be the imputed rent for working 20 hours per week at minimum rent in addition to any non-wage income the household receives. The second rent sanction is the unit's full contract rent. The length of the initial rent sanction remains six months.

Households in the eight expansion developments were notified of the work requirement in April 2017 and were given a 6-month introductory period to find work before implementation. All households in work requirement developments must work a minimum of 20 cumulative hours per week across all work-able members. Work requirement enforcement began in November 2017 and non-compliant households received their first sanctions in March 2018.

Work requirement expansion update

Together, the 13 work requirement developments comprise 1,042 units—814 at the expansion sites and 228 at the pilot sites. As of September 2019, 469 (61%) expansion site and 146 (66%) pilot site households were considered work-able and thus subject to the work requirement (see Figure 14). In total, 62 percent of households at the 13 sites are subject to the work requirement.

Figure 14. Work-requirement and exempt households at expansion and pilot developments



Data source: INLIVIAN case management data

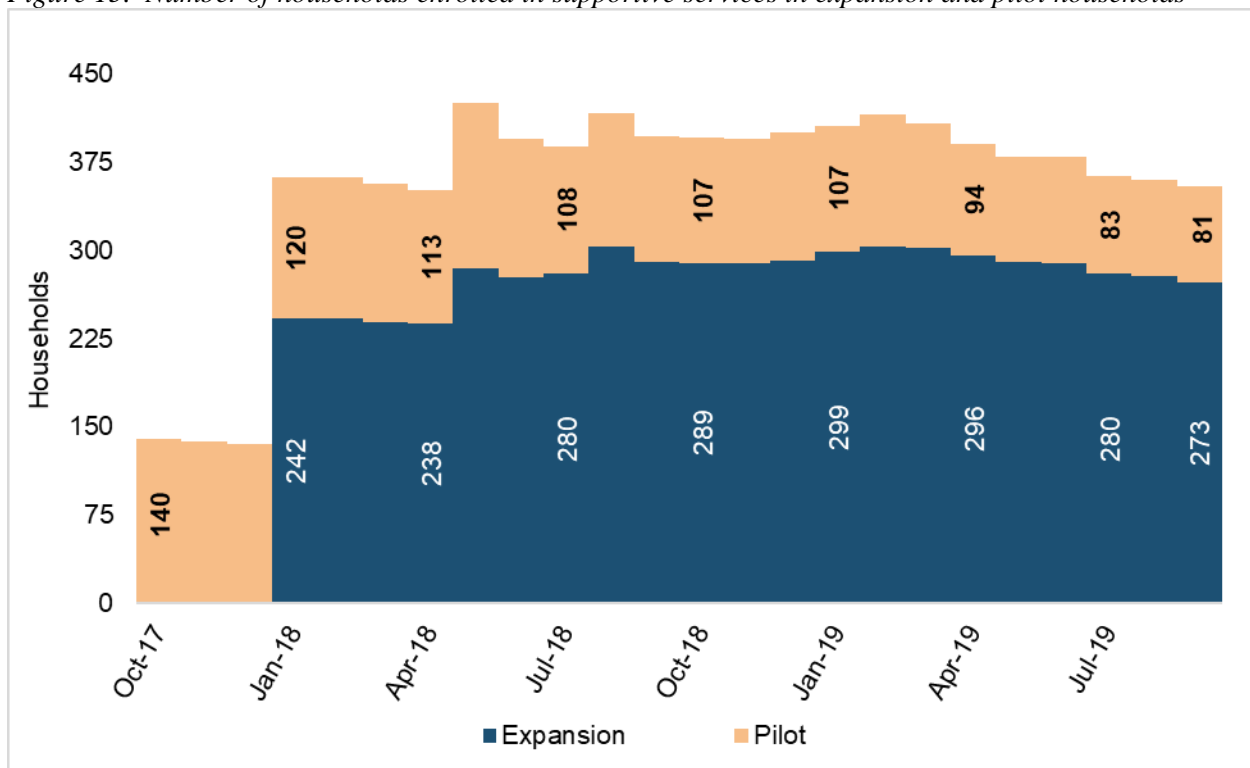
Expansion of supportive services

INLIVIAN rolled out supportive services to the seven non-Jobs Plus expansion in 2017, while Southside residents have received on-site supportive services since late 2015 as part of the Jobs Plus program. For the non-Jobs Plus expansion sites, case managers have targeted supportive services to minimum renters and households not currently in compliance with the work requirement. While case managers at the Jobs Plus site worked with all work-able households during the Jobs Plus grant period, those case managers now also target services to minimum renters and non-compliant households.

When work requirement enforcement began in January 2018, 242 expansion site households were enrolled in supportive services (see Figure 15). This number remained steady through the first 3 months of the expansion before a sharp increase in May 2018 of almost 50 households. The number of expansion households continues to increase until peaking at 303 in August 2018. Following this increase, the number stabilizes between 290 and 303 for the rest of 2018. Expansion households received supportive services starts to decrease gradually starting in spring 2019.

For the five pilot sites, the number of households receiving supportive services also decreases steadily throughout 2018 and 2019, starting at 140 in October 2017 and ending at 81 in September 2019. As more households gain employment and become compliant with the work requirement, it follows that fewer would be enrolled in supportive services as case managers shift focus to the remaining minimum renters.

Figure 15. Number of households enrolled in supportive services in expansion and pilot households



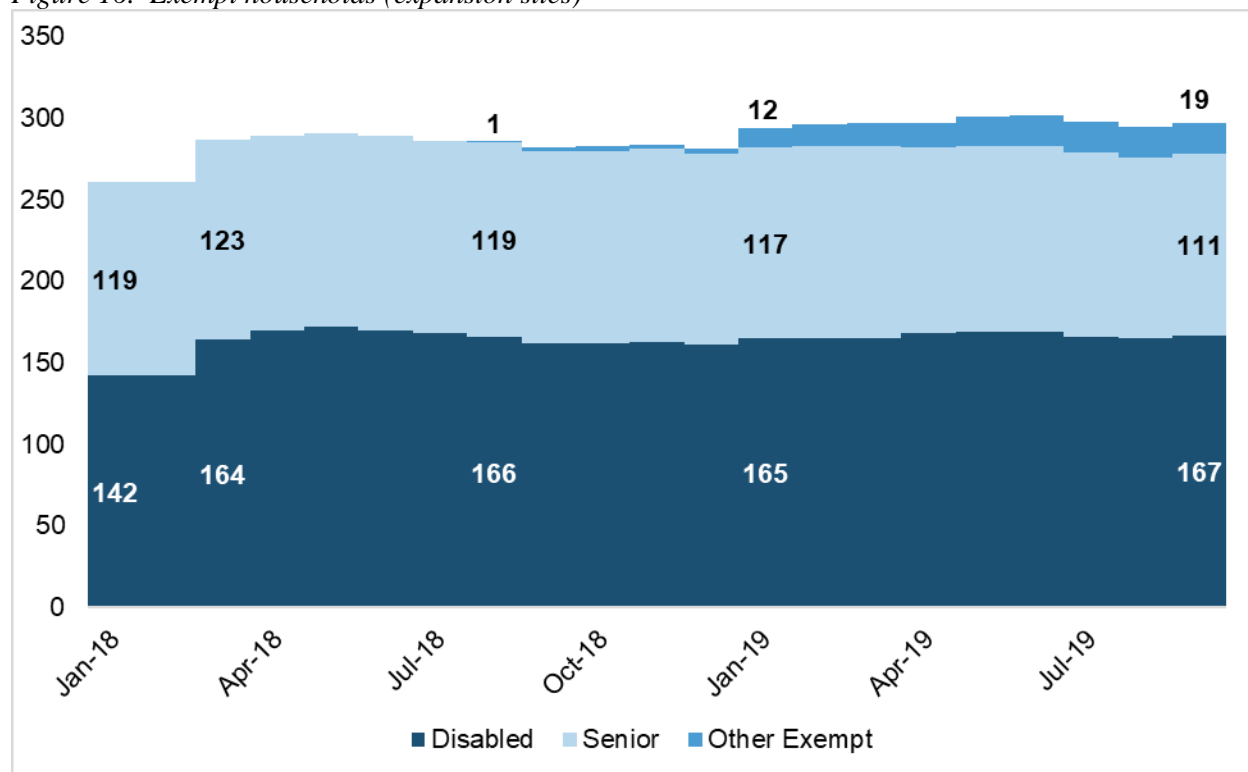
Data source: INLIVIAN case management data

