



# 2020 MOVING TO WORK ANNUAL REPORT

Submitted on 4/30/2021



# INLIVIAN LEADERSHIP

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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 2020, 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 2022.

### 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**

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#### **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**

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#### **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 Plan period, which launched in 2019. 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**

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#### **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**

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### **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**

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### **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**

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### **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	Committed and waiting for HUD approval to execute HAP	Yes, 36	Property is under construction and units are under review by the RAD team as part of a Transfer of Assistance to a P3 project.
Strawn	11	0	Committed	Yes	These are ACC units that were part of a larger 122-unit project that was converted to RAD and the assistance transferred off site. There are 11 units that were not transferred and are still listed in PIC. We have been in discussion with the Recap office to convert them to RAD and transfer the assistance to one of our new LIHTC developments; however, we have not been able to locate them to convert them to RAD. We will continue to work with the RECAP office to locate and convert as part of a Transfer of Assistance to a new construction property.
147		0	Planned/Actual Total Vouchers Newly Project-Based		

#### Please describe differences between the Planned and Actual Number of Vouchers Newly Project Based:

36 units in Dillehay Courts were vacated in 2019 for redevelopment. These units are being converted to RAD and transferred to another new construction property that is mixed-income which is in keeping with the agency's vision to construct only mixed-income communities moving forward. In 2020, the concept for the remaining 100 Dillehay Courts units shifted due to crime in the area and the condition of

the housing stock. Instead of remaining occupied until completion of phase I, INLIVIAN applied for Section 18 demolition.

### 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,36	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



PROPERTY NAME	NUMBER OF VOUCHERS PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
Park at Oaklawn	89	89	Leased/Issued	yes,89	Family/Mixed Income
Parktowne Terrace	163	163	Leased/Issued	yes,163	Family/Mixed Income
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
Strawn (Cottages)	11	0	Committed	yes	Family
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

<b>3,700</b>	<b>3,847</b>	<b>Planned/Actual Total Vouchers Project-Based Vouchers</b>
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## **Please describe differences between the Planned and Actual Existing Number of Vouchers Project Based: No variances to report.**

Please see the above section: 'describe differences between the Planned and Actual Number of Vouchers Newly Project Based' describing reason for variance between planned and actual number of total vouchers to be project-based by end of plan year 2020.

## **Actual Other Changes to MTW Housing Stock in the Plan Year**

In 2020, INLIVIAN's development instrumentality, Horizon Development Properties, Inc. had 709 affordable units under construction in 4 different Public Private Partnership developments. Leasing for these units is expected to begin in Spring 2021.

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

Dillehay Courts remains the sole public housing site operating under the Capital Fund Programs. Plans are currently underway to redevelop Dillehay Courts in multiple phases.

All other sites have been converted to RAD and utilize Reserves for maintenance. Of these sites, a draft plan for capital improvements in the 2020 fiscal year per the Physical Conditions Needs Assessment ("PCNA") is in the preliminary stage and have not been approved by the INLIVIAN Board. Improvements totaling just over \$1.5 Million are expected. Projected Capital Improvements have not yet been specified, but efforts are being made to define the scope of work for each site. The following are plausible ventures, but have not been approved:

- **Fairmarket Square-** Fairmarket Square received exterior renovations in 2020 that included the removal of faded and damaged vinyl siding and replaced with fiber cement siding, trim and exterior painting. The scope also included removing the mailboxes from the face of the community center and installation of new cluster boxes for accessibility purposes.
- **Glen Cove-** No work transpired in 2020 at Glen Cove.
- **Mallard Ridge-** Parking lot paving, sealing, and striping were completed in 2020 along with the replacement of dumpster enclosures.
- **McAlpine Terrace-** No work transpired during 2020 at McAlpine Terrace.
- **Meadow Oaks-** Installation of stoves, refrigerators and water heaters were completed in all units in 2020.
- **Seneca Woods-** No work transpired in 2020 at Seneca Woods.
- **Victoria Square-** No work transpired in 2020 at Victoria Square.
- **Woodlawn House-** New bathroom exhaust fans, common area venting, installation of louvers to HVAC closet doors, tub/shower diverters and fixtures, and interior common area painting were all completed in 2020.
- **Hampton Creste-** Staff completed the installation of water heaters, HVAC units and dishwashers in 2020.
- **Wallace Woods-** Work completed in 2020 at Wallace Woods included the Installation of exterior doors with new hardware, repaired the exterior stairs in each building and painted the breezeways.

- **Autumn Place-** Gibraltar Construction was procured as the Construction Manager at Risk (CMAR) to complete interior renovations at Autumn Place. Work began in 2020 and by year end 2020, approximately 5 units were completed.
- **Gladedale-** By year end 2020, 6 units received extensive renovations as a result of mold issues that have developed at this site.
- **Arbor Glen 50-** By year end 2020, Arbor Glen 50 received new roofs, gutters and downspouts on 9 buildings.
- **Cedar Knoll-** Gibraltar Construction was procured to complete parking lot paving and striping. All work was completed by year end 2020.
- **Southside Homes-** A complete tear off and roof replacement was completed in 2020 on 11 buildings.

## B. Leasing Information

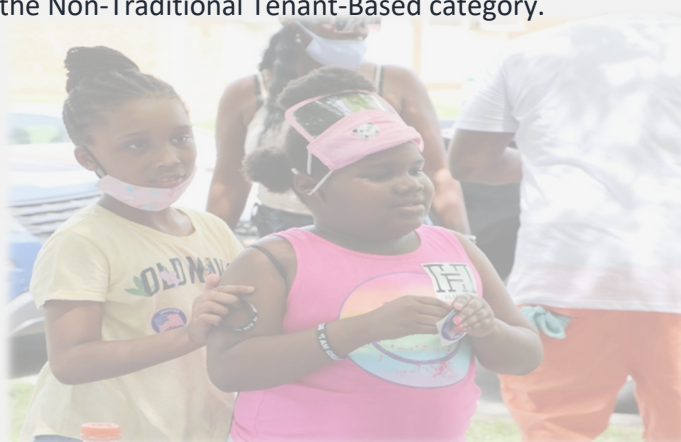
### Actual Number of Households Served

NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED**	
	Planned^^	Actual	Planned^^	Actual
MTW Public Housing Units Leased	0	948	0	79
MTW Housing Choice Vouchers (HCV) Utilized	79,476	79,476	6,623	6,623
Local, Non-Traditional: Tenant-Based	1,740	1,740	145	145
Local, Non-Traditional: Property-Based	10,824	10,824	902	902
Local, Non-Traditional: Homeownership	120	204	10	17

<b>Planned/Actual Totals</b>	<b>92,160</b>	<b>93,192</b>	<b>7,680</b>	<b>7,766</b>
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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	Rent Reform (2016-3); Triennial reexamination (2016-2)	1,740	1,740	145	145
Property-Based		10,824	10,824	902	902
Homeownership	Homeownership (2016-1)	120	204	10	17

**Planned/Actual Totals**

<b>12,684</b>	<b>12,768</b>	<b>1,149</b>	<b>1,042</b>
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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)	153	153

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	No updates to report.

## 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	6,059	Closed	No
Federal MTW Public Housing	Site-based waitlist type	130	Open	Yes
PBV & RAD PBV Units	Site-based waitlist type	41,189	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 2020 Plan Year
Federal MTW Public Housing	No Change during 2020 Plan Year
PBV & RAD PBV Units	No Change during 2020 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, **Ensuring that at least 75% of households served are very-low income**: From December 2019–September 2020, approximately 93% of INLIVIAN clients were considered very low-income, meaning they earned below 50% of the Area Median Income (a figure equal to approximately \$42,000 for a family of four).

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR
80%-50% Area Median Income	47
49%-30% Area Median Income	18
Below 30% Area Median Income	143

**Total Local, Non-Traditional Households Admitted**

**208**

### 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 (from December 2019-September 2020) The composition of INLIVIAN's families was consistent across the study period, with roughly 40% being single-person households, 36% being two- or three-person households, and 24% being four-person or larger households.





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%
<b>TOTAL</b>	<b>2,238</b>	<b>4,321</b>	<b>0</b>	<b>6,559</b>	<b>100%</b>

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

No Non-MTW Adjustment description to input for 2020.

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%	3449	41%	8%
2 Person	20%	1594	19%	1%
3 Person	20%	1392	17%	3%
4 Person	15%	1049	13%	2%
5 Person	7%	511	6%	1%
6+ Person	4%	349	4%	0%
<b>TOTAL</b>	<b>100%</b>	<b>8,344</b>	<b>100%</b>	<b>14%</b>

**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.

For the agency’s two major subsidy programs (Rental Assistance Demonstration [RAD] and Housing Choice Vouchers [HCV]), INLIVIAN served approximately 8,300 households in any given month from Q4 2019–Q3 2020. This represents a roughly 15% increase in the number of households INLIVIAN served when it joined the MTW demonstration in FY 2008 (7,206).



## 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	139	✓ Working 20 hours or more per week
2016-3 Rent Reform and Work Requirement		✓ Job retention of 12 months or more ✓ Positive move-outs to private housing (not including agency homeownership program)
2016-1 Homeownership Initiative	17	Purchased a home via the agency's Destination Homeownership Program
2009-2 Community Based Rental Assistance (CBRA)	19	Households who meet both INLIVIAN and partner program requirement upon exit from the time limited program.
	86	Households Duplicated Across MTW Activities (2009-5 & 2016-3)
	175	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

#### 2020-1 (Replaced 2018-2, 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 with initiative approval on September 2, 2020.

**Description/Impact/Update:**

Through this activity, beginning in 2017, the definition of over-subsidy was modified in the tenant based and traditional project-based voucher programs. Under this activity, HAP contract terminations occur if 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. The 2017 update of this initiative focused on families who were living in these communities at the time of conversion to the RAD program. It did not speak to new residents who would lease after conversion as part of the regular unit turnover process. As such, the newly approved changes, apply to new families that are chosen from the RAD-PBV waiting lists by expanding the existing flexibility, to allow new residents moving into RAD PBV communities with incomes at or below 50% AMI". The families still have to income qualify for the units, but their portion of rent may exceed the RAD contract rent. Families will be eligible for admission if they meet income criteria for the HCV program. Once housed these families will be exempt from the 180-day over-subsidy requirement until the household income reaches 80% of AMI.

Significantly amending this activity was designed to expand housing choice. Adjustments to this activity are meant 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. Once housed these families will be exempt from the 180-day over-subsidy requirement until the household income reaches 80% of AMI.

**Actual Non-Significant Changes:**

Recently approved modifications to this activity were implemented upon HUD approval. Outcomes will continue to be monitored.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>HC#3: Decrease in Wait List Time</b>			
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	150	1

### Actual Significant Changes

The proposed changes to the activity as highlighted above and approved on September 2<sup>nd</sup>, 2020, 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:

Department staff will continue to monitor initiative benchmark and in-house targets to determine data collection and monitoring stratagem.

### Challenges in Achieving Benchmarks and Possible Strategies

No families moved in with zero HAP and 1 HCV family left the program as a result of being over subsidy.

## 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/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.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>HC#5 Increase in Resident Mobility</b>			
Number of Households able to move to a better unit and/or neighborhood of opportunity as a result.	0	25	37

**Actual Non-Significant Changes:**

There were no non-significant changes to the activity in FY 2020. Through 2021, staff will evaluate as needed to determine if program adjustments ought to be performed.

**Actual Changes to Metrics/Data Collection:**

There were no changes to metrics or data collection processes in 2020.

**Actual Significant Changes:**

There were no non-significant changes in FY 2020.

**Challenges in Achieving Benchmarks and Possible Strategies:**

INLIVIAN intends to increase marketing efforts to further recruitment and retention of landlords in high opportunity areas.

## 2018-1 Self Certification of HQS Initials

**Statutory Objective:** Cost Effectiveness

**Plan Year Approved, Implemented, Amended:**

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

**Description/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. Results reflect an overall reduction in re-inspections due to utilization of COVID-19 HUD waivers, intended to delay biennial inspections. Initial inspection fail rate was reduced by 18% for 2020.



METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1 Agency Cost Savings</b>			
Decrease in total cost of task (staff time)	30 min x 744 units = 372	30 min x 2240 units = 1120	Decrease in staff time by 1,120 hours for all re-inspections
<b>CE#2 Staff Time Savings</b>			
Decrease total cost in staff time	372 hours x \$21.09/hour = \$7,845	1120 hours x \$21.71/hours=\$24,315.00	Reduction, decrease in cost of staff time by \$24,315.00 for all re-inspections
<b>CE #3 Decrease in Error Rate of Task Execution</b>			
Average error rate in completing a task	Initial fail rate of 46%	Reduce initial fail rate by 10%	Fail rate for 2020 is 67%

#### Actual Non-Significant Changes:

There are no changes planned to this activity for 2020.

#### Actual Changes to Metrics/Data Collection:

There were no changes to metrics or data collection processes for 2020.

#### Actual Significant Changes:

There were no planned non-significant changes for FY 2020.

#### Challenges in Achieving Benchmarks and Possible Strategies:

There are no challenges to achieving benchmarks for 2020 to report at this time.

## 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 2020 to this activity.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1 Agency Cost Savings</b>			
cost of task in dollars (decrease) (income interim) average staff time X hourly salary & benefits	\$5,888	\$2,948	Increase in costs of \$2,335
<b>CE#2 Staff Time Savings</b>			
total cost of task in dollars (decrease) (income interim) average staff time)	296 hours	148 hours	No reduction in staff time. Time to process interims increased by 4.8 hours
<b>CE#5 Increase in Agency Rental Revenue</b>			
Decrease in average HAP amount in dollars	The average HAP is \$621	A decrease to equal \$583 average HAP	Average HAP costs increased to \$742.00
<b>SS#1 Increase Household Income</b>			
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	\$37,293
<b>SS#3 Increase in Positive Outcomes in Employment Status</b>			
Employed *at all sites except FSS (tenant based and RAD PBV)	1,854	2,955	2,957
<b>SS#6 Reducing Per Unit Subsidy Costs for Participating Households</b>			
Average amount of Section 8 subsidy per household affected by this policy in dollars	\$616	\$155	\$742.00

### **Actual Significant Changes**

There are no significant changes to report for this activity in 2020.

### **Actual Changes to Metrics/Data Collection:**

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

### **Challenges in Achieving Benchmarks and Possible Strategies**

Interims increased in FY2020 from baseline plan year (FY2017) due to implementation of triennials and COVID-19. Market rate rents in Mecklenburg county are increasing at a higher rate than wages. Therefore, although we have seen an increase in employed households, average HAP costs have increased.

## **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/Update:**

The 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*). In an effort to assist families in deconcentrating poverty through upward mobility, INLIVIAN has developed a Choice Mobility program called Opportunity Housing Program. To qualify for the program, candidates must meet the following program criteria:

- (1) the head-of-household (HOH) must have an annual income (from work) of \$18,500;
- (2) a child that is living with the HOH (active lease) that is 8 years old or younger;
- (3) the HOH must be receiving case management services from the Client Services Department.

The agency has been working to place families selected for the Choice Mobility program in established “opportunity area” neighborhoods, as 37 families have leased up units through this program since December 2020.

Neighborhoods chosen meet criteria such as, but not limited to, areas with low poverty, low crime rate, access to better services including schools, transportation and job opportunities. INLIVIAN has increased payment standards in excess of 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 will provide participants the flexibility to relocate to areas of higher opportunity.

INLIVIAN anticipates that the impact will continue to increase housing options and expand opportunities for housing choice voucher participants. INLIVIAN has engaged Baltimore Regional Housing Partnership to identify certain census tracts in Mecklenburg County utilizing research data

from institutions including but not limited to North Carolina Universities, city data from Mecklenburg County and US Census Bureau to identify these areas.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>HC#5 Increase in Resident Mobility</b>			
Number of Households able to move to a better unit and/or neighborhood of opportunity as a result.	0	5	37

#### **Actual Non-Significant Changes:**

There were no non-significant changes to this activity for 2020.

#### **Actual Changes to Metrics/Data Collection:**

There were no changes to metrics or data collection processes for 2020.

#### **Actual Significant Changes:**

There were no planned non-significant changes for FY 2020.

#### **Challenges in Achieving Benchmarks and Possible Strategies:**

INLIVIAN intends on increasing marketing efforts to further recruitment and retention of landlords in high opportunity areas.

## **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 2020, 10 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 2020.

#### **Actual Changes to Metrics/Data Collection:**

There are no changes to metrics or data collection to report for this activity in 2020.

#### **Challenges in Achieving Benchmarks and Possible Strategies**

There are no challenges in achieving benchmarks to report for 2020 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 in October of 2018. While HUD has extended the authority to conduct triennial re-examinations (recertifications) for elderly and/or disabled households, INLIVIAN utilized the agency's MTW flexibility to waive implementation of any Cost-of-Living Adjustments (COLA) between re-examinations.

#### **Description/Update (Proposed Amended Language):**

Effective October 2018, INLIVIAN implemented triennial re-examinations for designated elderly and/or disabled households for both the Housing Choice Voucher (HCV) and public housing programs. In response to the conditions created by the coronavirus (COVID-19) that impede the processing of biennial re-examinations during FY2020, INLIVIAN is proposed and was granted the expansion of triennial recertifications beyond elderly and/or disabled households. 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. INLIVIAN may make necessary adjustments to the frequency of setting payment standards and rent increases to account for the increased time between re-examinations. In addition, as INLIVIAN seeks to evenly distribute the new triennial schedule, recertification dates may be adjusted. INLIVIAN will continue to perform criminal background checks at each scheduled re-examination.

METRIC	BASELINE	BENCHMARK	OUTCOME
Decrease in total cost of task in dollars	\$68,623 (2019)	\$48,036 (2019)	To be updated in the FY2021 Annual MTW Plan
<b>CE#2: Staff Time Savings</b>			
Decrease in total time to complete the task in staff hours	4349.7 hours	3044.79 hours	To be updated in the FY2021 Annual MTW Plan
<b>CE#5: Increase in Agency Rental Revenue</b>			
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	To be updated in the FY2021 Annual MTW Plan

#### Actual Non-Significant Changes:

As advised by HUD, this change was submitted in 2020 as an MTW technical amendment, as opposed to a significant amendment.

#### Actual Changes to Metrics/Data Collection:

INLIVIAN is in the process of revising baselines and benchmarks for the Plan year 2021, to reflect the expansion of this activity. Given the need to implement immediately in response to the conditions created by the COVID-19, INLIVIAN will update the metrics for this initiative as part of the FY2021 MTW Plan submission.

#### Actual Significant Changes:

As advised by HUD, changes to this activity in the plan year, was submitted and approved as an MTW technical amendment, as opposed to a significant amendment.

#### Challenges in Achieving Benchmarks and Possible Strategies:

There are no challenges in achieving benchmarks to report for 2020 for this activity. The impact of this activity, and changes via the approved MTW technical amendment will continue to be monitored to adjust applicable baseline metrics and inter-agency monitoring procedures.

## 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.

INLIVIAN's Alternate Verification Activity, as proposed via COVID-19 related technical amendment, would extend new admission income verifications validity to 180 days from the determination and/or effective date of the lease up instead of 60 days and for annual recertification verifications from 120 days prior to the effective date of the action, to 180 days to the effective date of the

action. It is anticipated that this activity will reduce the amount of duplicative work caused by factors in validating all necessary information provided at the time of a completed recertification. This alternate verification activity will extend to all HCV programs including: MTW vouchers, Family Unification Program vouchers, Mainstream Program vouchers, portables, Traditional and RAD-PBVs and VASH vouchers.

Implementation of this feature will continue to complement the agency's broader rent reform efforts made possible through MTW; and will assist in the agency's response to COVID-19 as it has impacted INLIVIAN's clients and the agency's operations in this area.

The alternative verification feature to the agency's rent reform "activity" was applied upon HUD approval. See alternative verification feature metrics, included to entire activity metrics table below for specifically related benchmarks and outcomes.

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

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1 Agency Cost Savings</b>			
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	\$11,107 (HCV Recertifications). [833 recertsx40 mins/60minsx\$20]
<b>CE#1 Agency Cost Savings (specific to Alt. Verification Activity)</b>			
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity, New Admissions: \$4,754 Recertifications: \$9,531	Expected cost of task after implementation of the activity, New Admissions: \$3,333 Recertifications: \$5,313	New Admissions: 151 completed Recertifications: 833 completed
<b>CE#2 Staff Time Savings</b>			

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	555 hours for HCV [833 recerts x 40 min/60mins]
<b>CE#2 Staff Time Savings (specific to Alt. Verification Activity)</b>			
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity – Recertifications:453 New Admissions:224	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours) Recertifications: 260 New Admissions: 52	New Admissions: 151 completed Recertifications: 833 completed
<b>CE#3 Decrease in Error Rate of Task Execution</b>			
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	The expected average error rate of task after implementation of the activity will be 12%	12%
<b>CE#5 Increase in Agency Rental Revenue</b>			
Increase in rental revenue in dollars	had agency wide rental revenue of \$4,780,995.99	A project rental revenue of \$2,798,379	Avg project rental revenue of: \$3,050,238.64

#### Actual Non-Significant Changes:

Non-significant changes via the rent reform functions of this activity have recently been enacted due to economic impacts due to COVID-19 through MTW Technical Amendment, these modifications did not take place until FY 2020, and will be reported and accounted for in the agency's FY 2021 Plan and Report.

Due to economic and public health conditions caused by the ongoing coronavirus pandemic, INLIVIAN temporarily suspended work requirement enforcement beginning April 2020 until further notice.

#### Actual Significant Changes:

There were no significant changes to report for this activity in 2020.

#### 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

While the suspension of the agency work requirement enforcement is in place, INLIVIAN will continue to monitor multiple in-house administrative metrics, including unemployment, availability of childcare and school closures, and area COVID-19 case numbers to determine when it is safe and beneficial to reinstate the requirement.

Related to satisfying metric benchmark for 2020, for CE#2 Staff Time Savings (specific to Alt. Verification Activity), there were challenges due to an increase in 50058s entered to implement higher payment standard per HUD COVID waiver guidance.

## 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.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1 Agency Cost Savings</b>			
Decrease total cost of re-inspection in dollars	\$73,208 cost for re-inspections (FY2015)	\$24,403 cost for re-inspections	\$56,914.64 (cost reduction since FY 2015 baseline).
<b>CE#2: Staff Time Savings</b>			
Decrease total time to complete reinspection in staff hours	3,748 hours on re-inspections (FY2015)	1249.50 hours on re-inspection	1120 hours on re-inspections
<b>CE#3: Decrease in Error Rate of Task Execution</b>			
Average percent of re-inspections of initial inspections	55% (FY2015)	40%	67%

#### 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.

#### Actual Significant Changes

There are no significant changes to report for this activity in 2020.

### 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

Through the FY2022 MTW Planning phase, the above benchmarks will be rationalized to more accurately 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	
Under Housed	
Natural disasters that make the unit uninhabitable	Educational opportunities
Decrease in the payment standard	Employment opportunities

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.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1 Agency Cost Savings</b>			
Decrease in total cost of processing move requests	\$26,230 per 18 months	\$22,756 per 18 months	\$11,319 per 18 months
<b>CE#2 Staff Time Savings</b>			
Decrease total staff time (in hours) to complete transfers	1,398 hours per 18 months	1,213 per 18 months	613.97 hours per 18 months

#### Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2020.

#### Actual Significant Changes

There are no significant changes to report for this activity in 2020.

#### Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection for this activity in 2020.

#### Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2020 for this activity. The impact of this activity will continue to be monitored to verify current interdepartmental 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.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>HC#1: Additional Units of Housing Made Available</b>			
Number of new housing units made available for households at or below 80% AMI as a result	95	95	1043
<b>HC#3: Decrease in Wait List Time</b>			
Average applicant time on wait list in months	11 years	16 years	11 years
<b>HC#4: Displacement Prevention</b>			
Number of near elderly households at or below 80% AMI to lose assistance or need to move	338	0	0
<b>HC#5: Increase in Resident Mobility</b>			
Number of households to move to a better unit	77	77	77

#### Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2020.

#### Actual Significant Changes

There are no significant changes to report for this activity in 2020.

#### Actual Changes to Metrics/Data Collection:

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2020.

#### Challenges in Achieving Benchmarks and Possible Strategies

There are no challenges in achieving benchmarks to report for 2020 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 the 100% extremely low-income properties in our portfolio 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 the units on the higher end of the income band will act to preserve some number of extremely-low income units by making the community sustainable and viable and will increase housing choices for those needing affordable housing. These communities will also create opportunities for residents to excel in INLIVIAN's Moving Forward program.

In 2020 the development arm of INLIVIAN developed the following sites in public private partnership (P3). The land was acquired by the P3 and was not a prior INLIVIAN site. These units are new units, increasing the portfolio. The units were closed, and construction commenced in the plan year.

- Evoke Living at Westerly Hills: 156 units of 100% affordable to households earning 30% - 80% of the AMI
- Freedom Flats: 220 units of 100% affordable to households earning 30% - 60% of the AMI

#### **Actual Non-Significant Changes:**

There are no non-significant changes to report for this activity in 2020.

#### **Actual Significant Changes**

There are no significant changes to report for this activity in 2020.

#### **Actual Changes to Metrics/Data Collection:**

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2020.

#### **Challenges in Achieving Benchmarks and Possible Strategies**

There are no challenges in achieving benchmarks to report for 2020 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
<b>CE#2 Staff Time Savings</b>			
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
<b>CE#3: Decrease in Error Rate of Task Execution</b>			
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%	Decrease (average) equals 18%

#### ***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
<b>CE#4 Increases Resources leveraged</b>			
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	\$6,031 per family
<b>HC#5: Increase in Resident Mobility</b>			
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	209

#### **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
<b>CE#1 Agency Cost Savings</b>			
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.	HAP expenses for the local CBRA Program are 5% higher than the average HCV HAP expenses because they include disabled programs
<b>CE#4: Increase in Resources Leveraged</b>			
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	\$8,736 per family
<b>SS#1 Increase Household Income</b>			
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%)	ASH \$10,191 CFH \$11,473
<b>SS#3: Increase in Positive Outcomes in Employment Status</b>			
Employed Full Time	Head of households employed full time prior implementation: 23	Expected head of households employed full time is 25	33 (15 ASH 18 CFH)
<b>SS#5: Households Assisted by Services that Increase Self Sufficiency</b>			
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	153
<b>SS#8: Households Transitioned to Self Sufficiency</b>			
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	19
<b>HC#5: Increase in Resident Mobility</b>			
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	153 *one Mcreech Unit offline



#### **Actual Non-Significant Changes:**

There are no non-significant changes to report for this activity in 2020.

#### **Actual Significant Changes**

There are no significant changes to report for this activity in 2020.

#### **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.

*INLIVIAN Combined Moving Forward Programs:*

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1: Agency Cost Savings</b>			
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
<b>CE#2: Staff Time Savings (calculated by tier level of caseload)</b>			
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 $\geq 150$ hours monthly	125
<b>CE#4: Increase in Resources Leveraged</b>			
Increase in amount of funds leveraged in dollars	Amount leveraged prior to implementation is \$0	Expected amount leveraged is \$8,000	\$500,000
<b>SS#1: Increase in Household Income</b>			
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	\$13,142
<b>SS#3: Increase in Positive Outcomes in Employment Status</b>			
# Employed FT (32+)	23	$\geq 250$	200
# Employed PT (1-31)	54	$\geq 350$	141
Enrolled in an Educational Program	2	50	64
Enrolled in Job Training Program	2	50	24
Unemployed	$\leq 23$	$\leq 750$	340
Other (workshop)	$\geq 23$	$\geq 300$	158
<b>SS#4: Households Removed from TANF</b>			
Decrease in number of households receiving TANF assistance	Households receiving TANF prior to implementation of the activity is 3	Households receiving TANF 35	6
<b>SS#5: Households Assisted by Services that Increase Self Sufficiency</b>			

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 $\geq$	679
<b>SS#8: Households Transitioned to Self Sufficiency</b>			
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	53

\* 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 Non-Significant Changes:

There are no non-significant changes to report for this activity in 2020.

### Actual Significant Changes

There were no significant changes to report for this activity in 2020.

### 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 2020 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.

INLIVIAN continues to monitor the market for land opportunities to advance development efforts and provide new opportunities for housing choice. The City of Charlotte is experiencing an affordable housing crisis and has established a priority to combat the lack of affordable housing in the Charlotte community.

In plan 2020, INLIVIAN purchased Parcel No 06109202 at the intersection of Ashley Road and Joy Street for \$1,580,000. This land will be sold to ECG Ashley, LP, a Special Purpose Entity created to acquire, construct and equip 150 units of affordable housing. This is part of INLIVIAN's "P3" initiative outlined in earlier sections of this report. An affiliate of Horizon Development Partners, Inc. is the controlling member of this partnership.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>HC#1: Additional Units of Housing Made Available</b>			
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.	The expected amount of funds leveraged after this activity is \$30,000.	\$1,580,000 was spent on land in the 2020 plan year.

#### Actual Non-Significant Changes:

There are no significant changes to report for this activity in 2020.

#### Actual Significant Changes

There are no significant changes to report for this activity in 2020.

#### Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2020.

#### Challenges in Achieving Benchmarks and Possible Strategies

Obtaining timely approvals for associated closings has become challenging due to COVID-19 protocols.

### 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:

2020 started off strongly with investment earnings, however that quickly changed with COVID-19. State approved investment vehicles outperformed the checking account balances easily (1.8% vs .033%) even at the lower rate achieved better than normal, however the number of investment options during the pandemic was extremely limited. Therefore, there were few investments made during the year, which resulted in a lower outcome than the planned benchmark.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#4: Increase in Resources Leveraged</b>			
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	\$7,000

#### Actual Significant Changes

There are no significant changes to report for this activity in 2020.

#### Actual Changes to Metrics/Data Collection:

There are no changes to metrics or data collection to report for this activity in 2020.

#### 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 units that are co-located with 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 will be rehabilitated. First Ward Place, INLIVIAN's first Hope VI, is a two-phase project containing 283 total 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. In 2020, INLIVIAN was successful in its attempts to purchase the asset and all member interests, becoming the sole member of the owner entity. INLIVIAN through HDP, it's non-profit subsidiary is

now planning to recapitalize the asset in two phases, the first phase will be recapitalized in 2021 if we are successful in an application for 9% tax credits, commercial debt and housing trust fund money. The disproportionate mix of affordable to market rate and the lack of rental income needed to stay current in the market with amenities have caused the market rate units to become “Naturally Occurring Affordable Housing” or “NOAHs”. Therefore, renovation is necessary to upgrade this site to a class B. Demand outweighs the supply, creating higher than average demand and limiting opportunities for acquisitions in the Charlotte Market, however, INLIVIAN will continue to seek opportunities. Individuals who reside within the acquired properties will be processed as necessary in accordance with applicable relocation policies.

METRIC	BASELINE	BENCHMARK	OUTCOME
<b>CE#1: Agency Cost Savings</b>			
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	Due to COVID, the cost to acquire/construct/rehabilitate is extraordinarily high. This has effectively slowed production of new units City-wide.
<b>HC#1: Additional Units of Housing Made Available</b>			
Increase in number of new housing units made available for households at or below 80% AMI.	There were 0 housing units of this type prior to implementation of this activity.	Expected number of housing units of this type is 283	709 units under construction; 564 units in predevelopment in 2020 for a total of 1,273 units
<b>HC#4: Displacement Prevention</b>			
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
<b>HC#5: Increase in Resident Mobility</b>			
Increase in number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation was 0	Expected households able to move to a better unit and/or neighborhood of opportunity is 0 for FY2019	For 2020, 709 units were under construction, and 564 units were in predevelopment during 2020 for a total of 1,273 units to be available in 2021-2022.

#### Actual Non-Significant Changes:

There are no non-significant changes to report for this activity in 2020.

**Actual Significant Changes**

There are no significant changes to report for this activity in 2020.

**Actual Changes to Metrics/Data Collection:**

There are no modifications to metrics, baselines, or benchmarks to report for this activity in 2020.

**Challenges in Achieving Benchmarks and Possible Strategies**

Construction price increases remained unprecedented in 2020 plan year. Anything manufactured with plastics or fuel or transported to a job site has increased and lumber costs have skyrocketed. Labor is also in high demand, creating additional cost increases.

**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. 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 type="radio"/> Yes	<input checked="" type="radio"/> No
iii. Did the MTW PHA provide a LAMP in the appendix?	<input type="radio"/> Yes	<input checked="" 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: 2020 Real Estate Activities Updates
- Appendix C: Evaluating Moving to Work Compliance and Progress Toward Statutory Goals





## CERTIFICATION OF STATUTORY COMPLIANCE

INLIVIAN Certifies that the Agency adhered to the three statutory requirements of the MTW demonstration during FY 2020 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

4/30/2021

Date





## ADDITIONAL AGENCY ACTIVITIES

### Real Estate Activities

#### A. PRE-DEVELOPMENT/DEVELOPMENT ACTIVITY BY SITE

##### 1. Dillehay Courts

Dillehay Courts has received a CHAP for its RAD conversion and a financing plan will be submitted in July 2019 indicating plans for the demolition of the 136-unit family development and redevelopment of the site in multiple phases, starting in the fourth quarter of 2020. The financing package will likely include 4% Low Income Housing Tax Credits and tax-exempt bonds along with permanent financing secured through the FHA insured 221(d)4 or like financing program. The redevelopment activities will require significant coordination between the construction activities and the temporary relocation of households from one phase to another of the apartments that range in size from two-bedroom units all the way up to five-bedroom units. The specified initial relocation notification and meeting with residents has been held within the required time-frame. MTW funds will be used for predevelopment expenditures.

##### 2020 Plan Year Update:

Dillehay Courts Phase 1 submitted a tax-exempt bond and 4% tax credit application and was awarded funding for a 144-unit project. The funding for the project includes long-term bond debt, 4% Low Income Housing Tax Credits, City of Charlotte Housing Trust Funds, and a loan from Horizon Development Properties("HDP"). The financing is targeted to close and construction is expected to commence Q2 2021.

##### 2. Tall Oaks

Phase II of the Tall Oaks Redevelopment will continue to be pursued as designs are refined for a multifamily development planned for the remaining 2.7-acre site. Current plans being discussed with the neighbors and City officials calls for the development of 99 units of housing with a portion of the units serving a very-low income population along with a majority of units being targeted to households between 60% and 80% of the area-median income to address the need for work-force housing in the neighborhood. The current plans are to move the Phase II activities to the construction phase in 2022 depending on availability of public resources. MTW funds will be used for predevelopment expenditures on Tall Oaks II.

##### 2020 Plan Year Update

This project has been suspended while relations continue to develop with the neighborhood who is opposing the project.