Households can request an exemption from the work requirement if all adults in the household are either elderly—over the age of 62—or disabled. Disability exemption is given to those receiving social security disability but can also be given in cases of pending disability or when case managers believe a disability exemption is appropriate.

In July 2018, INLIVIAN added the new “other exempt” household category. Residents can request this exemption when they are not formally disabled, but when they or someone in their household has a medical condition that prevents them from complying with the work requirement. Case managers can grant these exemptions on a temporary basis and they must re-confirm the need for exemption quarterly.

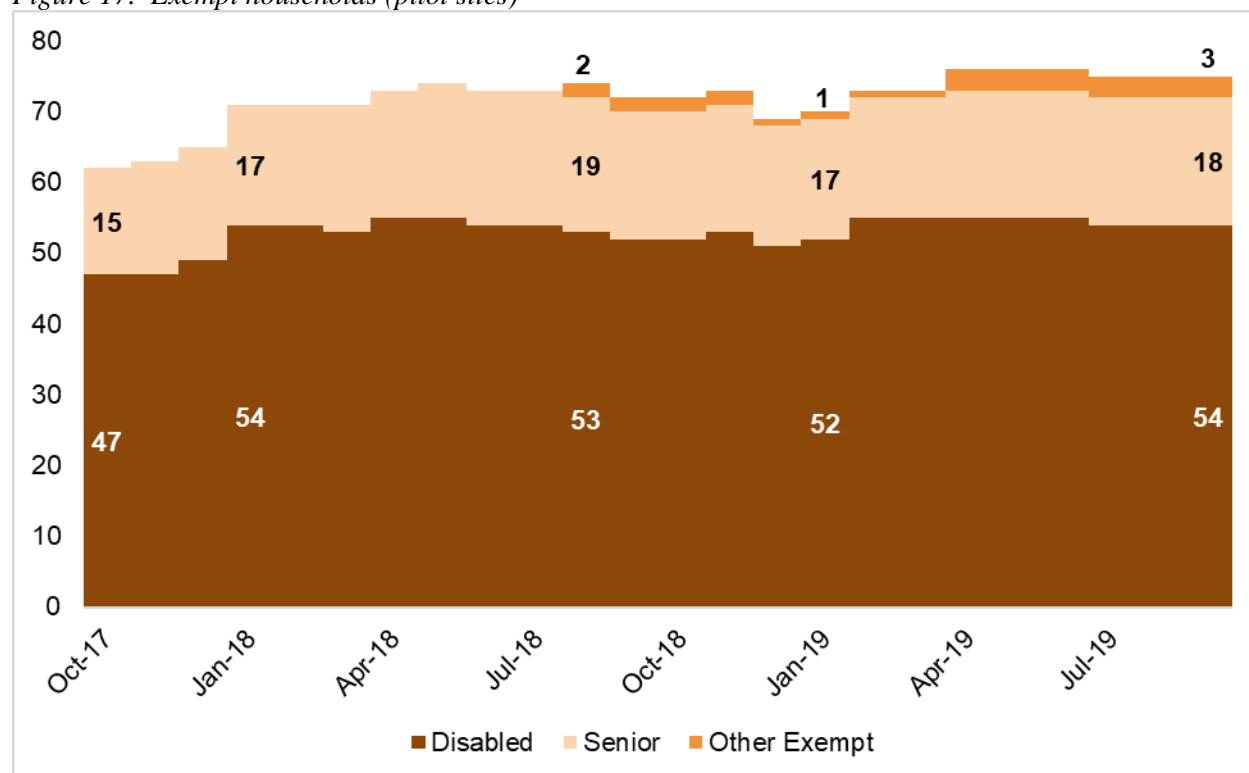
At both the expansion and pilot sites, the majority of exempt households fall within the ‘disabled’ category (see Figure 16 and Figure 17). For the expansion sites, the number of households considered disabled increases during early 2018; this is likely due to case managers conducting further assessments after the expansion began and designating additional households as exempt. The pilot sites also see a small increase in the number of households exempt due to disability in January 2018. While the number of ‘other exempt’ households increases substantially at the expansion sites in 2019—hitting a maximum of 19 in September—these remain only a small number within the context of all exempt households.

Figure 16. Exempt households (expansion sites)



Data source: INLIVIAN case management data

Figure 17. Exempt households (pilot sites)



Data source: INLIVIAN case management data

Work requirement compliance

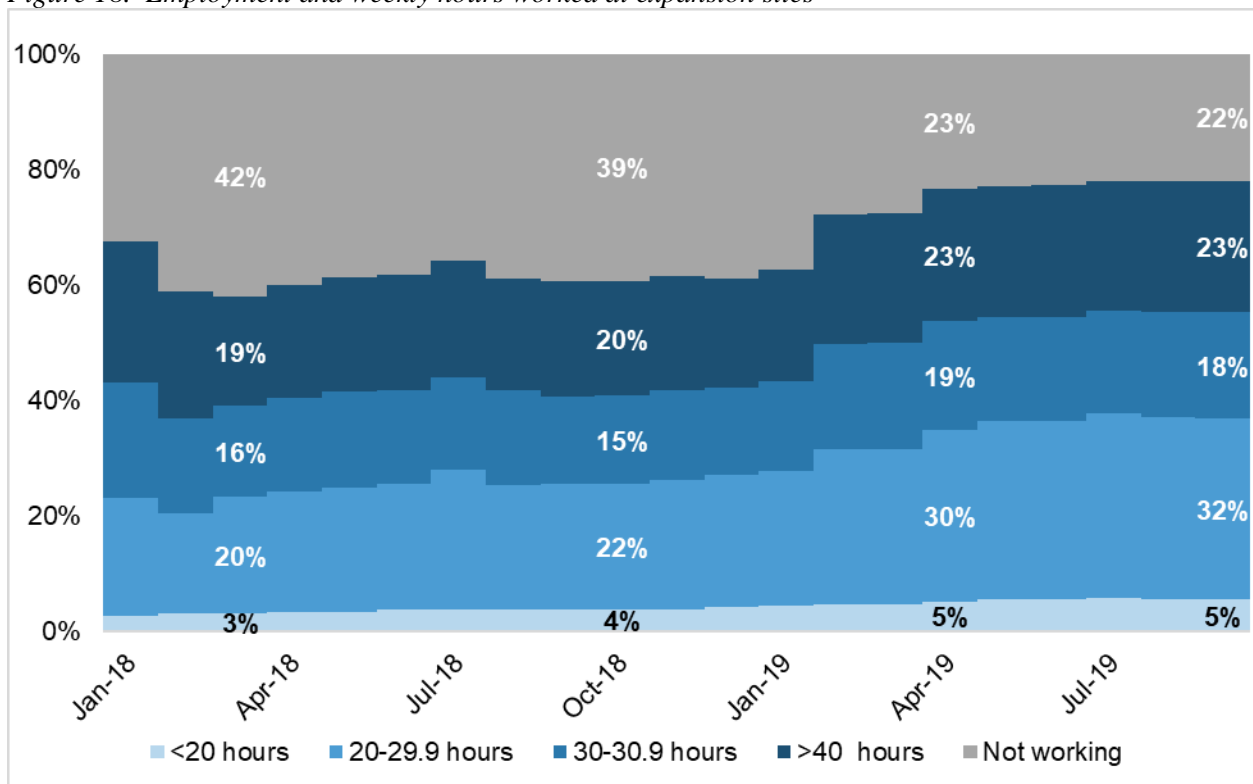
The analysis now turns to compliance with the work requirement among work-able households at both the expansion and pilot sites. We first examine employment and hours worked before turning our attention to households participating in work-related activities, households placed in Improvement Plans, and sanctions for non-compliance.

Employment and hours worked

At the expansion sites, the number of work-able households working more than 20 hours per week (and thus complying with the work requirement) only increased modestly in the first year of enforcement (see Figure 18). When sanctions began in March 2018, only 55 percent of expansion work-able households were employed over 20 hours per week. However, by April 2019—roughly one year after the first sanctions—72 percent of work-able households were employed over 20 hours per week, an increase of 17 percentage points.⁵ Further, the number of unemployed work-able households dropped by almost half (42% to 23%) over this time period.

⁵ Some households working fewer than 20 hours are also considered compliant temporarily. Those enrolled in a GED, Associate's or Bachelor's degree program are only required to work 15 hours per week to comply with the work requirement.

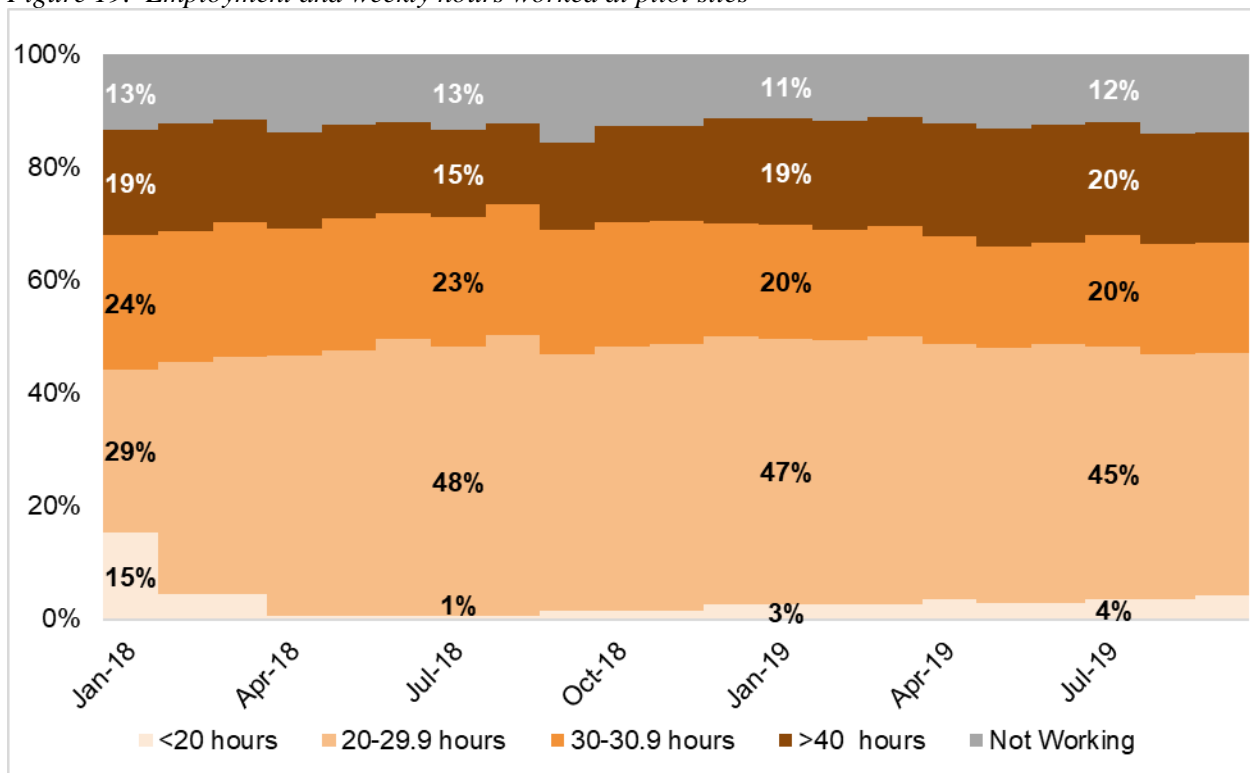
Figure 18. Employment and weekly hours worked at expansion sites



Data source: INLIVIAN case management data

For the pilot sites—where the work requirement has been enforced since 2014—the employment rate remained stable over the study period of this report (see Figure 19). We do see, however, a decrease in the number of households working under 20 hours per week that corresponds to INLIVIAN raising the number of hours required to meet the work requirement policy. It appears that households previously working between 15–20 hours per week are now working between 20–30 hours per week to remain in compliance.