##### 4. Tarleton Hills

INLIVIAN/HDP continues to explore options available to redevelop the site of the 50-unit RAD development situated near Uptown Charlotte. MTW funds will be used on pre-development expenditures.

**2020 Plan Year Update:**

A small area plan that includes this site has been developed through a planning effort. The INLIVIAN Board has been appraised of the plans and senior staff are in discussions with the planners and other landowners as to the implementation.

**5. Hall House**

INLIVIAN is working in collaboration with a number of key stakeholders, including both the City of Charlotte and Mecklenburg County, to develop a revitalization strategy for a two-block area of Uptown Charlotte that includes the 2.2-acre Hall House site. The INLIVIAN Board of Commissioners is looking at the best path available to redevelop this valuable asset into a thriving mixed-use development comprised of residential and commercial space that offers the best opportunity for long-term sustainability, keeping affordable housing in the heart of Charlotte. All of the public housing assistance for the 191 units at Hall House has been transferred to other developments as a part of INLIVIAN's portfolio RAD conversion. MTW funds will be used on pre-development expenditures.

**2020 Plan Year Update:**

This 1940-era building will be raised. In its place Horizon Development Properties, Inc. is building 353 units of mixed-income housing in a P3 with Urban Atlantic out of Bethesda MD. The team applied for 2021 tax exempt bond volume cap and 4% credits. This financing is expected to close Q4 of 2021.

**6. Strawn Cottages**

A private developer has been selected in a competitive procurement process to take the lead in the redevelopment of this 16.2-acre site in an historic Charlotte neighborhood. Relocation is complete and demolition took place in the 4th quarter of 2017. MTW funds will be used on pre-development expenditures.

**2020 Plan Year Update:**

The pandemic has slowed this effort. The office building was to be built first, however; the developer has had no success locating an anchor tenant so will commence with the residential component. There were no activities beyond the design and permitting in 2020.

**7. Gladedale Apartments**

INLIVIAN is pursuing opportunities to redevelop 49 units at Gladedale. It is anticipated that Gladedale will be a Transfer of Assistance (TAO) to a P3 property so that Gladedale can be redeveloped with 4% tax credits and bonds.

**2020 Plan Year Update:**

HDP continues to explore the ability to transfer the RAD assistance on the site. No significant changes occurred during this reporting period.

**8. Hampton Crest**

Hampton Crest is a mixed income development that is in need of significant rehabilitation. It is the



intent of INLIVIAN to conduct an acquisition/rehabilitation utilizing 9% tax credits, Housing Trust Funds and other commercial debt. The unit make up includes 153 market-rate units that are NOAH's, along with 60 RAD Voucher units for a total of 213 units.

**2020 Plan Year Update:**

Horizon Development Properties, Inc. determined in 2020 that it will seek a private developer partner to co-develop this site.

**B. ACQUISITION ACTIVITIES**

**Acquisition Strategy:**

HDP may consider an acquisition strategy based on expiring tax credits or other methods that will benefit the people routinely served by our agencies. 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. MTW funds may be used in this effort.

**1. Baxter Street**

HDP is planning a new 223-unit mixed-income development of workforce housing on land adjacent to another existing INLIVIAN development, Charlottetown Terrace. CHA will acquire some of the needed land in a land swap with Mecklenburg County and will purchase the remaining land with MTW funds.

**2020 Plan Year Update:**

The land swap with the City of Charlotte is complete.

**2. Private/Public/Partnerships (P3)**

(Archdale Flats - Family, Archdale Flats - Seniors, Abbington on Mt. Holly, Evoke Living @ Westerly Hills and Evoke Living @ Arrowwood). The goal of the P3 Program is to partner with third party developers to be able to maximize the number of affordable housing units in and around the City of Charlotte. By utilizing all potentially available resources at CHA's disposal, the P3 Program will also allow INLIVIAN to further its affordable housing mission.

**2020 Plan Year Update:**

In 2020, HDP closed and began construction on 709 units in four separate developments known as Archdale Flats - Family, Archdale Flats - Senior, Evoke Living at Westerly Hills, and Freedom Flats. HDP continued predevelopment activities on an additional 420 units in three other P3 developments known as Evoke Living at Arrowwood, Ashley Flats, and Abbington on Mount Holly all of which will close in the 2021 reporting period.

**3. Opportunity Development**

HDP is exploring purchasing a Class B or C apartment complex in a High or Very High Opportunity Census Tract to continue our efforts to deconcentrate poverty. MTW funds may be used in this effort.



**2020 Plan Year Update:**

No change has occurred in this reporting period

**C. OTHER ACTIVITIES**

**1. Renaissance Police Memorial**

Two CMPD officers were killed at the former Boulevard Homes in 1993. The capstone project for this HOPE VI redevelopment will be a beautiful fountain at the intersection of the two streets on the development named for these fallen heroes. MTW funds will be used for this project.

**2020 Plan Year Update:**

No activity to report during this period.

**2. Brooklyn Village**

HDP is exploring the possibility of a partnership with the City of Charlotte, Mecklenburg County and other development partners to revitalize Second Ward in Uptown Charlotte, bringing affordable housing back to this section of Charlotte's urban core. MTW funds may be used in this effort.

**2020 Plan Year Update:**

No activity during this reporting period.

# Evaluating Moving to Work Compliance and Progress toward Statutory Goals

## Moving Forward Annual Report

December 2020

Prepared by the Center for Urban and Regional Studies

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COLLEGE OF ARTS AND SCIENCES

Center for Urban and Regional Studies

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## Executive Summary

INLIVIAN (formerly known as the Charlotte Housing Authority) joined the Moving to Work (MTW) demonstration in 2008 and has branded its MTW program as ‘Moving Forward.’ MTW is a federal demonstration program that allows a small number of participating housing authorities (currently 39) to implement innovative policies to meet local housing needs. While terms of MTW participation are broad, agencies are required to meet five statutory *requirements* while addressing three statutory *goals*.

This year-end report provides an update on the Moving Forward program, analyzes INLIVIAN’s compliance with the five MTW statutory requirements, and evaluates progress toward two of the three MTW statutory goals. In doing so it relies on administrative, case management, and secondary neighborhood data from the U.S. Census Bureau and the Charlotte Quality of Life Explorer. The study period for this report is Q4 (December) 2019–Q3 (September) 2020, though we reference previous figures when appropriate.

Overall, we find that INLIVIAN has maintained compliance with the five MTW statutory requirements and, despite the ongoing COVID-19 pandemic, has made progress toward meeting two MTW statutory goals. More specifically, key findings from the report include:

- As expected, responding to the COVID-19 pandemic has been a key effort for INLIVIAN in the past year. As part of its response to the pandemic, the agency has utilized both HUD-authorized regulatory waivers (available to all housing authorities) and made key changes to the Moving Forward program.
  - **HUD waivers utilized:** INLIVIAN has implemented 15 HUD regulatory waivers to ensure the health and safety of both residents and INLIVIAN staff during the pandemic. These include eliminating in-person briefings when a household is selected from the waitlist, reducing the number of in-person housing inspections that must be conducted, and simplifying income verification procedures.
  - **Moving Forward program changes:** INLIVIAN included two new pandemic-related Moving Forward activities as amendments to its 2020 Moving Forward plan, which reduce the frequency of income verifications. In addition, the agency has suspended enforcement of its work requirement while continuing to provide on-site supportive services to households.
- Echoing findings from the previous year’s report, we find the INLIVIAN and the Moving Forward program have maintained compliance with the five MTW statutory requirements. These include:
  - **Ensuring that at least 75% of households served are very-low income:** From September 2019–September 2020, approximately 93% of INLIVIAN clients were considered very low-income, meaning they earned below 50% of the Area Median Income (a figure equal to approximately \$42,000 for a family of four).
  - **Serve substantially the same number of families:** For the agency’s two major subsidy programs (Rental Assistance Demonstration [RAD] and Housing Choice Vouchers [HCV]), INLIVIAN served approximately 8,300 households in any given month from Q4 2019–Q3 2020. This represents a roughly 15% increase in the number of households INLIVIAN served when it joined the MTW demonstration in FY 2008 (7,206).

- **Maintain a comparable mix of families by family size:** The composition of INLIVIAN's families was consistent across the study period, with roughly 40% being single-person households, 36% being two- or three-person households, and 24% 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 above \$3,000 (a proxy for employment) decreased by 9% from September 2019–September 2020. However, it is likely that a substantial portion of this increase was due to economic hardships caused by the COVID-19 pandemic.
- **Maintain HUD housing quality standards:** As discussed above, INLIVIAN has modified its housing inspection protocols in response to HUD guidance on the COVID-19 pandemic.
- Several Moving Forward activities aim to encourage work-able (that is, non-elderly and non-disabled) clients to achieve economic self-sufficiency. During the COVID-19 pandemic, these include continuing rent reform initiatives and case supportive services, including help searching and applying for employment or educational opportunities. Using case management data, we find that employment among INLIVIAN households remained relatively steady during the pandemic (from April–September 2020).
- Another goal of the MTW program is to increase housing options for low-income families. INLIVIAN has implemented several policies to achieve this goal, including 'exception payment standards' that increase the amount of rent a Housing Choice Voucher (HCV, commonly known as 'Section 8') will pay in higher-opportunity areas. We find that, overall, the neighborhood conditions of households with HCVs improved between September 2019–September 2020. HCV clients, however, continue to reside in higher-poverty and higher-crime neighborhoods compared to the overall Charlotte population.

## Introduction

This report provides an update on INLIVIAN's (formerly the Charlotte Housing Authority) compliance with the statutory requirements, and progress toward meeting the statutory goals, of the Moving to Work (MTW) demonstration. It is the latest in a series of annual and biennial evaluation reports produced by the Center for Urban and Regional Studies at the University of North Carolina-Chapel Hill (CURS) for INLIVIAN's Moving to Work participation, which the agency has branded as Moving Forward.

The Moving to Work demonstration was authorized as part of the 1996 federal budget. It provides a select number of public housing authorities—currently, 39 authorities are MTW participants—with two key flexibilities to meet local housing needs. First, agencies may combine various federal funding streams—public housing operating funds, public housing capital funds, Section 8 operating funds (Housing Assistance Payments), and voucher administration funds—into a single, flexible account. Agencies can then use funds in this flexible account across the public housing and Housing Choice Voucher (HCV) programs.

Second, agencies may implement policies that contravene the 1937 Housing Act and subsequent amendments. These policies—known as MTW “activities”—must be approved by HUD prior to implementation. Each of these policies must fulfill at least one of MTW's statutory goals, which include (all qtd. from MTW authorizing legislation):

- Reduce costs and achieve greater cost-effectiveness in federal expenditures
- Give incentives to families with children ... to obtain employment and become economically self-sufficient
- Increase housing choices for low-income families

INLIVIAN has implemented numerous MTW activities to meet these three goals. For example, INLIVIAN has reduced the frequency at which it certifies clients' incomes, thus reducing administrative expenses related to recertifications. Regarding self-sufficiency, the agency has utilized MTW financial flexibility to expand supportive services to all work-able clients in its site-based housing developments and has implemented a work requirement for work-able households at 14 developments.

As part of its participation in MTW, INLIVIAN must adhere to the demonstration's five statutory requirements. These include:

- Serving substantially the same number of clients
- Maintaining a comparable mix of family sizes
- Maintaining at least 75% of clients earning less than 50% of the area median income
- Implementing a rent policy that encourages employment
- Maintaining HUD housing quality standards

The purpose of this year-end report is three-fold. First, it provides an update on the Moving Forward program, with special attention to how INLIVIAN has responded to the ongoing COVID-19 (coronavirus)

pandemic. Second, it analyzes INLIVIAN's compliance with these five MTW statutory requirements from 2017–2020 period, and updates a similar report that CURS produced at the end of 2019. Third, it reviews the agency's progress in meeting two of the MTW statutory goals: helping families achieve self-sufficiency and increasing housing options for low-income households. Data sources utilized in the report include INLIVIAN administrative data and case management data as well as secondary data on the neighborhood characteristics of INLIVIAN clients.

The remainder of the report proceeds as follows. The next section provides an update on the Moving Forward program and INLIVIAN's response to the ongoing COVID-19 (coronavirus) pandemic. Following that, we review the agency's compliance with the five statutory requirements of the MTW demonstration. The subsequent two sections review, in turn, how INLIVIAN has sought to meet two of the MTW demonstration's statutory goals: helping families achieve self-sufficiency and increasing housing choices for low-income families. The report concludes with a summary and recommendations for improving implementation of the Moving Forward program.

## Program Update and COVID-19

This chapter reviews INLIVIAN's implementation of the Moving Forward program in 2020. A key activity for the agency was responding to the ongoing COVID-19 pandemic and its impacts on both agency operations and the agency's clients.

### *HUD Waivers Utilized*

In response to the pandemic, HUD provided housing authorities with several administrative waivers to simplify administration during the pandemic to ensure the safety of both agency employees and clients. INLIVIAN has utilized a selection of these waivers to facilitate agency operations during the pandemic; these are summarized in the below sections.

#### Agency operations

- **Public notices for opening and closing the waiting list:** HUD has waived the requirement for public housing authorities (PHAs) to publish notices of waiting list openings and closings in local newspaper, minority media, and other suitable means. Instead, PHAs can now disseminate these messages through voicemail or the PHA's website. This waiver extends through December 31, 2020.<sup>1</sup>
- **Administrative Plan:** HUD has waived the requirement that PHA's administrative plans must be formally adopted by the PHA's board. PHAs may make temporary revisions without board approval and any revisions must be formerly adopted as practicable following December 31, 2020.
- **Oral briefing when a family is selected:** HUD has amended the requirement that PHAs give oral briefings to families newly accepted in to HCV and project-based voucher (PBV) programs to allow briefings to be given via webcast, video call, or expanded physical information packet. This waiver extends through December 31, 2020.
- **Extensions of voucher terms:** HUD has waived the requirement that voucher term extensions be in accordance with the PHA administrative plan. This waiver extends through December 31, 2020.
- **Family Unification Program (FUP): Length of Assistance for Youth:** HUD has waived the 36-month limitation on FUP assistance to allow PHAs to suspend terminations of assistance for a period of up to six months from the original date of termination. This waiver affects FUP youth who will reach the 36-month limit between April 10, 2020, and December 31, 2020, and PHAs may suspend terminations of assistance for up to six months from the date of original terminations.
- **Family Unification Program: Timeframe for Referral:** HUD has increased the period in which PHAs may accept referrals for youth in foster care from child welfare agencies from 90 to 120 days after they leave foster care. This waiver extends through December 31<sup>st</sup>, 2020.

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<sup>1</sup> HUD may elect to extend these waivers past December 31<sup>st</sup>.

### Housing Choice Voucher program

- **Housing Quality Standard Initial Inspection Requirement:** This waiver allows PHAs to authorize occupancy of a unit and begin assistance payments prior to initial inspection, providing the unit passed an alternative inspection in the past 24 months. In lieu of a formal inspection, the unit owner must certify that they have no knowledge of life-threatening conditions within the unit. This waiver extends through December 31, 2020.
- **Housing Quality Standards: Space and Security:** HUD has waived the requirement for units to have at least 1 bedroom or living/sleeping room for every 2 household members. This waiver is intended to assist participants who need to add members to their household due to circumstances caused by the pandemic. This waiver extends through the household's current lease term or through July 2, 2021, whichever is longer.
- **Biennial inspection requirement:** HUD has waived the requirement that units be inspected at minimum biennially during the term of the Housing Assistance Payment (HAP, the contract used for HCV units) contract for both tenant-based and PBV units. Delayed inspections must be completed no later than one year after the date the biennial inspection would have been required absent the waiver.
- **Increase in Payment Standard during HAP Contract Term:** HUD has waived the requirement that increases in payment standard be implemented at regularly scheduled reexaminations and will allow PHAs to apply an increased payment standard at any time during the HAP contract term (such as interim examinations or owner rent increases). This waiver extends through December 31, 2020.
- **Absence from Unit:** HUD has waived the requirement that a family may not be absent from the unit more than 180 consecutive calendar days for any reason. This is to allow PHAs the discretion to not terminate HAP contracts and payments due to extenuating circumstances caused by the coronavirus pandemic, such as extended hospitalizations or caring for family. This waiver extends until December 31<sup>st</sup>, 2020, at which time HAP contracts will terminate if residents have been absent from the unit for more than 180 days.
- **Automatic Termination of HAP Contract:** HUD has waived the requirement that HAP contracts automatically terminate 180 days after the last housing assistance payment to the owner. PHA's may determine the length of the extension beyond 180 days, however extensions may not extend past December 31, 2020.
- **Mandatory Removal of Unit from PBV HAP Contract:** HUD has waived the requirement that PHA's remove units from PBV HAP contracts after 180 days of zero housing assistance payments to the owner. HUD has authorized an alternative requirement that allows PHAs to keep units under contract for a period of time that may exceed 180 days but extends no later December 31, 2020.

### Agency reporting to HUD

- **PHA Reporting Requirements on HUD Form 50058:** HUD has extended the deadline for submitting HUD form 50058 from 60 to 90 calendar days after any action. This waiver is available through December 31, 2020 and HUD plans to issue additional guidance soon.
- **Self-certification for interim reexaminations:** PHAs may consider self-certification as the highest form of income verification to process interim reexaminations. PHAs that conduct interim

reexaminations under this waiver/alternative requirement will be responsible for addressing any material discrepancies that may arise no later than July 31, 2020. Notice PIH-13 extended the availability period to December 31, 2020.