Figure 19. Employment and weekly hours worked at pilot sites



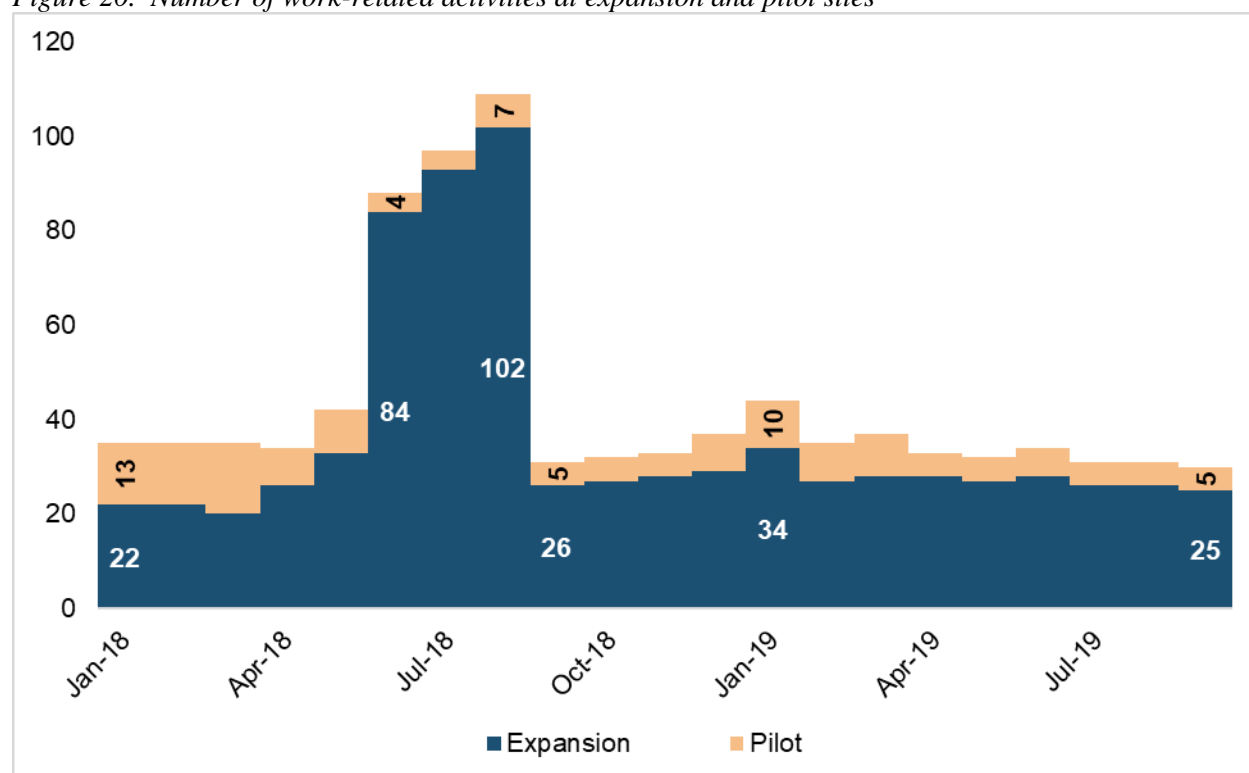
Data source: INLIVIAN case management data

Work-related activities

Households may also fulfill the work requirement by completing work-related activities (WRA) for up to 12 months. Case managers must approve WRAs and eligible activities include employment and life skills trainings offered through INLIVIAN and partner organizations. Approved volunteer positions may also be used as a WRA, though only for a maximum of 60 days. Households with members enrolled in GED, Associate's, or Bachelor's degree programs are considered participating in a WRA but must also be employed for a minimum of 15 hours per week.

During the first three months of the work requirement expansion, the number of households in a work-related activity remains stable (see Figure 20). By summer 2018, however, the number of expansion households in a WRA sees a sharp increase to 84 in June and continues increases to 102 households in August 2018. This coincides with a gradual decrease in the number of sanctions around the same time period. By September 2018, the number of expansion site WRAs decreases precipitously and remains at much lower levels during the rest of 2018 and 2019. The number of WRAs at the pilot sites remains relatively stable across the entire study period.

Figure 20. Number of work-related activities at expansion and pilot sites



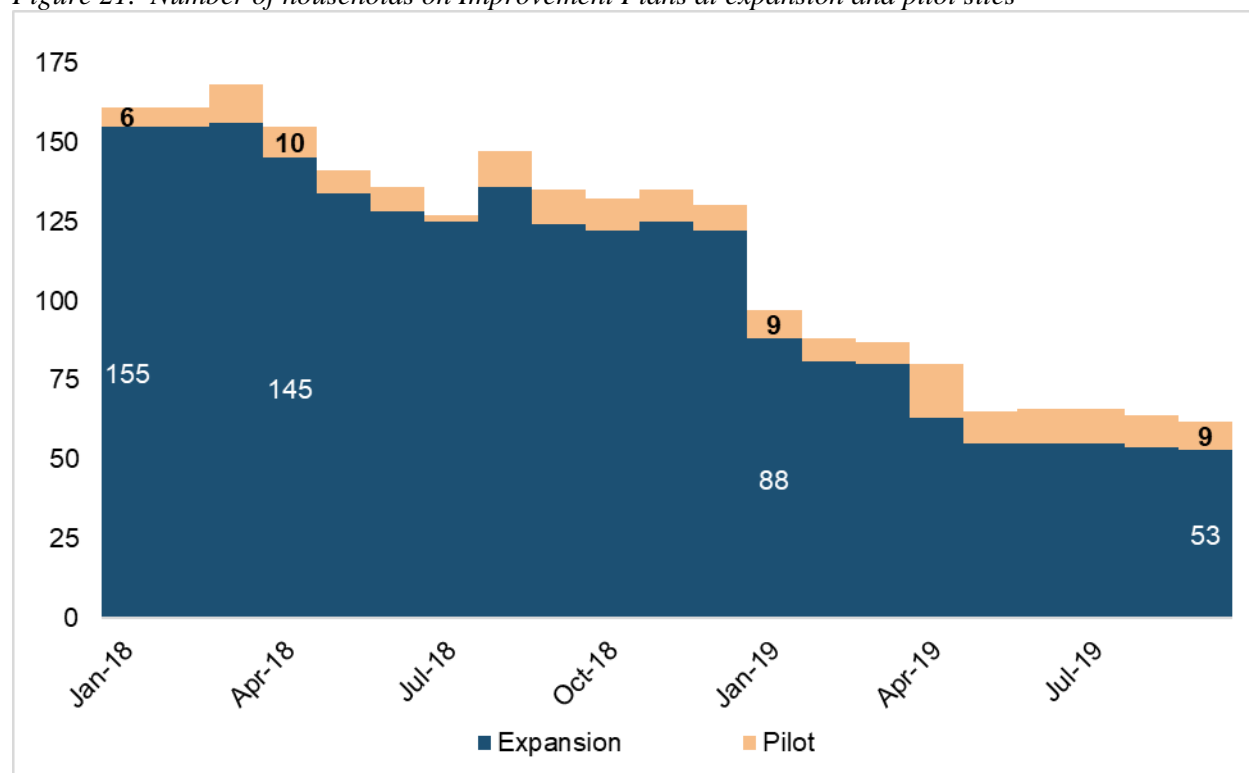
Data source: INLIVIAN case management data

Improvement Plans

Households not in compliance with the work requirement are first placed in a 90-day Improvement Plan. While in an Improvement Plan, households do not face rent sanctions, but they are expected to meet with case managers regularly to locate employment or opportunities for work-related activities.