### *Agency-related changes*

Beyond utilizing the above HUD waivers, INLIVIAN submitted two COVID-related technical amendments to its FY 2020 MTW Annual Plan to HUD. These waivers (i) expanded triennial recertifications to all clients (previously, these were only utilized for elderly/disabled clients) and (ii) implemented an alternative verification activity increasing the period of validity for income verifications. Both amendments were accepted as written and implemented as of June 1, 2020, and the agency plans to permanently adopt both program changes following the COVID-19 pandemic. Beyond these two technical amendments, the agency has also suspended enforcement of its work requirement that previously applied to all work-able clients at its 14 RAD sites.

#### Expansion of triennial certifications

Beginning in 2018, INLIVIAN moved from biennial to triennial recertifications for elderly and disabled households. In response to COVID-19-related conditions that have hindered recertifications, the agency has expanded triennial recertifications to all households with income verifications and inspections scheduled in 2020, effectively delaying them one year. However, residents may still request an interim rent recertification if they experience a decrease in income. INLIVIAN anticipates this change will increase administrative efficiency and is developing a triennial recertification activity for permanent implementation across all programs.

#### Alternative Verification Activity

INLIVIAN's Alternate Verification Activity extends the validity of new admission income verifications from 60 to 180 days after the determination or effective lease-up date. This amendment also extends the period for annual recertification income verifications from 120 to 180 days prior to the effective date of the action. The agency anticipates this will increase efficiency by lessening duplicative administrative work required for validating information provided during the recertification process.

#### Suspension of work requirement enforcement

Due to economic and public health conditions caused by the ongoing coronavirus pandemic, INLIVIAN temporarily suspended work requirement enforcement beginning April 2020 until further notice. INLIVIAN is monitoring multiple metrics, including unemployment, availability of childcare and school closures, and COVID-19 case numbers to determine when it is safe and beneficial to reinstate the requirement.

### *MTW Activities implemented*

As of the end of 2020, there are 17 MTW activities that INLIVIAN has received HUD approval for and is currently implementing (see Figure 1). Of those, 11 pertain to the goal of achieving cost effectiveness, 9 pertain to the goal of increasing housing choices, and 6 pertain to the goal of encouraging self-sufficiency.



In reviewing Figure 1, one should note two aspects. For one, many Moving Forward activities aim to achieve multiple policy goals. For instance, the agency's homeownership initiative aims to both help clients achieve self-sufficiency and increase housing choices. Second, the scale of each activity varies, and with some applying agency-wide while others only applying to a small aspect of agency operations.

*Figure 1: Moving Forward program MTW-approved activities*

Year implemented	Activity	Achieve cost-effectiveness	Encourage self-sufficiency	Increase housing choices
2020	Modified terms of over subsidy	x		x
2019	HCV Incentive Program			x
2018	Self-certification of re-inspection for Housing Quality Standards inspections	x		
2017	Imputed earned income	x	x	
2017	Exception payment standards		x	x
2016	Homeownership initiative		x	x
2016	Triennial re-examinations	x		
2016	Rent reform and work requirement (revised)	x	x	
2016	Single platform for inspections	x		
2016	Controlled program moves	x		
2016	Modified definition of elderly			x
2011	New construction of affordable units			x
2009	Community-based rental assistance	x	x	x
2009	Moving Forward Supportive Services	x	x	
2009	Land acquisition for future use			x
2008	Investment policies consistent with state law	x		
2008	Increase acquisition and rehabilitation of existing multi-family properties	x		x

## Compliance with Statutory Requirements

The Moving to Work program has five statutory requirements that housing authorities must meet as part of their participation in the demonstration. These comprise:

1. Ensuring that 75% of households served are very low income—meaning they earn less than 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

In our 2019 Moving Forward Report, we examined overall compliance with the first four statutory requirements within INLIVIAN's different subsidy programs—including the Rental Assistance Demonstration (RAD)<sup>2</sup> and Housing Choice Voucher (HCV) programs—from September 2017 (Q3 2017) to September 2019 (Q3 2019) and found INLIVIAN to be meeting or exceeding all statutory requirements. This section further extends that analysis to include the Q4 2019–Q3 2020 period.

Our findings indicate that INLIVIAN has continued to meet or exceed 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 is 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 continually residing in INLIVIAN housing paying minimum rent—indicating they had \$3,000 or less in annualized adjusted income—decreased from 938 to 742 (21%) from Q3 2017 to Q3 2020, suggesting that the agency's rent policies encouraged employment.

In the remainder of this section, we further discuss INLIVIAN's compliance with each of these individual goals across both the HCV and RAD programs.

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

INLIVIAN continues to serve a client pool in which 75% of assisted households are very low-income (VLI), defined as any household that earns 50% or less of the Area Median Income (AMI) (see Figure 2 for 2020

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<sup>2</sup> For this section, we include the small number of traditional public housing households at Dillehay Courts within the RAD figures.

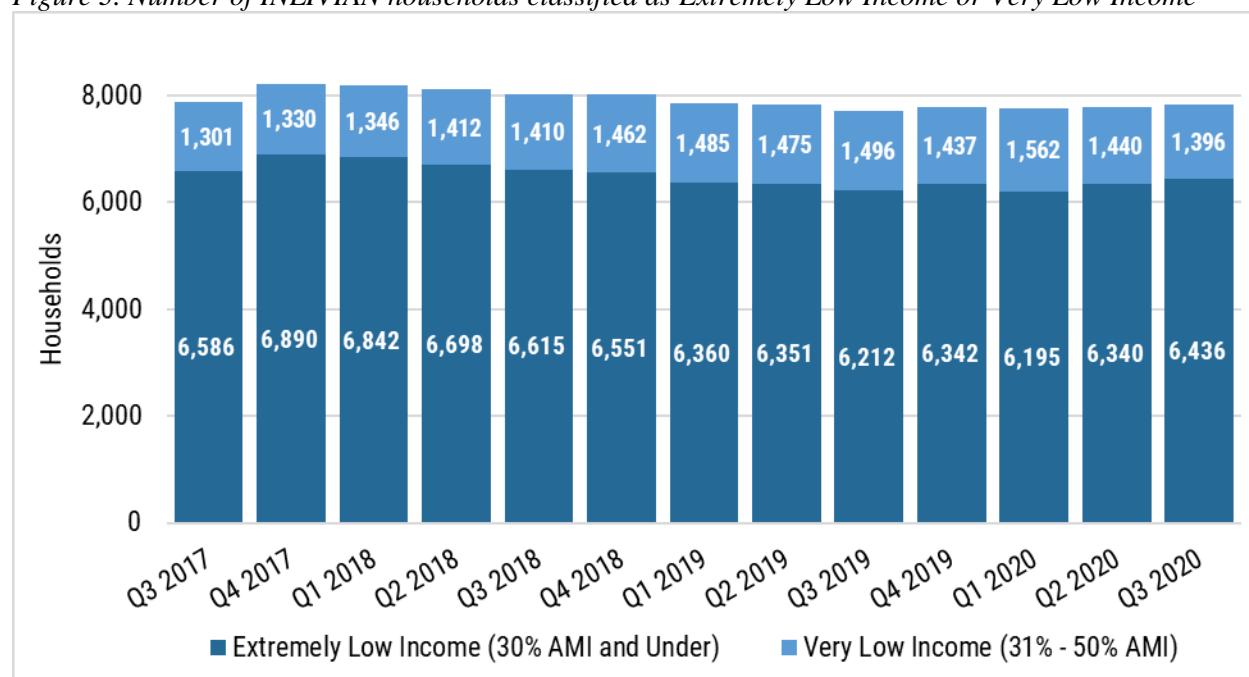
HUD income limits for Charlotte). For each quarter over the study period, between 93 and 96 percent of INLVIAN assisted households—roughly equivalent to 7,900 households each quarter—were considered very low income. (see Figure 4 and Figure 4). Of that group, 75–80 percent of households were considered extremely low-income (ELI), meaning they earned less than 30 percent of AMI. Since Q3 2017, the proportion of ELI and VLI households has remained consistent within five percentage points and has been most stable over the past four quarters (Q4 2019–Q3 2020) at 93–94 percent of households, despite significant changes in economic conditions.

*Figure 2: 2020 Charlotte income limits*

Household size	Extremely low income 30% of AMI	Very low-income 50% of AMI
1	\$17,550	\$29,250
2	\$20,050	\$33,400
3	\$22,550	\$37,600
4	\$26,200	\$41,750
Additional HH members	+\$4,480	+\$3,350

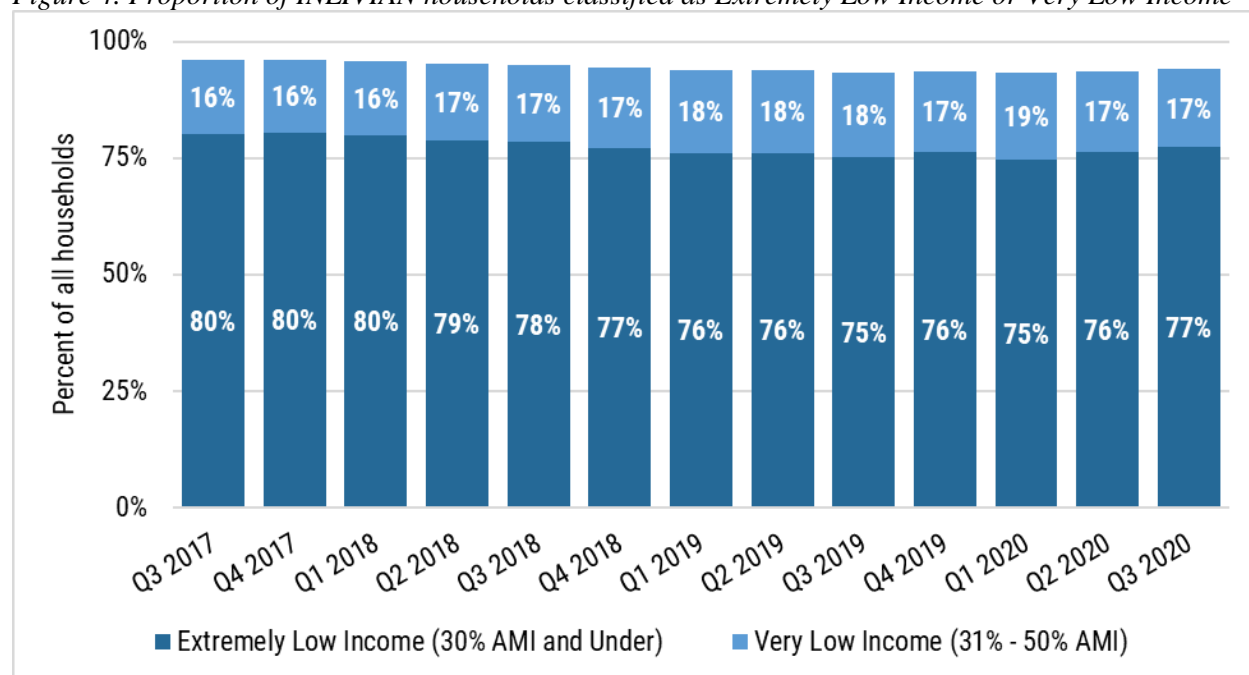
Source: HUD data

*Figure 3. Number of INLVIAN households classified as Extremely Low Income or Very Low Income*



Data source: INLVIAN administrative data

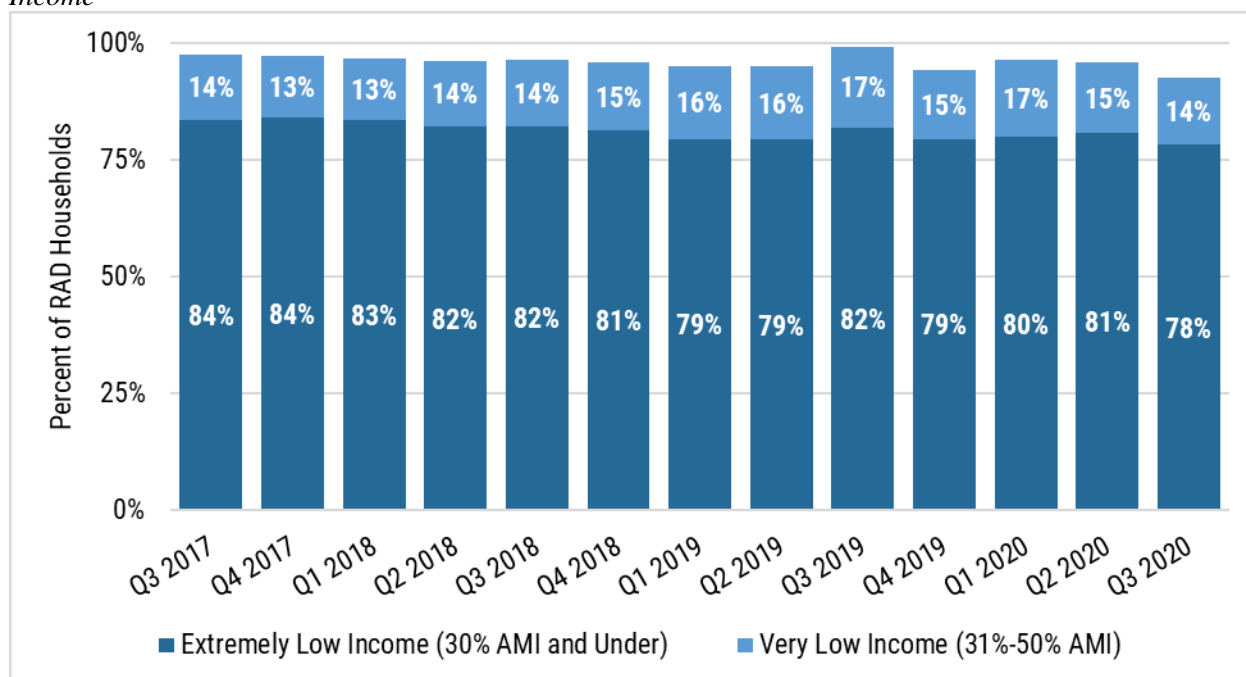
Figure 4. Proportion of INLIVIAN households classified as Extremely Low Income or Very Low Income



Data source: INLIVIAN administrative data

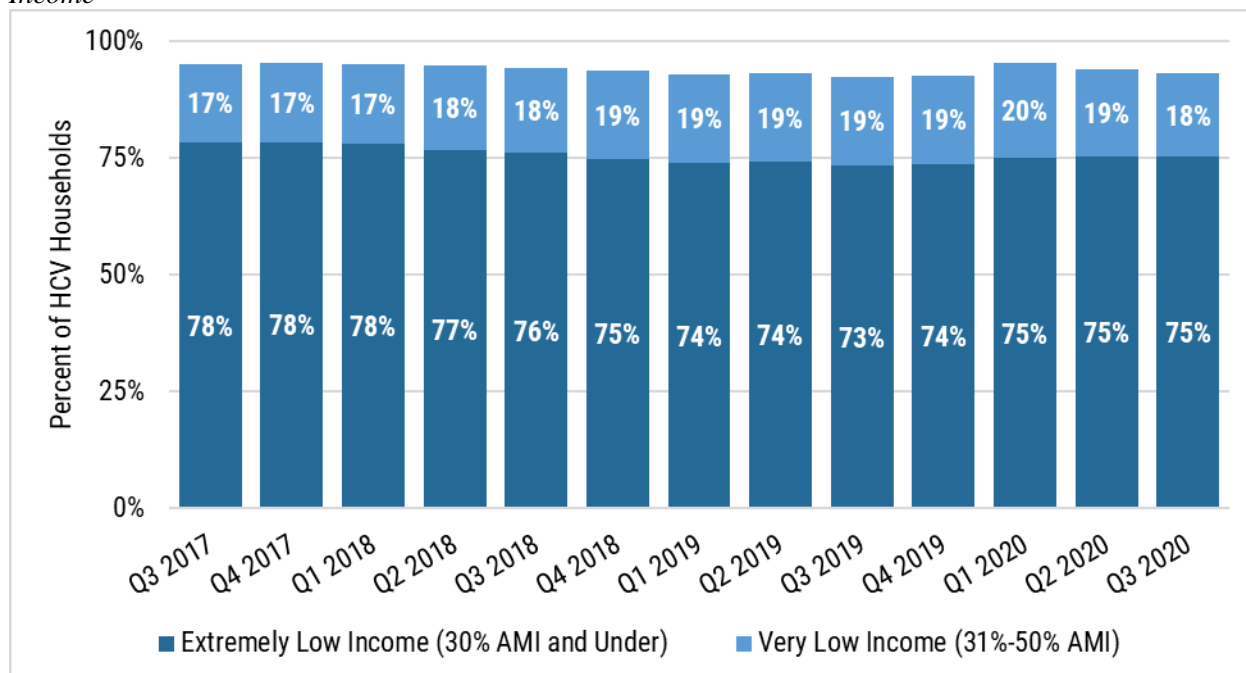
Each of INLIVIAN's RAD and tenant-based Housing Choice Voucher programs also continued to meet the 75% VLI statutory requirement throughout the previous four quarters (see Figure 5 for RAD and Figure 6 for tenant-based HCV). Within each of these programs, a minimum of 92 percent of all households continued to qualify as VLI, and at least 73 percent as ELI. In Q3 2017, the RAD program served a slightly higher proportion of VLI households (98%) than the HCV program (95%). Over time, however, the inverse is true as the proportion of VLI RAD households has decreased slightly (6% difference from Q3 2017–Q3 2020), while the HCV number remained relatively more stable (2% decrease over the same period).