Over the study period (January 2018–September 2019), the number of expansion site households on Improvement Plans decreases steadily month-to-month (see Figure 21), peaking at 155 in January 2018 and falling to 53 in October 2019. This decrease also corresponds to increases in employment at the expansion sites discussed earlier (see Figure 18). Improvement plans at pilot sites remain mostly stable from October 2017 – September 2019. The number ranges from a high of 17 in April 2019 to a low of 2 in July 2018. These numbers are consistent with pilot site numbers from previous reports.

Figure 21. Number of households on Improvement Plans at expansion and pilot sites



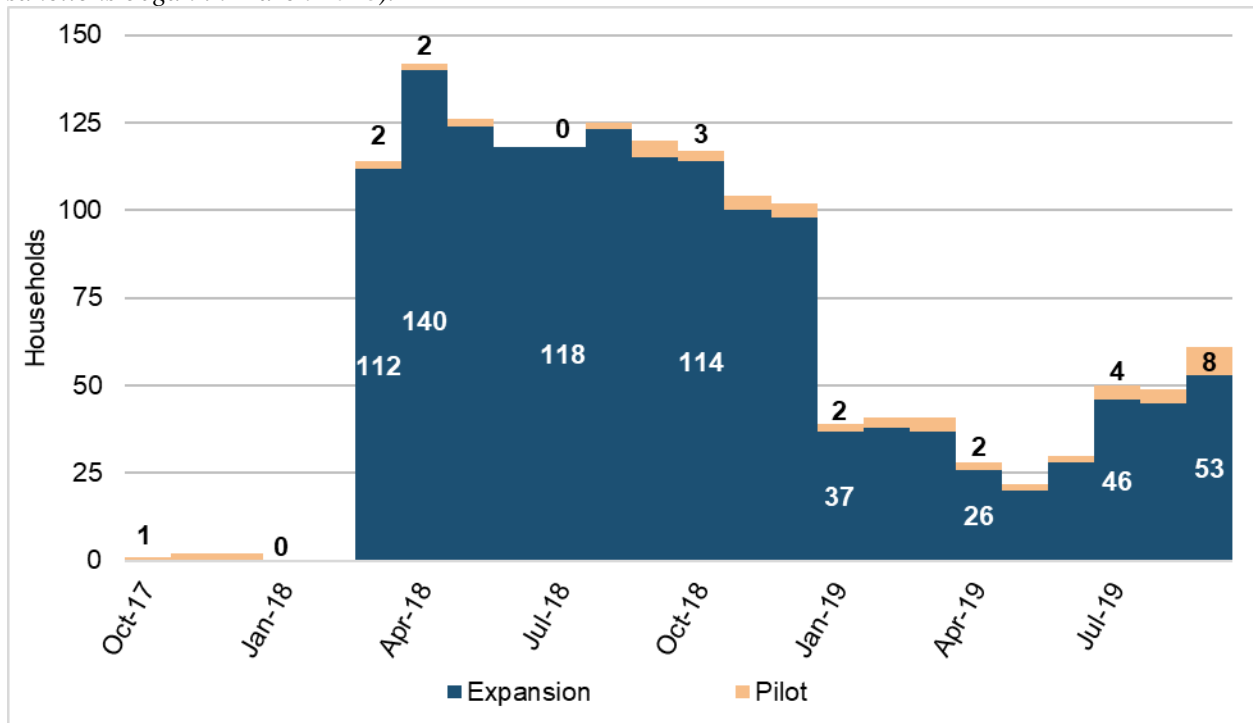
Data source: INLIVIAN case management data

Sanctions for non-compliance

Sanctions for work requirement non-compliance began at the expansion sites in March 2018. Similar to the number of individuals on Improvement Plans, the number and proportion of expansion site households subject to rent sanctions is greatest at the beginning of the study period and steadily decreases as more households come into compliance (see Figure 22 and Figure 23). Sanctions reached their highest level in April 2018 at 29 percent of households subject to the work requirement, and then dropped precipitously at the beginning of 2019—likely due to a combination of factors, including increases in the number of exempt households, households participating in WRAs, and households in compliance with the work requirement. By early 2019, most expansion site metrics begin to stabilize. One year after the first expansion site sanctions, the proportion of sanctioned households is between five and 11% for the remainder of 2019.

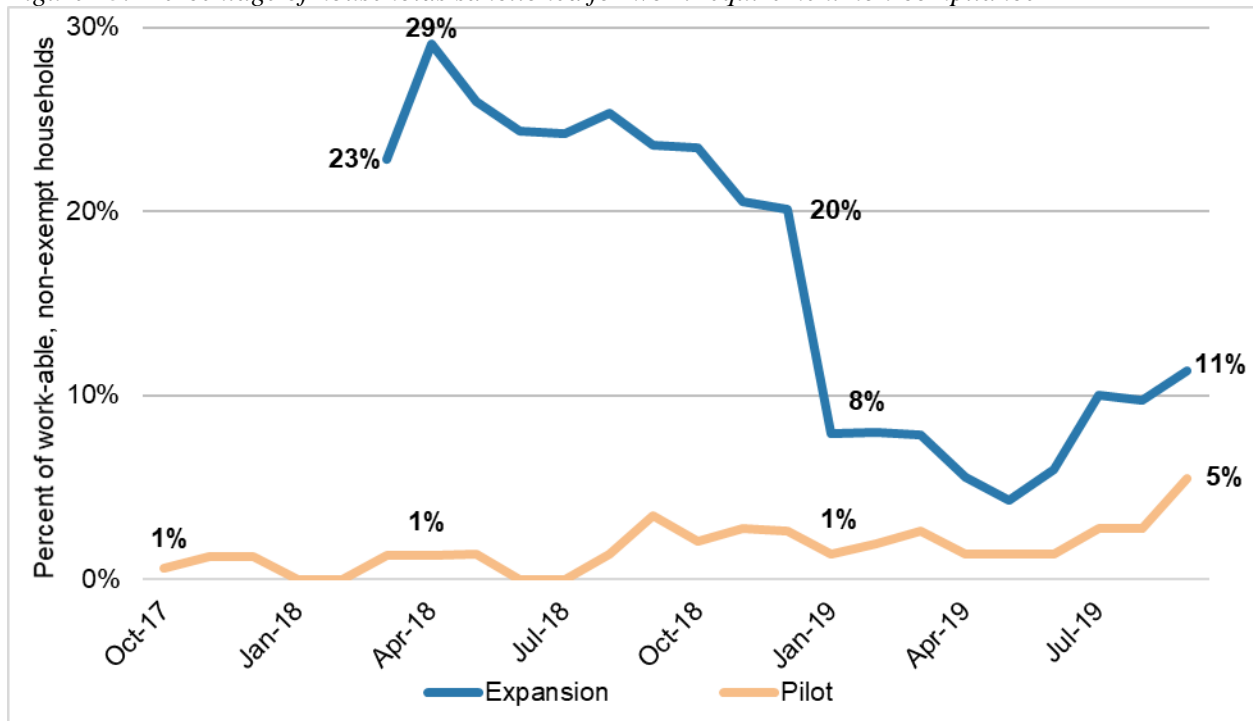
Pilot sanction levels remain mostly stable between one and five percent of work-able households throughout the study period. This is consistent with the number of sanctioned households in previous reports.

Figure 22: Number of households sanctioned for work requirement non-compliance (expansion site sanctions began in March 2018).



Data source: INLIVIAN case management data

Figure 23. Percentage of households sanctioned for work requirement non-compliance



Data source: INLIVIAN case management data

Expanding Housing Options

Another statutory goal of the MTW program is to expand housing options for low-income families. In this section, we evaluate two aspects of the Moving Forward program specifically related Housing Choice Voucher (HCV, commonly known as Section 8) program. First, we analyze changes in the location of voucher holders in Mecklenburg County over the last two years (September 2017–September 2019), analyzing changes in neighborhood poverty rates, crime, and school quality. Second, we review INLIVIAN’s new Opportunity Neighborhood Initiative and, using its definition of opportunity neighborhoods, assess the number of residents living in higher-opportunity areas.

Changes in HCV neighborhood characteristics

Between 2017 and 2019, the proportion of all voucher holders living in lower-poverty neighborhoods (those with poverty rates under 20%) increased from 45% to 51% (see Table 1, left panel). Conversely, the proportion of all voucher holders living in the highest poverty neighborhoods—those with poverty rates over 40%—decreased from 12% to 6%.

Voucher families with children also saw an increase in the number of families living in lower poverty neighborhoods, with the proportion living in neighborhoods with less than a 20% poverty rate increased from 47% to 52% (see Table 1, right panel). The proportion living in the highest poverty neighborhoods also declined from 11% to 7%. Overall, voucher families with children live in slightly lower-poverty neighborhoods compared to the entire HCV population.

Table 1: Changes in neighborhood poverty rates for HCV holders, 2017–2019

Poverty rate	All vouchers			HCV families with children		
	2017	2019	Change	2017	2019	Change
Less than 5%	2%	2%	+0.6%	2%	3%	+0.8%
5–9.9%	11%	14%	+3.5%	12%	14%	+2.8%
10–14.9%	16%	18%	+1.7%	17%	18%	+1.8%
15–19.9%	16%	17%	+1.3%	16%	17%	+0.9%
20–24.9%	8%	8%	-0.3%	8%	8%	-0.4%
25–29.9%	16%	14%	-1.8%	15%	13%	-1.7%
30–39.9%	20%	20%	+0.1%	19%	20%	+0.8%
40–49.9%	7%	3%	-3.3%	6%	3%	-3.2%
50% or greater	5%	3%	-1.8%	5%	4%	-1.7%

Data source: American Community Survey estimates, 2013–2017

On average, voucher holders reside in safer neighborhoods in 2019 than in 2017 in terms of both violent and property crime rates (see Table 2). For the entire population of voucher holders, neighborhood violent crime rates declined 5.5% between 2017–2019, while property crime rates declined a more modest 1.6%. One should note, though, that neighborhood crime rates for voucher holders are higher than the average for all Charlotte neighborhoods.

In both 2017 and 2019, HCV families with children reside in safer neighborhoods overall compared to the overall voucher population (see Table 2, right panel). HCV families with children also saw declines in neighborhood violent and property crime comparable to those of the entire voucher population.

Table 2: Change in neighborhood crime rates for HCV holders, 2017–2019

Crime rate	All vouchers		HCV families with children	
	2017	2019	2017	2019
Violent crime	10.9	10.3	10.0	9.5
Property crime	49.4	48.6	47.3	46.0

Data source: Charlotte Quality of Life Explorer, 2017 and 2018 violent and property crime rates.

Like the above two characteristics, voucher holders saw modest improvements in terms of school quality between 2017 and 2019. Using elementary school performance scores as a proxy for school quality,⁶ the proportion of both all voucher holders and HCV families with children residing in neighborhoods with relatively higher performing schools—those with performance scores over 70—increased modestly over this time period (see Table 3). Meanwhile, the proportion of voucher holders in the neighborhoods assigned to the lowest performing schools decreased over the same time period.

Despite these modest improvements, though, one should note that most voucher holders have neighborhood schools with low performance scores. In both 2017 and 2019, most voucher holders (including families with children) resided in neighborhood assigned to schools with performance scores under 55.

Table 3: Change in elementary school performance score for HCV holders, 2017–2019

School performance score	All vouchers			HCV families with children		
	2017	2019	Change	2017	2019	Change
Over 85	0.4%	0.7%	+0.4%	0.4%	1.1%	+0.7%
70-85	7%	8%	+0.4%	5%	6%	+0.5%
55-69	32%	32%	-0.5%	39%	38%	-1.1%
40-54	40%	40%	+0.1%	40%	40%	+0.1%
Less than 40	21%	20%	-0.4%	15%	15%	-0.2%

Data source: North Carolina Department of Public Instruction, 2016–2017 school performance data.

Overall, analysis of these three neighborhood characteristics—poverty rate, crime rate, and school quality—show that voucher holders witnessed modest improvements in neighborhood quality between 2017 and 2019. However, voucher holders continue to reside in neighborhoods with relatively higher poverty rates, higher crime rates, and lower school performance when compared to the city of Charlotte and Mecklenburg County as a whole.

Opportunity neighborhood initiative

In response to challenges faced by voucher holders in accessing higher-quality neighborhoods, INLIVIAN began implementing an opportunity neighborhoods MTW activity in 201#. Under this activity, INLIVIAN

⁶ The school performance score is a combination of two measures tracked by the North Carolina Department of Public Instruction: school achievement and school growth. School achievement uses standardized test scores to measure school quality, while school growth uses an algorithm to measure how schools maintain or increase student achievement from one year to the next. The school performance measure is calculated by weighting 80% of a school's achievement score and 20% of school's growth score.

defined all Census tracts in Mecklenburg County as very low, low, moderate, high, or very high opportunity.⁷ The variables used to define the amount of opportunity in each Census tract were:

- Percent of students proficient on end-of-year reading tests
- Percent of students proficient on end-of-year math tests
- Poverty rate
- Job proximity index
- Transit trips index
- Crime rate

The job proximity and transit trips index are sourced from HUD-provided Affirmatively Furthering Fair Housing data.

Each tract's values on these indices were converted into an overall opportunity index, and the 230 tracts in Mecklenburg County were divided equally among the five opportunity classifications. This results in 46 tracts falling into each opportunity category.

Figure 24 displays a map of INLIVIAN's opportunity neighborhood designations. Most of the 'very high' and 'high' opportunity neighborhoods are in the northern and southern suburbs of Mecklenburg County. Many of these tracts are located in suburban communities surrounding Charlotte, including Huntersville, Davidson, Pineville, Matthews, and Mint Hill. Most of the lower opportunity tracts are found in the neighborhoods immediately west, north, and east of Uptown Charlotte.