Figure 5. Proportion of INLIVIAN RAD households classified as Extremely Low Income or Very Low Income



Data source: INLIVIAN administrative data

Figure 6. Proportion of INLIVIAN HCV households classified as Extremely Low Income or Very Low Income

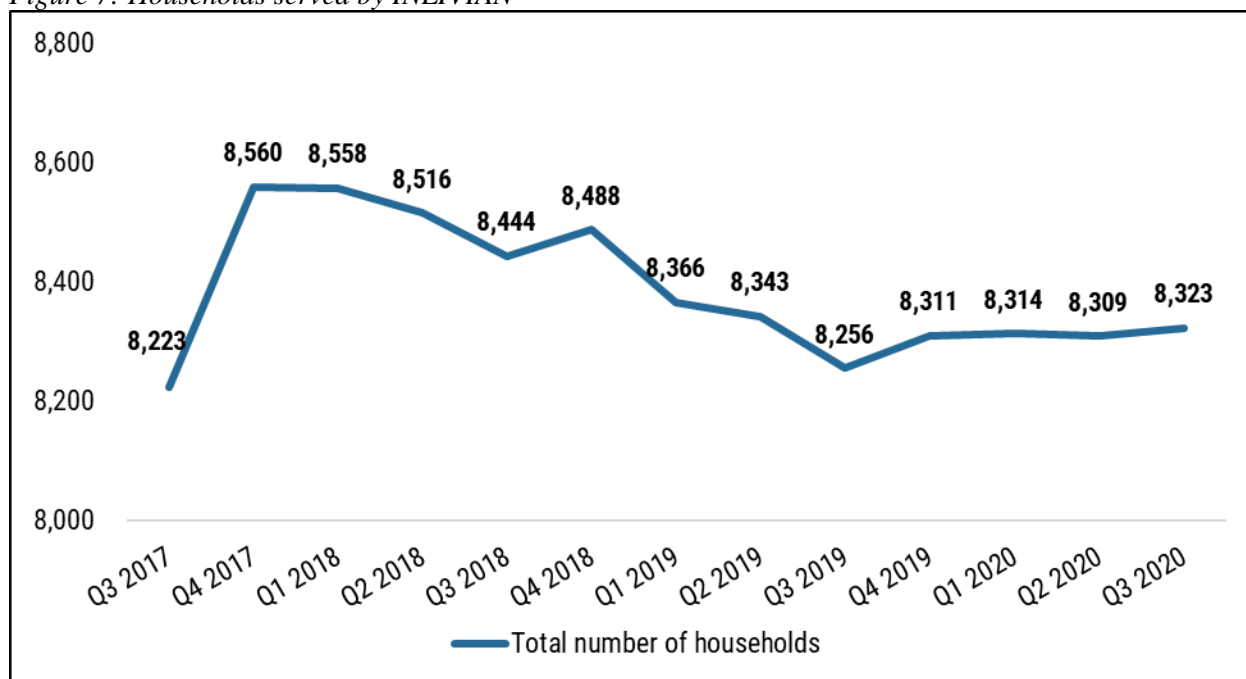


Data source: INLIVIAN administrative data

### *Serve substantially the same number of households*

The second MTW statutory requirement is for participating agencies to serve “substantially” the same number of households. While there are no definite guidelines for this, INLIVIAN has served a relatively consistent number of households from Q3 2017 to Q3 2020 (see Figure 7). Over this period, the number of households served has remained within a range of 8,223 (Q3 2017) to 8,560 households (Q4 2017) each quarter, with a net increase of 100 households over the three-year period. However, since joining the MTW demonstration, INLIVIAN has seen a net increase of over 1,100 households served (7,206 in FY 2008 to 8,323 in Q3 2020).

*Figure 7: Households served by INLIVIAN*

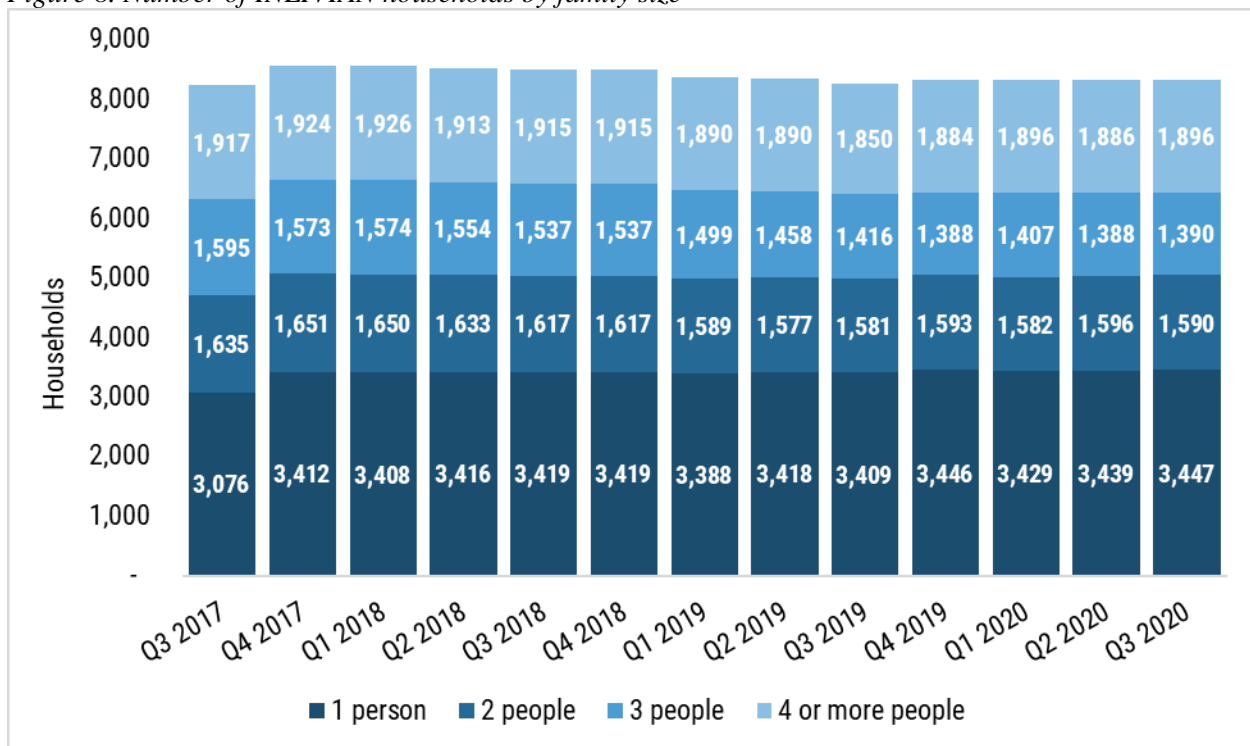


Data source: INLIVIAN administrative data

### *Maintain a comparable mix of family sizes*

The third Moving to Work statutory requirement requires participating agencies to maintain a comparable mix of families based on family size. INLIVIAN has continued to serve a comparable mix of households by family size over the three-year study period (Q3 2017–Q3 2020) across both the RAD and Housing Choice Voucher programs. (see Figure 8). Across both the RAD and HCV programs, the most common family size assisted by INLIVIAN is single-person households, with almost 3,400 single-person households per quarter. We also find that the agency assisted approximately 1,600 two-person, 1,400 three-person, and 1,900 four or more-person households per quarter.

Figure 8. Number of INLIVIAN households by family size

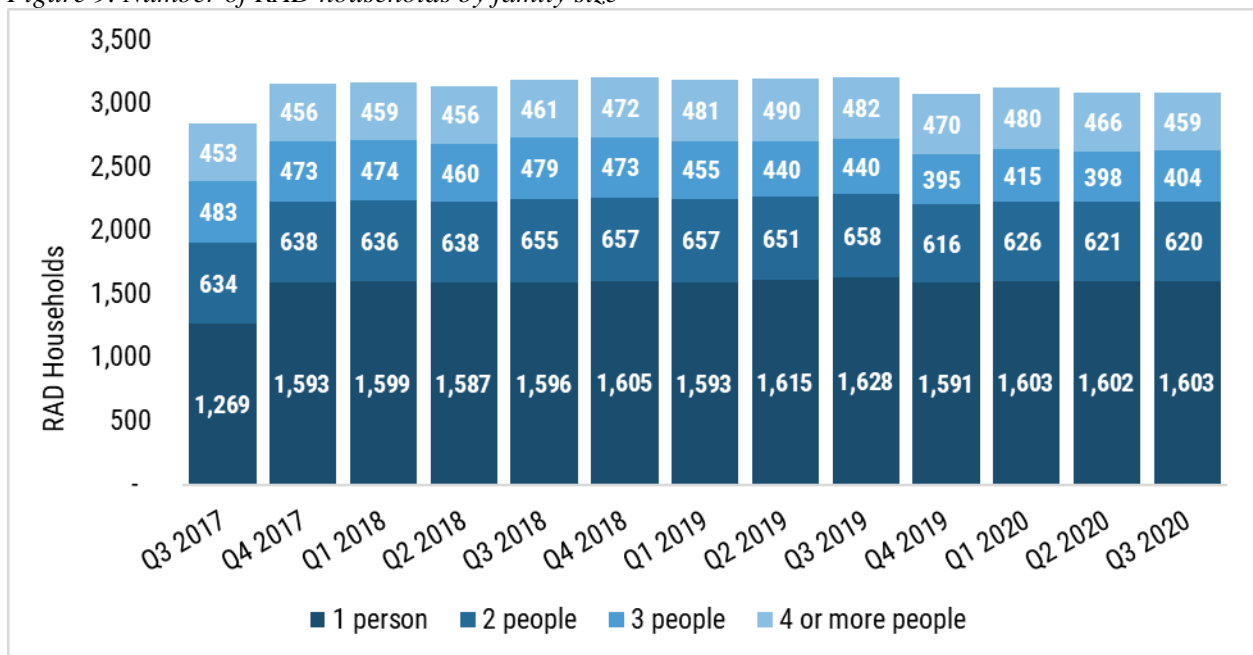


Data source: INLIVIAN administrative data

Looking at family size within INLIVIAN's different subsidy programs reveals that, on average, half (50%) of RAD households are single-person households, whereas only approximately one-third of HCV households are single-person households (see Figure 9 for RAD and Figure 10 for tenant-based HCV). More households participating in the HCV program are three-person and four or more-person households compared to those participating in the RAD program. This is likely due, in part, to the high proportion of RAD developments that are reserved for elderly households (e.g., Edwin Towers, Charlottetown Terrace, Strawn Tower), which are more likely to be single-person households.

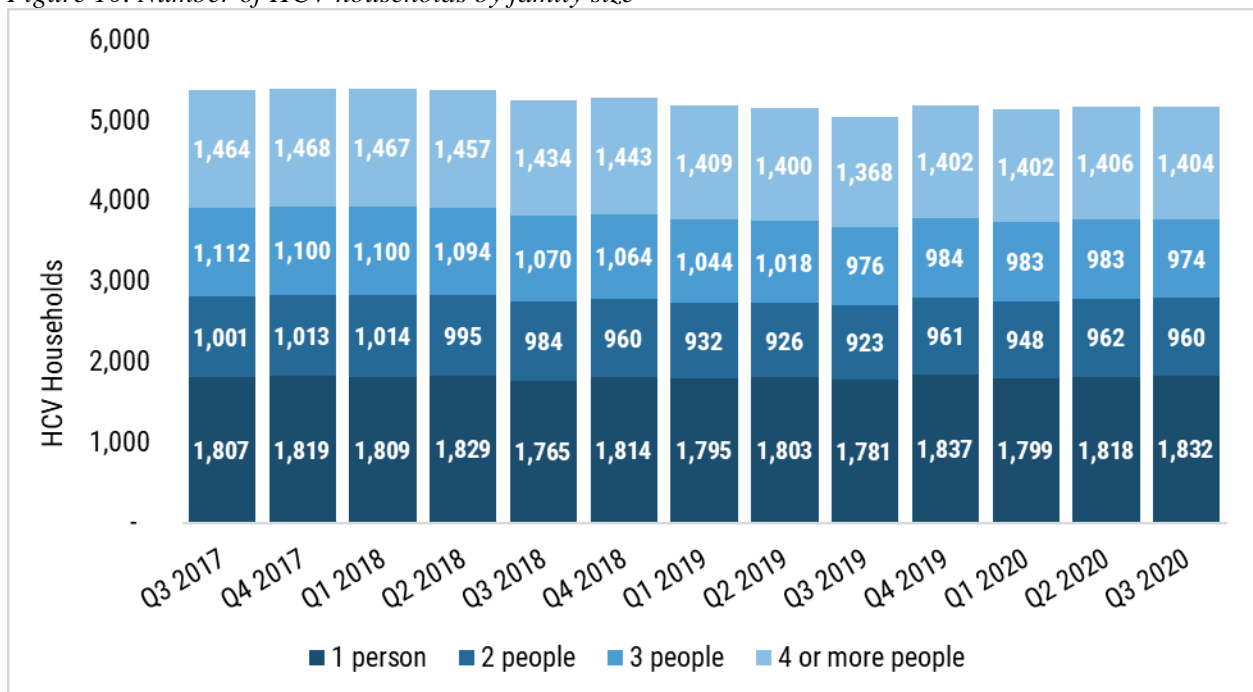


Figure 9. Number of RAD households by family size



Data source: INLIVIAN administrative data

Figure 10. Number of HCV households by family size



Data source: INLIVIAN administrative data

### *Implement a rent policy that encourages employment*

The fourth MTW statutory requirement is for agencies to implement a rent policy that encourages employment. To that end, INLIVIAN has adopted a rent reform activity that comprises three facets: (i) an increase in minimum rent, (ii) a banded rent policy, and (iii) reduced frequency of income recertifications.

#### INLIVIAN rent reforms

**Increased 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. A 2015 CURS survey of INLIVIAN residents queried their perceptions of the \$75 minimum rent, and a large majority of respondents (approximately 75%) felt the \$75 minimum rent amount is “about right.”

**Banded Rents.** To decrease disincentives for households that increase their work hours or wages, INLIVIAN has implemented a banded rent policy in which households’ rents are calculated based the *minimum* number of preset \$2,500 intervals (referred to as “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 seeing a corresponding increase in rent.

**Biennial and Triennial Income Recertifications.** Beginning in 2013, INLIVIAN adopted a biennial recertification policy that decreased the time between income recertifications for all households from once a year to every other year. This change also allowed households who increased their income between recertifications to not request an interim recertification—postponing possible increases in monthly rent. Households that have a decrease in income may request an interim recertification at any point, and any households paying the minimum rent must report any increase in income. In 2020, INLIVIAN further increased time between recertifications and implemented triennial recertifications for all households due for recertification in 2020 as a part of their COVID-19 response. INLIVIAN is currently developing a permanent triennial recertification policy and intends to expand triennial recertifications portfolio wide.

#### Rent reforms and employment

To examine the efficacy of INLIVIAN’s rent reforms, we consider the minimum renter status of households who have remained in INLIVIAN housing throughout the entire study period. To qualify for the minimum rent of \$75 per month, households must have an earned annual income of \$3,000 or less.<sup>3</sup>

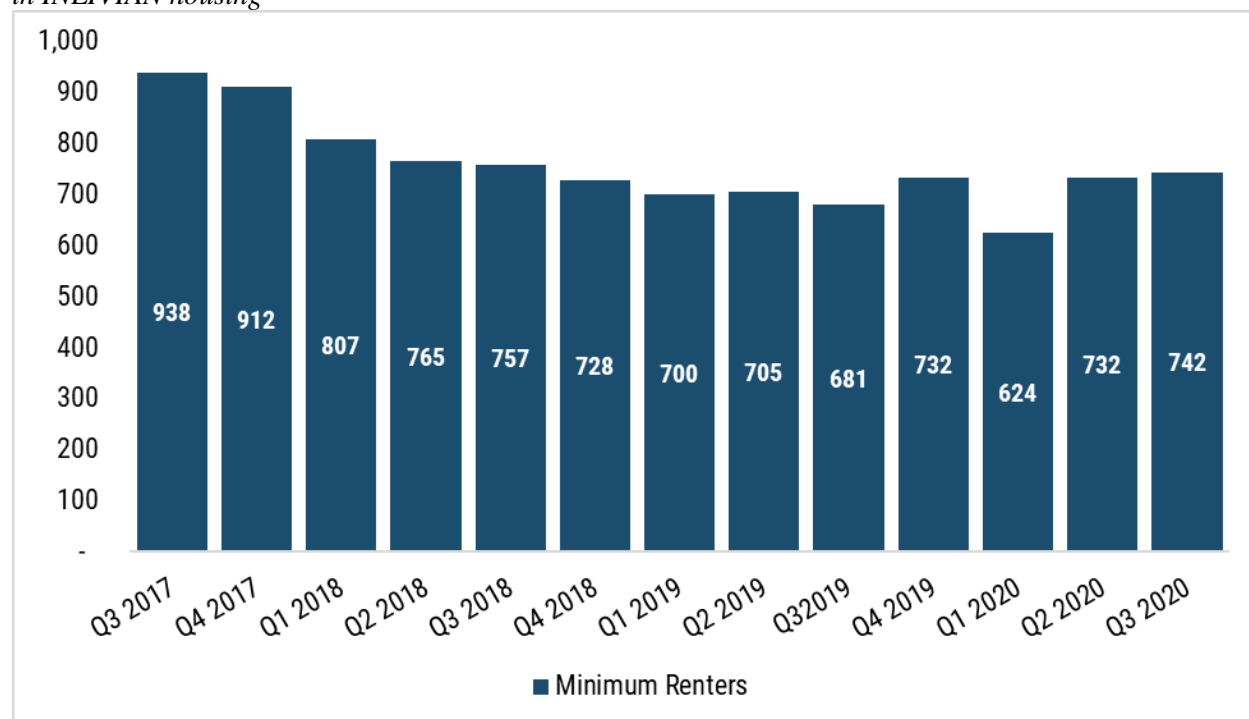
We find that the number and percentage of minimum renter households declined across the study period until the second quarter of 2020 (see Figure 11). Since that point—when households began to experience the impact of the COVID-19 pandemic—the number of households with minimum renter status has

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<sup>3</sup> Notably, it is not possible for a work-able household to have minimum renter status and also be in compliance with INLIVIAN’s work requirement policy through working at least 20 hours per week (households may have minimum renter status if they are complying through a work-related activity or improvement plan, both of which are time-limited compliance options).