⁷ Additionally, three Census tracts are considered 'non-residential' because they do not contain any residential units.

Figure 24: Map of INLIVIAN opportunity neighborhood designations

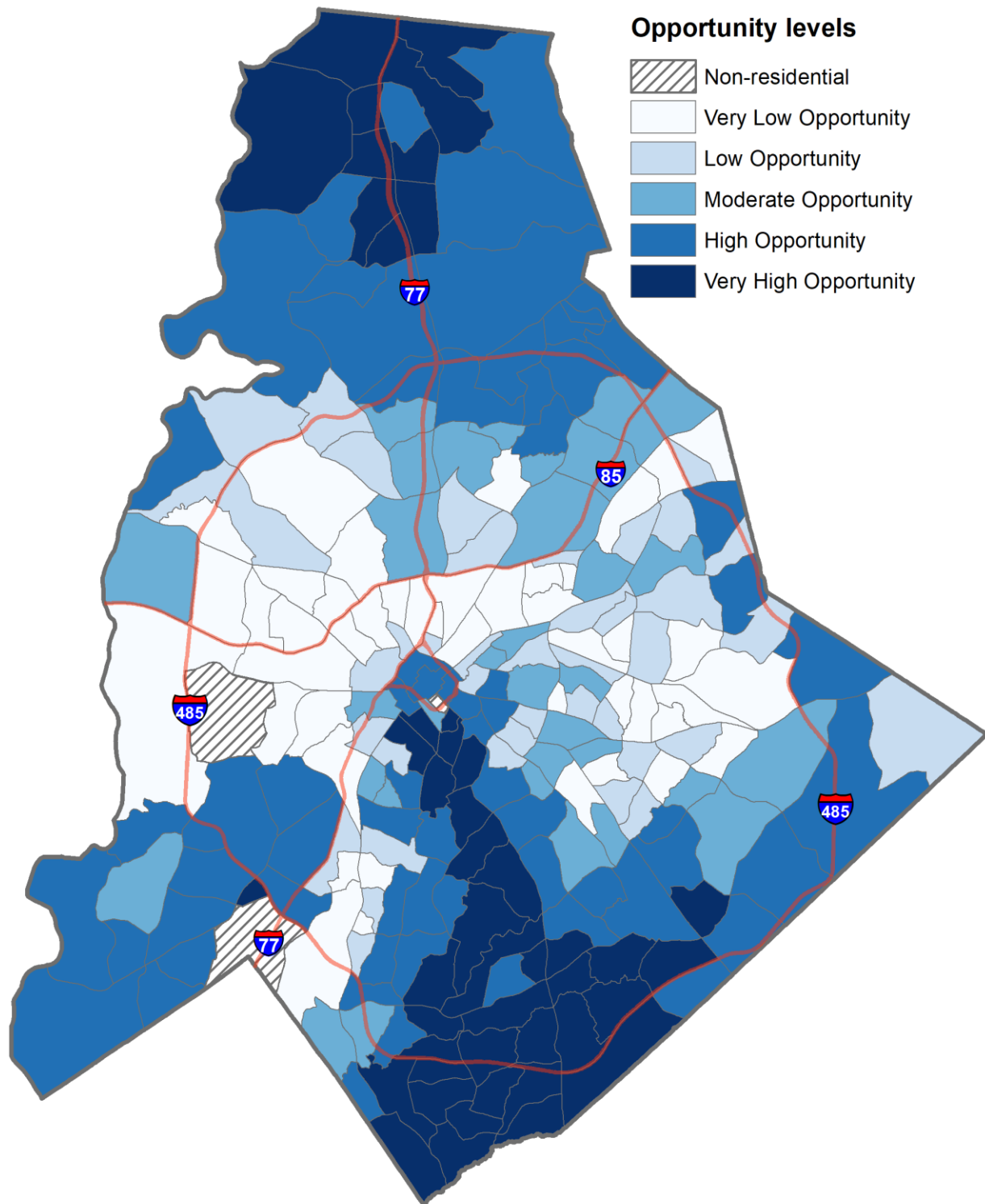
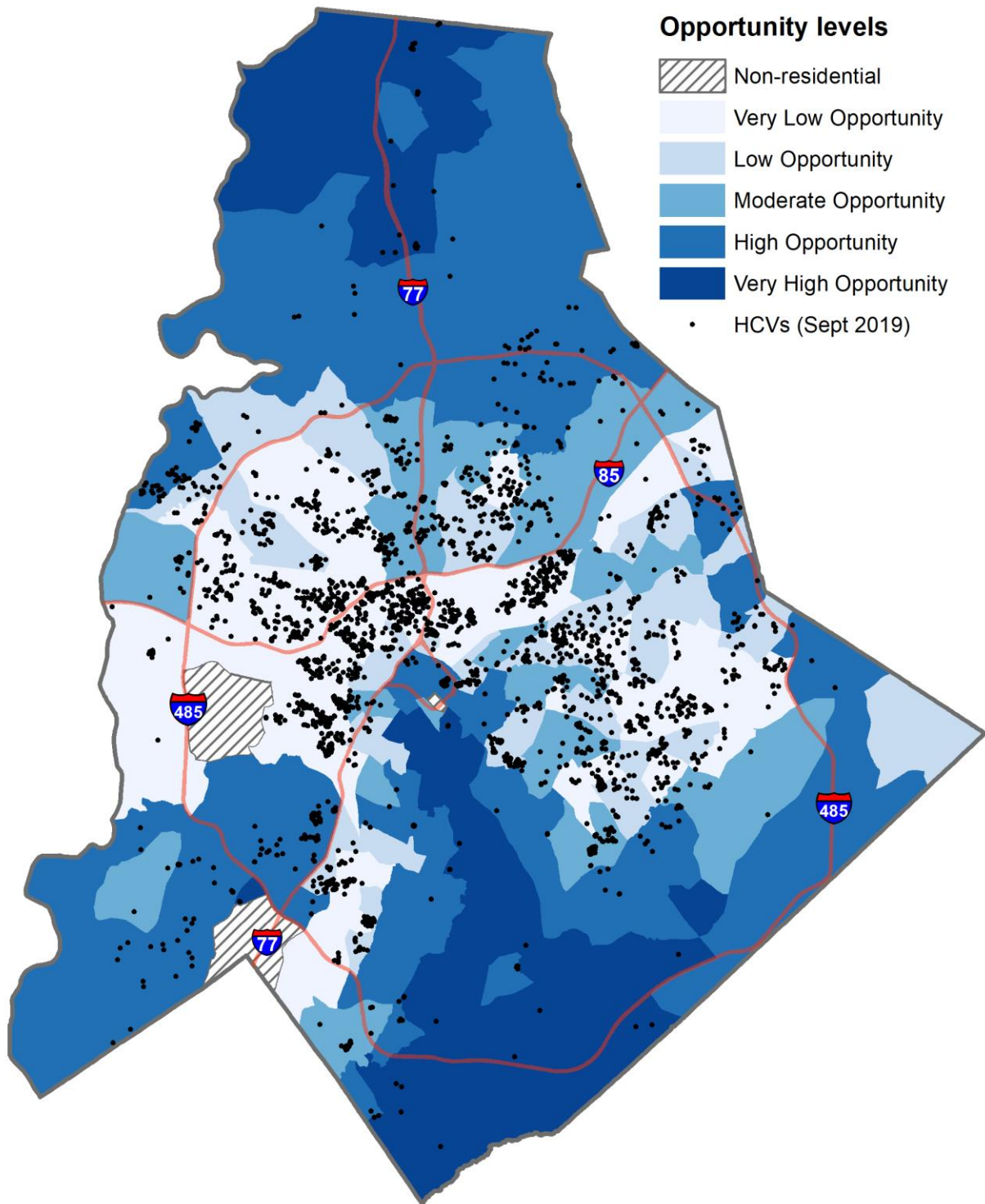