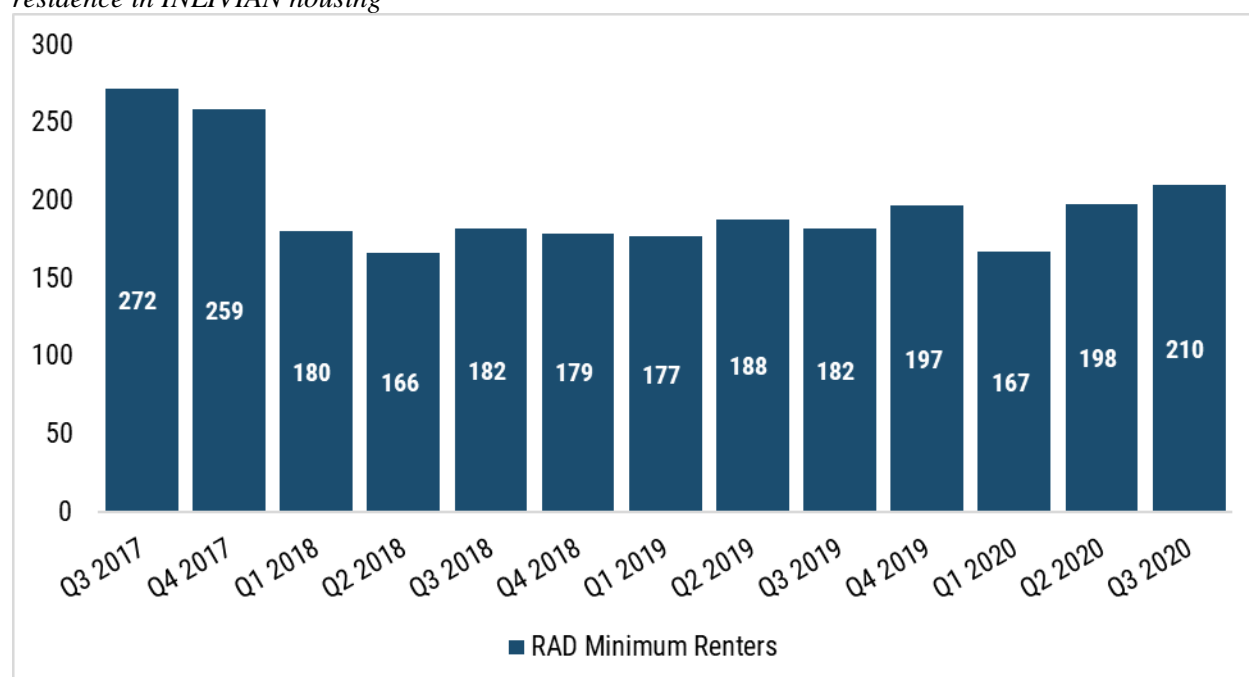
increased, most likely due to the economic effects of the pandemic. From the Q1 to Q3 2020, the number of INLIVIAN minimum renter households has increased from 624 to 742, an 18.9% increase.

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



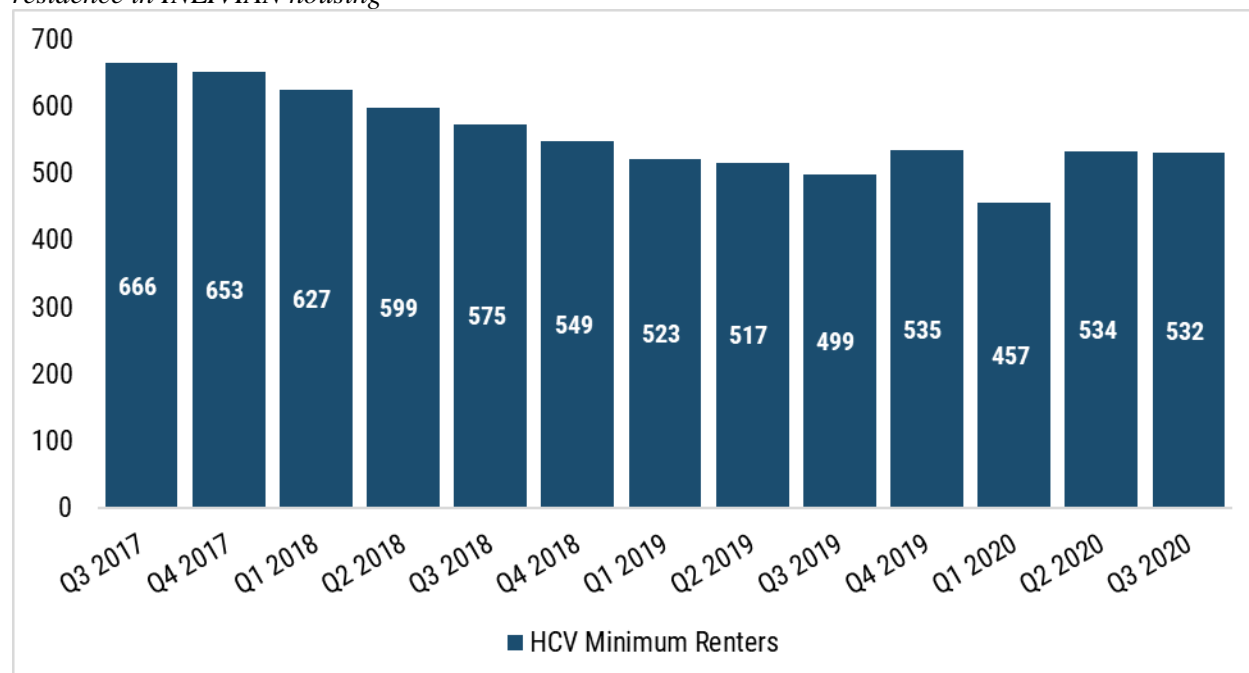
Across both of the agency's major subsidy programs, we observe similar trends in minimum renter status for households (see Figure 12 for RAD and Figure 13 for tenant-based HCV). Both programs experienced a downward trend in the number of minimum renters until the second quarter of 2020. The first impacts of the COVID-19 pandemic became noticeable in the second quarter of 2020, we observe a 25.7% increase in the number of minimum renter RAD households (see Figure 12) and a 16.4% increase in minimum renter HCV households between Q1 and Q3 2020 (see Figure 13). Since the beginning of 2020, the RAD program has seen a steady, incremental increase in minimum renter households, while the HCV program saw an initial increase that later stabilized.

Figure 12. Change in minimum renter status among RAD households that continuously maintained residence in INLIVIAN housing



Source: INLIVIAN administrative data

Figure 13. Change in minimum renter status among HCV households that continuously maintained residence in INLIVIAN housing



Source: INLIVIAN administrative data

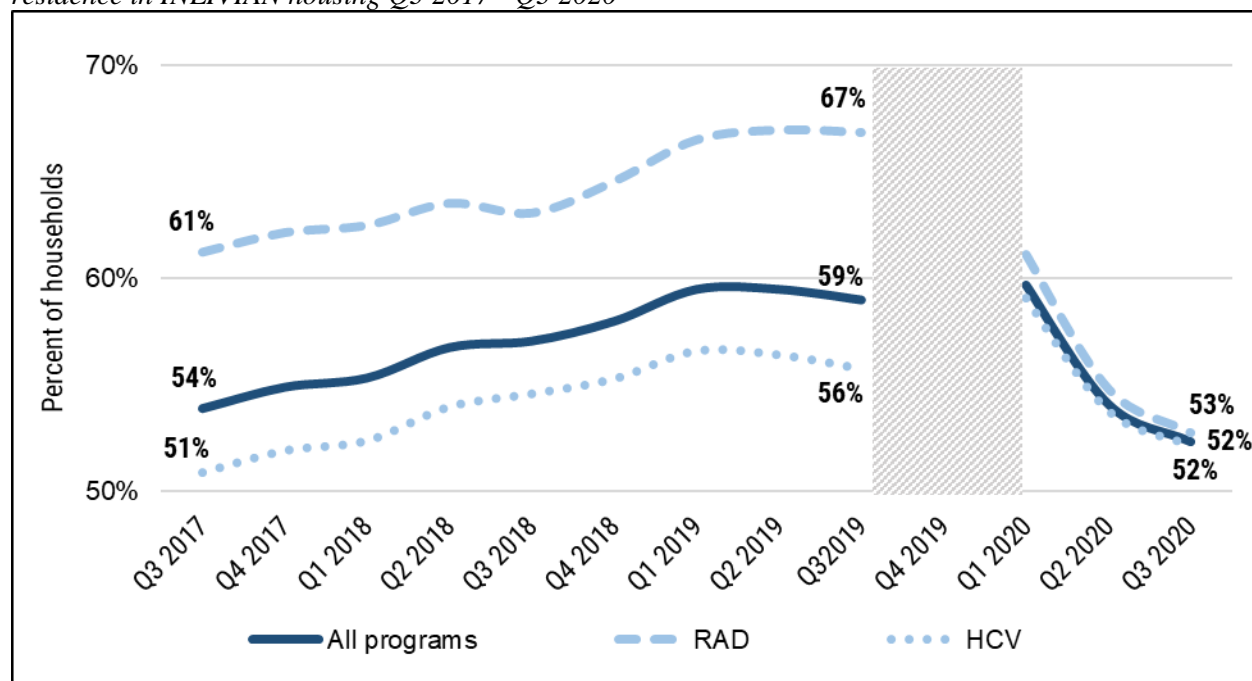
To further examine the efficacy of INLIVIAN's policies to encourage employment among work-able households, we consider the percentage of households reporting any income as wages. Given INLIVIAN's

reduced recertification activity, doing so comes with the caveat that households with income increases (be it from wages or non-wage income) do not need to report those wages to the agency until their next recertification. However, households with income decreases—which are more likely to have occurred during the pandemic—can report these decreases to the agency to have their rent reduced.

Households that maintained continuous INLIVIAN residence through the entire study period saw an average increase in wages of roughly 5 percent from Q3 2017 to Q3 2019 across both the RAD and HCV programs. Over these two years, the RAD program has roughly 10 percent more households with reported wage income (61% to 67%) than the HCV program (51% to 56%).

In conjunction with the onset of the coronavirus pandemic, the proportion of households reporting wages in both programs quickly began to drop starting in Q1 2020 (see Figure 14). By Q3 2020, 53 percent of HCV and 52% of RAD households reported any wage income, all but eliminating the difference in proportion between programs. RAD households reported the most precipitous drop, falling from 67 percent (Q3 2019) to 53 percent (Q3 2020), for a difference of 14 percent year over year. In contrast, HCV households experienced a 4 percent drop over the same period.

*Figure 14. Percentage of households reporting any wages among households that continuously maintained residence in INLIVIAN housing Q3 2017 - Q3 2020*

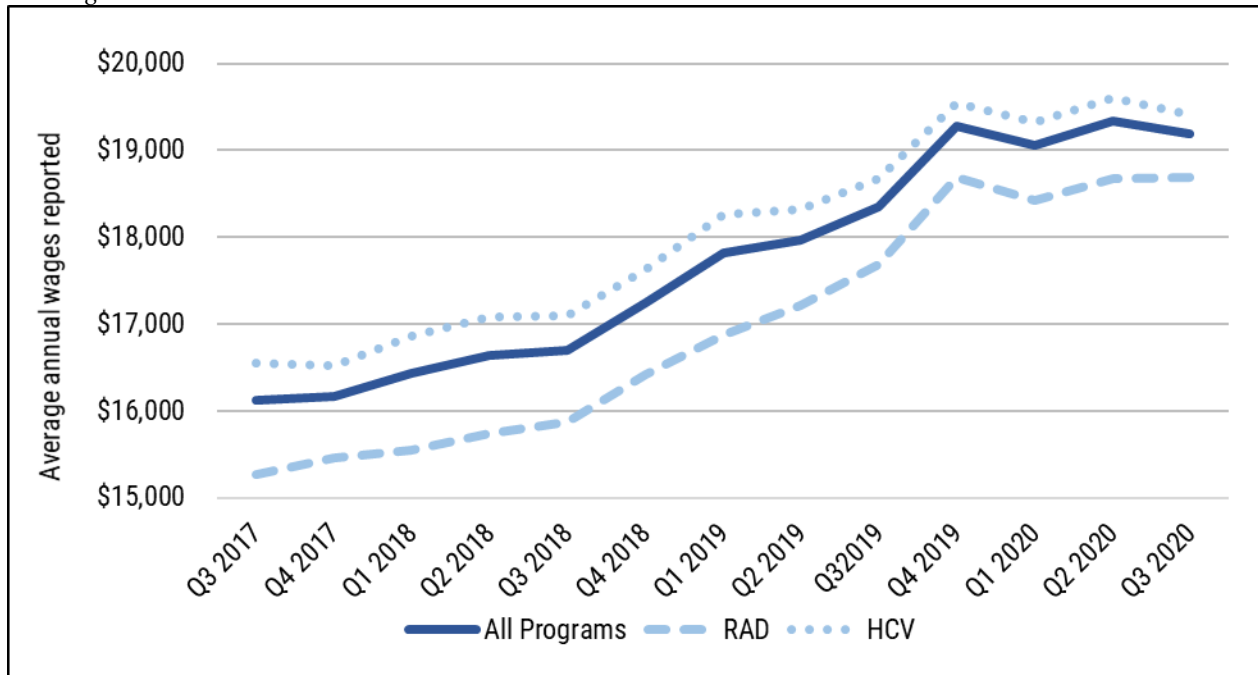


\*Q4 2019 wage data presented has been omitted from the graph due to anomalous data gaps. Q4 2019 appears to be the only affected quarter throughout the study period.

While the *number* of households reporting wages has dropped considerably—almost certainly in part because of the ongoing pandemic—among those households still reporting wages, we do not observe a concurrent drop in the *amount* of wages throughout 2020 (see Figure 15). Average wages among households continuously residing in INLIVIAN housing have increased by more than \$3,000 per household

from Q3 2017 (\$16,128) to Q3 2020 (\$19,197). Over the past four quarters, the rate at which wages increased does appear to slow somewhat in comparisons to the two years prior. Notably, average wages across reached their highest level (\$19,399) in Q2 2020 – the first full quarter following the onset of the coronavirus pandemic.

*Figure 15. Average annual wages among households that continuously maintained residence in INLIVIAN housing*



## Helping Families Achieve Self-Sufficiency

The report now examines the Moving to Work statutory goal of helping families achieve self-sufficiency. A key goal of the Moving Forward program has been expanding the number of INLIVIAN clients who receive supportive services. In addition, several other Moving Forward activities—especially the agency’s rent reform—are designed, in part, to encourage clients to achieve economic self-sufficiency.

### *Rent Reform Overview*

As mentioned above, INLIVIAN has implemented multiple rent reform initiatives as a part of the Moving Forward program. These initiatives include:

- **Increased minimum rent.** INLIVIAN has increased its minimum rent from \$50 to \$75.
- **Banded Rents.** To decrease disincentives for households that increase their work hours or wages, INLIVIAN has implemented a banded rent policy in which households’ rents are calculated based the *minimum* number of preset \$2,500 intervals (referred to as “bands”). This policy allows residents to increase their income up to \$2,500 without seeing a corresponding increase in rent.
- **Biennial and Triennial Income Recertifications.** INLIVIAN adopted biennial recertifications in 2013 to allow households who increased their income between recertifications to not request an interim recertification—postponing possible increases in monthly rent. In 2020, INLIVIAN implemented triennial recertifications, further increasing time between recertifications.

INLIVIAN’s rent reform initiatives are designed to encourage employment, and thus are integral to the plan to help families to achieve self-sufficiency. In tandem with INLIVIAN’s supportive services and work requirement policies, rent reforms work to remove barriers to employment for households.

### *Work Requirement Overview*

One of INLIVIAN’s initial MTW activities was to expand supportive services in conjunction with a work requirement. This policy was initially implemented at five public housing sites beginning in 2014 and was later expanded to all INLIVIAN RAD/public housing developments in 2017. Most recently, INLIVIAN suspended the work requirement in April 2020 until further notice due to economic and public health conditions caused by the coronavirus pandemic.

#### Pilot work requirement

INLIVIAN began offering site-based case management at five public housing developments as part of the in 2011.<sup>4</sup> In January 2014<sup>5</sup>, the agency began enforcement of the initial work requirement of 15 hours per week for all work-able heads of households at these five pilot sites. In lieu of working, residents could

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<sup>4</sup> At two of those sites, residents were already receiving supportive services through the Family Self-Sufficiency program.

<sup>5</sup> INLIVIAN originally intended work requirement enforcement to begin 12 months following the inception of supportive services, however enforcement was delayed until 2014 due to concerns over economic conditions and instability following the Great Recession.



satisfy the work requirement by participating in case-manager work-related activities, such as job readiness training and volunteering, for up to 12 months.

After enforcement began, households not in compliance were placed in a two-month Improvement Plan, during which residents were expected to meet weekly with their case manager to help them strategize how to meet the requirement. If following this two-month period the household had not come in to compliance, the household's rent was raised to 50% of the contract rent for six months and to 100% of contract rent indefinitely thereafter until the household came in to compliance.

#### Work requirement expansion

Preliminary evaluations of the work requirement showed that the policy led to increased employment without a corresponding increase in evictions. In response to these findings, INLIVIAN expanded supportive services and the work requirement to their remaining RAD (formerly family public housing) sites in early 2017, with enforcement beginning November 2017. To streamline administration and scale to serve a larger number of households, INLIVIAN made several key changes to the policy as a part of the expansion (Table 1). Additionally, the work requirement was increased from 15 to 20 cumulative hours per week per household and can now be fulfilled by any household member (or combination of household members), not only the head of household.

*Table 1. Changes in pilot and expansion work requirement policy parameters*

Parameter	Pilot Policy	Current Policy
Preliminary supportive services	12 months*	6 months
Supportive services targeting	All pilot site heads of households	Focus on minimum renters and non compliant households
Work requirement	<ul style="list-style-type: none"> <li>• 15 hours/week for HOH</li> <li>• 15 hours/week for HOH + 5 hours/week for other HH members (as of Jan 2016)</li> </ul>	20 hours/week cumulative for all household members (begin early 2017)
Improvement Plan length	2 months	3 months
Initial rent sanction	50% loss of subsidy	Imputed rent for 20 hours/week at minimum wage (\$188/month)
Initial rent sanction length	6 months	6 months
Second-stage rent sanction	Full loss of subsidy	Full loss of subsidy

#### Changes due to COVID-19

The State of North Carolina first implemented a stay-at-home order closing non-essential businesses on March 27, 2020 in response to rising coronavirus case numbers. Beginning April 2020, INLIVIAN has suspended work requirement enforcement and all related sanctions for all work-required households. Additionally, INLIVIAN has made the following changes to their self-sufficiency supportive services to better address resident's needs during the coronavirus pandemic.

- Transitioning all monthly in-person workshops to virtual workshops
- Offering pop-up healthcare events, including COVID -19 testing and mental health services
- Offering additional K-12 student support during remote schooling and school closures

INLIVIAN life coaches are continuing to work with residents through multiple means as pandemic conditions allow – including phone calls, physical mailings, and flyers, and limited in-person meetings.

### *Work Hours*

As mentioned above, INLIVIAN suspended enforcement of the work requirement as part of their response to the coronavirus pandemic beginning in April 2020. During this suspension households will not be subject to rent sanctions for non-compliance until INLIVIAN determines public health and economic conditions have improved enough to reinstate the policy. In addition to the suspension of sanctions, ongoing public health concerns and numerous other difficulties caused by the pandemic are likely to have had an unavoidable effect on other parts of the work requirement policy, namely participation in in work-related activities, improvement plans, and INLIVIAN supportive services. For these reasons, we have chosen to focus on trends in household hours worked across work requirement developments following the onset of the coronavirus pandemic.

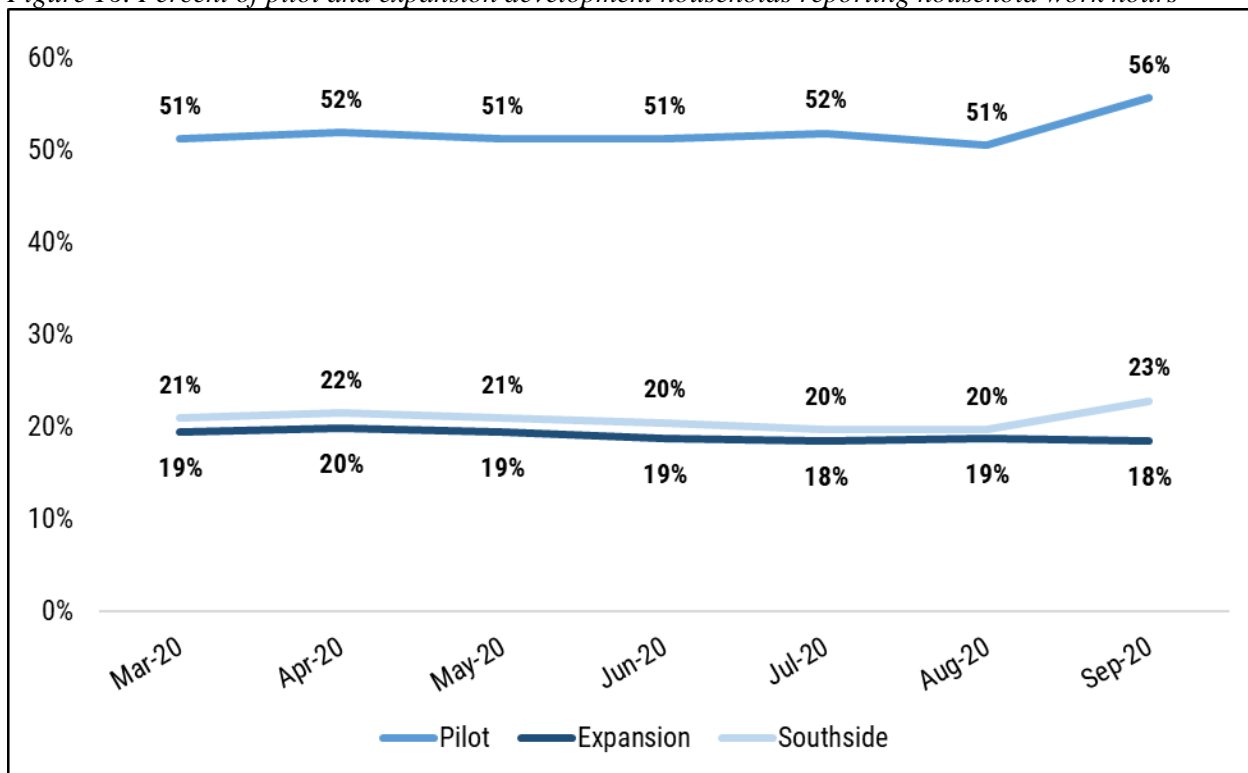
After the onset of the pandemic and subsequent stay-at-home orders, the percent of households reporting any work hours remained stable across work requirement pilot sites, expansion sites, and Southside<sup>6</sup>. Within expansion sites, 18–20 percent of households reported any work hours between March 2020 and September 2020<sup>7</sup> (see Figure 16). The proportion of Southside households reporting hours was also very similar to non-Jobs-Plus expansion sites—between 20–23 percent over this period. In comparison, a greater proportion of pilot site households reported work hours over the same period—roughly 50 percent.

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<sup>6</sup> Southside Homes is INLIVIAN’s former Jobs-Plus site and is part of the work requirement expansion that began in late 2017. Because households at Southside received supportive services through the Jobs-Plus program prior to taking part in the work requirement expansion, we have separated Southside residents for this analysis.

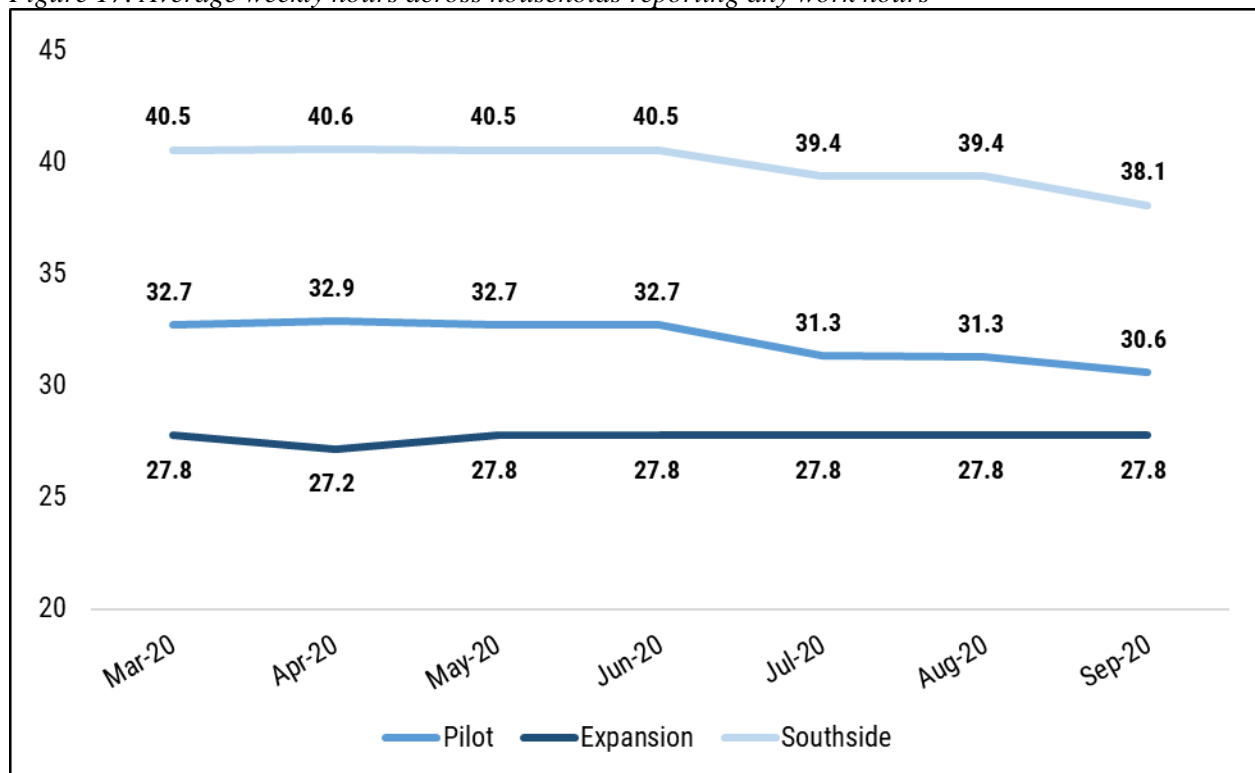
<sup>7</sup> INLIVIAN transitioned its work requirement data tracking to a new customized, semi-automatic tracking system in Q4 2019. As such, there are gaps in data availability in Q4 2019 and Q1 2020 during the phase-in of the new system and training of staff. INLIVIAN is working to expand this new tracking system to include other case management and work requirement data to further consolidate data tracking soon.

Figure 16. Percent of pilot and expansion development households reporting household work hours



Across these households reporting work hours March 2020–September 2020, average weekly hours also appear to remain mostly stable over the same period (see Figure 17). On average, Southside households report the highest weekly hours, with monthly values, ranging from 38.1 to 40.5 hours per household. Households in the five pilot sites report lower monthly averages, from 30.6 to 32.9 hours. Notably, both Southside and pilot site household averages remain stable within 0.2 hours from March through June 2020, and then begin to gradually decline in the third quarter by 2.4 and 2.1 weekly hours, respectively. Expansion households report the lowest - and most stable - weekly hours ranging between 27.3 to 27.8 over the period. We do not observe the same gradual decline in average expansion sites hours seen in both Southside and pilot sites.

Figure 17. Average weekly hours across households reporting any work hours



Overall, analysis of work hours within work requirement developments show little change over the first seven months of the coronavirus pandemic. The proportion of working households, as well as the average number of hours worked among these households, remain very stable despite constantly varying public health conditions, school and childcare closures, and business restrictions and closures over this period. INLIVIAN continues to offer supportive services to households in the Moving Forward program developments, and has added additional support during the coronavirus pandemic, including transitioning workshops to virtual means, pop-up health and COVID-19 testing events, and additional support for K-12 students during virtual learning and school closures.

## Increasing Housing Options

Another statutory goal of the MTW program is to increase housing options for low-income families. In this section, we evaluate two aspects of the Moving Forward program specifically related to the 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 three years (September 2017–September 2020), analyzing changes in neighborhood poverty rates, crime, and school quality. Second, we review INLIVIAN’s Opportunity Neighborhood Initiative and, using its definition of opportunity neighborhoods, assess the number of residents living in higher-opportunity areas.

### *Overview*

As of September 2020, INLIVIAN has administered 4,580 Housing Choice Vouchers (HCVs) and has provided 5,612 units of housing at 47 developments it either owns or manages (see Figure 18). INLIVIAN developments are spread throughout the City of Charlotte but are especially concentrated in both Uptown Charlotte and throughout South Charlotte. In contrast, INLIVIAN’s HCVs are concentrated in neighborhoods immediately west, north, and east of Uptown Charlotte, with comparatively fewer in South Charlotte. While the map in Figure 18 divides HCVs between households with children (anyone under age 18 in the household) and households without children, we do not see a substantial variation in the neighborhoods where those types of households reside.

Given the density of voucher households in certain neighborhoods, the research team constructed a kernel density map of voucher holders (see Figure 19, left panel). This map shows further illustrates the concentration of vouchers holders in neighborhoods immediately southwest, northwest, and northeast of Uptown Charlotte. It also shows some isolated concentrations in south Charlotte—many of these are at affordable housing developments (some of them CHA-owned or –managed) where many voucher holders reside.

Figure 19 (right side) shows changes in voucher concentration between September 2017–September 2020. The concentration of vouchers in neighborhoods immediately east of Uptown Charlotte (including Plaza Midwood and NoDa) declined substantially, while the number of voucher holders living in some West Charlotte neighborhoods (areas near Freedom Drive and Tuckaseegee Road) increased modestly. Outside of these areas, there are isolated concentrations of voucher holders increasing and decreasing throughout Charlotte, again likely due to affordable developments coming online or no longer accepting HCVs.