Figure 25 maps the location of INLIVIAN Housing Choice Voucher households against the opportunity map designations. The largest concentrations of HCV holders are in lower opportunities surrounding Uptown Charlotte and extending to the northwest and northeast. However, several reasonably-sized

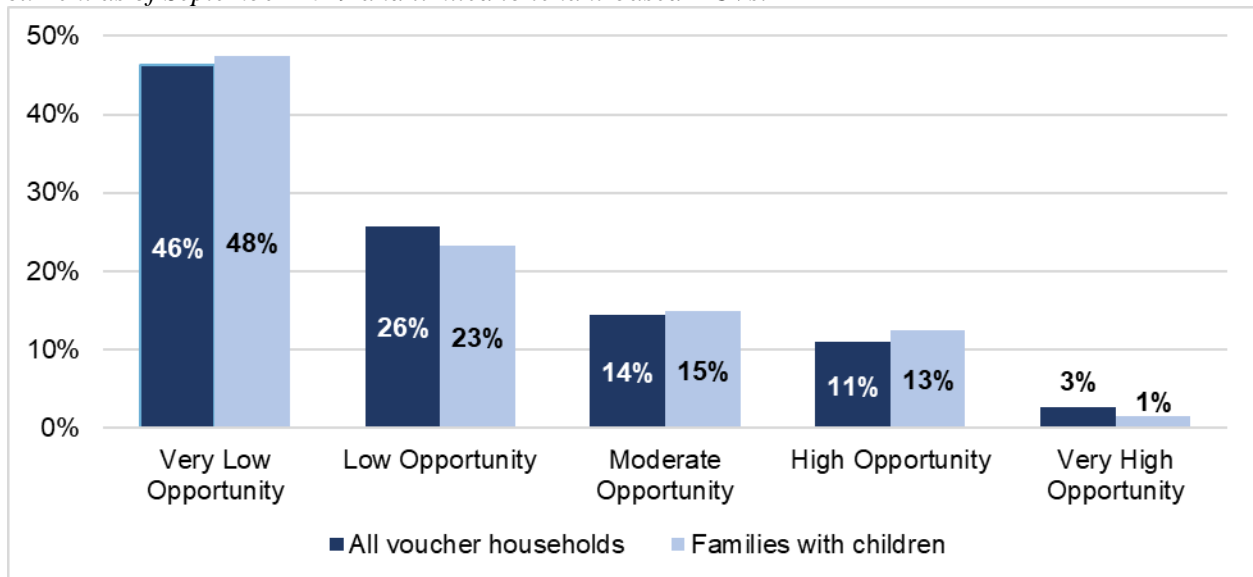
clusters of HCV holders have located in moderate and high opportunity neighborhoods near Interstate 485 to the northwest and northeast of Charlotte.

Figure 25: Map of opportunity neighborhoods and Housing Choice Voucher recipients



Analysis of HCV address data confirms that most vouchers holders live in very low and low opportunity neighborhoods. A plurality (46% of all HCVs and 48% of voucher families with children) live in very low opportunity neighborhoods, while roughly a quarter of voucher holders reside in low opportunity neighborhoods (see Figure 26). Relatively smaller numbers of voucher holders live in moderate and high opportunity neighborhoods, while very few (3% of all HCVs and 1% of voucher families with children) reside in very high opportunity neighborhoods.

Figure 26: Proportion of voucher holders living in each opportunity neighborhood classification. Data current as of September 2019 and limited to tenant-based HCVs.



Data source: INLIVIAN HCV data and opportunity neighborhood designations

Conclusions

This year-end report has reviewed INLIVIAN's compliance with the statutory requirements of the Moving to Work program as well as the agency's progress in meeting two of MTW's statutory goals. In doing so, we have reviewed both administrative and case management data. In this final section, we summarize our findings and outline recommendations for improving the Moving Forward program.

In 2017–2018, INLIVIAN received four HUD waivers for new Moving Forward activities, although one of those waivers was to modify a previously-implemented activity. These include an effort to simplify the process for Housing Quality Inspections for HCV properties; under this activity, landlords may self-certify repairs if their property has 10 or fewer non-life-threatening deficiencies. Another new activity also pertains to the HCV program and allows INLIVIAN to set higher payment standards for HCV properties in opportunity neighborhoods. The other new activity prevents INLIVIAN clients from requesting interim income recertifications within three months of their regularly-scheduled biennial recertification.

Administrative data show that INLIVIAN complied with the five MTW statutory requirements from September 2017–September 2019. In the HCV and RAD programs, at least 75% of households are very low-income in every quarter; the number of very low-income households is consistently over 90% of clients. We also find that the agency has consistently served the same number of clients and has maintained a comparable mix of family sizes. INLIVIAN administrative data also demonstrate that the number of minimum renters has decreased over the last two years while the number of households reporting wage employment has increased, thus suggesting that the agency's rent policies have encouraged employment.

One of MTW's goals is to encourage families to achieve self-sufficiency, and INLIVIAN has implemented supportive services paired with a work requirement at its RAD developments. This policy was recently expanded to seven RAD developments; analysis of case management data shows that, since the expansion began, employment at those sites has increased by about 17 percentage points. Further, the number of households sanctioned for non-compliance has decreased from 23% to 11% over the same period.

A second MTW statutory goal is to expand housing opportunities. Overall, we find that the neighborhood conditions of INLIVIAN HCV clients improved modestly between September 2017–September 2019 on three qualities: poverty rate, school performance, and crime rates. As discussed earlier, INLIVIAN has also begun implementing an 'Exception Payment Standard' activity, under which Census tracts are considered very low, low, moderate, high, and very high opportunity. While implementation of this activity only began in 2019, we find that a plurality of HCV clients (46% of all HCV clients and 48% of HCV families with children) currently reside in 'very low' opportunity neighborhoods.

Ultimately, we find that INLIVIAN and the Moving Forward program have made considerable progress toward meeting the statutory goals of the Moving to Work demonstration while maintaining compliance with the five MTW statutory requirements. Where the agency has been less successful in reaching the statutory goals—namely expanding housing and neighborhood opportunities for HCV families—the recently-implemented Exception Payment Standards activity will likely positively impact clients' neighborhood conditions.