Figure 18: Overview of INLIVIAN developments and HCV locations

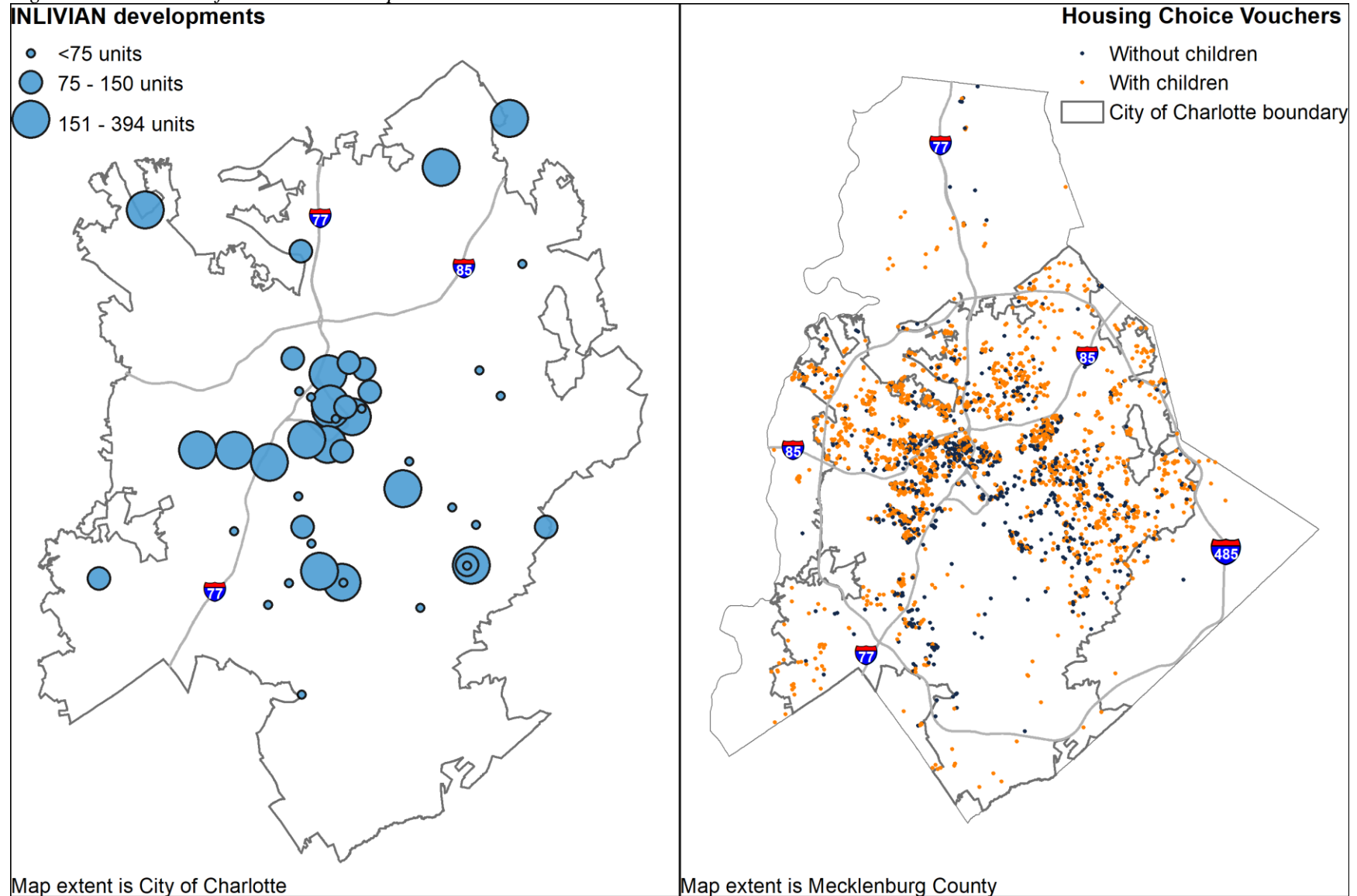
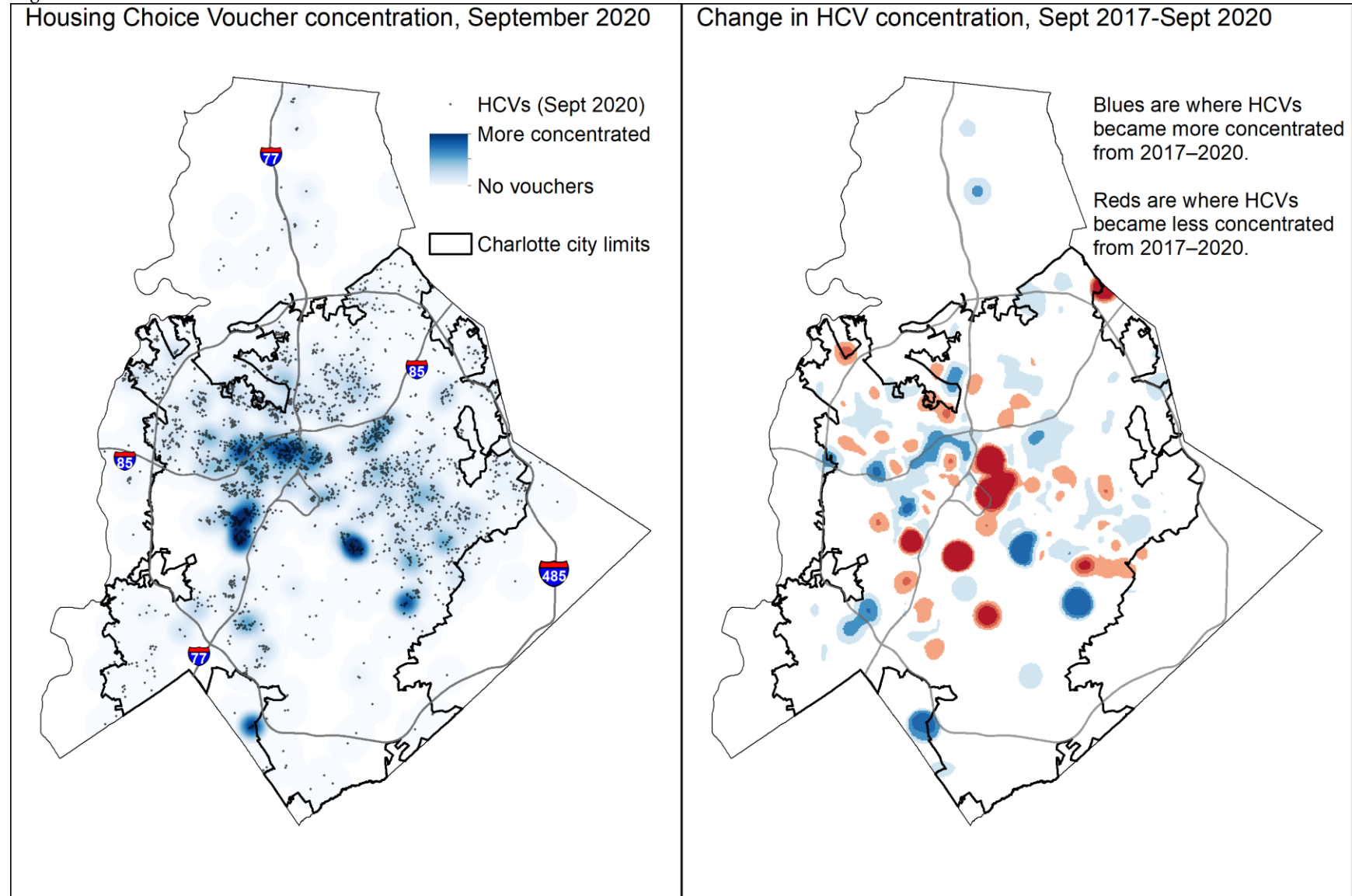


Figure 19: INLIVIAN HCV concentration





## *Increasing Housing Options for HCV Clients*

Encouraging HCV clients to move to higher-opportunity neighborhoods—such as those with good schools, low crime, and access to jobs and public transit—has been a key INLIVIAN policy goal. To that end, the agency has utilized MTW flexibility to implement Exception Payment Standards at the Census tract level, developed an Opportunity Housing Program to facilitate moves into high-opportunity neighborhoods, and developed incentives for landlords to participate in the HCV program. A summary of each of these programs is discussed in turn.

### Exception Payment Standards

The first component of INLIVIAN's HCV mobility efforts is exception payment standards for *all* its HCV clients. In developing the agency's alternative payment standards, INLIVIAN staff worked with Baltimore Regional Housing Partners (BRHP), an agency developed in response to a consent decree between HUD and the tenants of the Housing Authority of Baltimore City.<sup>8</sup> Together, they developed a 5-tier opportunity designation for all tracts in Mecklenburg County. The opportunity designation was developed as a composite index of six values: (i) math and (ii) reading test scores, (iii) poverty rate, (iv) transit availability, (v) jobs density, and (vi) crime rate.

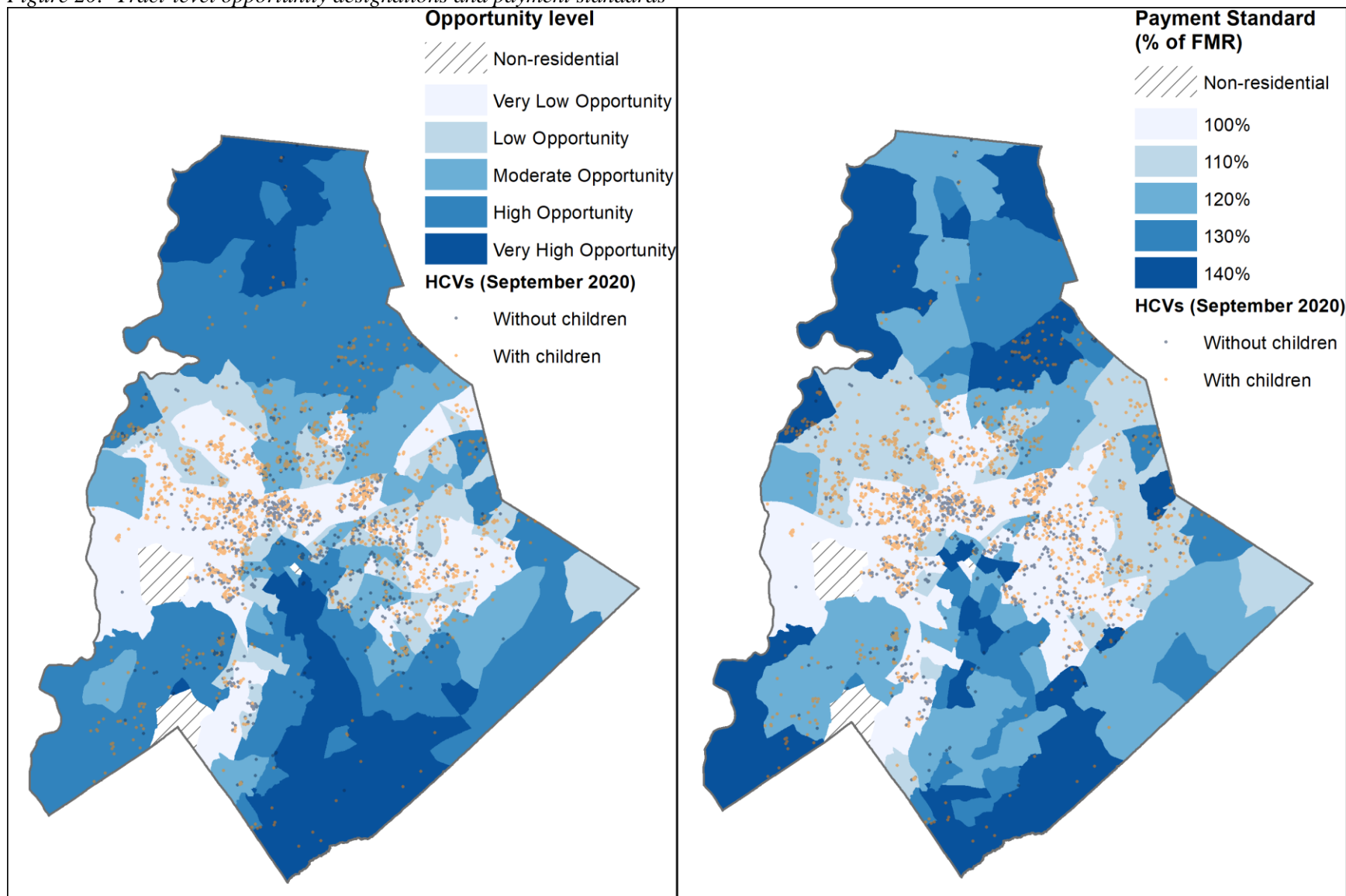
INLIVIAN and BRHP then determined the specific payment standards for tracts (as a percentage of Charlotte's metro-wide Fair Market Rent) as a function of (i) the tract's opportunity classification and (ii) a tract's median rent level. While payment standards do not directly mirror a tract's opportunity classification, in general higher-opportunity tracts have higher payment standards. Payment standards vary from 100% of the metro-wide FMR to 140% of the metro-wide FMR. Note that, unlike with SAFMRs, no tracts experienced a reduction in payment standards because of implementing this policy.

We have included a map of tract-level opportunity designations and payment standards in Figure 20. The left side of the figure maps opportunity designations, which include very low, low, moderate, high, and very high opportunity. The right side of the figure maps tract-level payment standards. These standards roughly follow the opportunity designations, though there are fewer tracts in the highest payment standard (140%) relative to the number of tracts in the highest opportunity classification ('very high').

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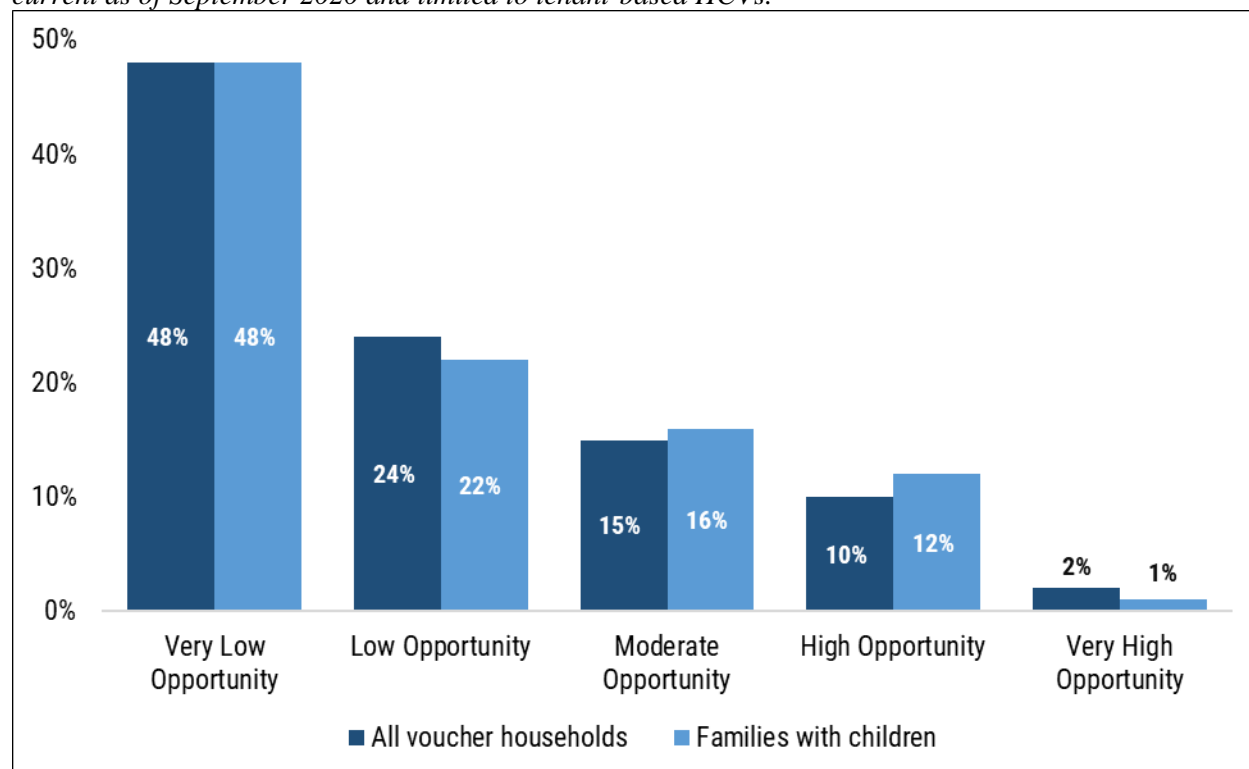
<sup>8</sup> For more information on BRHP, see <https://brhp.org/>.

Figure 20: Tract-level opportunity designations and payment standards



Analysis of HCV address data confirms that most voucher holders live in very low and low opportunity neighborhoods. A plurality (48% of all HCVs and voucher families with children) live in very low opportunity neighborhoods, while roughly a quarter of voucher holders reside in low opportunity neighborhoods (see Figure 21). 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 21. Proportion of voucher holders living in each opportunity neighborhood classification. Data current as of September 2020 and limited to tenant-based HCVs.*



### Opportunity Housing Program

The second and third components of INLIVIAN’s HCV mobility program are part of what the agency calls the ‘Opportunity Housing’ initiative, which has both tenant-facing and landlord-facing aspects. Unlike the alternative payment standards—which are available to all INLIVIAN voucher holders—the Opportunity Housing program is limited to households who (i) agree to participate in the program and (ii) meet the participation criteria, which include:

- Having at least one child under age 8 in the household
- Having an annualized income greater than \$18,500
- Having been employed continuously for one year, with a maximum gap in employment of 30 days
- Remaining in compliance with program rules, including participating in supportive services.

Pre-move, participating households are connected to a case manager and must complete three training modules: (i) financial literacy, (ii) housing, and (iii) communication. The financial literacy module includes

information on budgeting, banking, understanding credits, and steps that households can affirmatively take toward homeownership. The housing module includes information on housekeeping, basic property maintenance, inspections, work order requests, and the importance of making timely payments. The communication module includes best practices for conflict resolution and effective communication

Households participating in the Opportunity Housing program are required to move into either high or very high opportunity tracts (see Figure 20, left side). Following the move, INLIVIAN's case managers continue to work with families to identify and support customized household goals. In addition, case managers will provide referral services to both in-house services and external supportive services agencies.

### Landlord incentives

The Opportunity Housing program also has a landlord-facing component to expand the number of units available to HCV clients in higher-opportunity areas. To do so, INLIVIAN has adopted a two-prong strategy. First, agency leadership and HCV staff have met with larger landlords in higher-opportunity areas to inform them about changes in the voucher program and to encourage them to accept voucher holders, especially those participating in the Opportunity Housing program. In addition, the agency hosts regular landlord information sessions and an annual housing provider symposium to maintain established relationships with current HCV landlords.

Second, the agency has developed a system of landlord incentives to both recruit new landlords to the HCV program and retain those who are already participating. These incentives include:

- 'Sign on bonus:' a one-time payment of \$250 for leasing up a household.
- Continuity bonus: paying up to 14 days in rent between renters if the landlord was previously renting to a voucher household and agrees to rent to another voucher household.
- Risk mitigation bonus: offering up to \$1,000 in repair fees if tenant damages exceed the security deposit and the tenants' ability to pay.

### *Changes in HCV Neighborhood Characteristics*

The report now turns to analyzing changes in the location of INLIVIAN HCV clients from September 2017 to September 2020. In doing so, it utilizes # neighborhood measures: neighborhood poverty rates, property and violent crime rates, and elementary school quality.

### Poverty

Between 2017 and 2020, the proportion of all voucher holders living in lower-poverty neighborhoods (those with poverty rates under 20%) increased from 45% to 48% (see Figure 22, left panel). Conversely, the proportion of all voucher holders living in the highest poverty neighborhoods—those with poverty rates over 30%—decreased from 32% to 27%.

Figure 22: Neighborhood poverty rate for INLIVIAN HCV clients

Poverty rate	All vouchers				HCV families with children			
	2017	2019	2020	Change	2017	2019	2020	Change
<5%	2%	2%	3%	▲ 1%	2%	3%	5%	▲ 3%
5-9.9%	11%	14%	8%	▼ -3%	12%	14%	9%	▼ -3%
10-14.9%	16%	18%	23%	▲ 7%	17%	18%	26%	▲ 9%
15-19.9%	16%	17%	14%	▼ -2%	16%	17%	17%	▲ 1%
20-24.9%	8%	8%	10%	▲ 2%	8%	8%	8%	-
25-29.9%	16%	14%	15%	▼ -1%	15%	13%	13%	▼ -2%
>30%	32%	26%	27%	▼ -5%	30%	27%	22%	▼ -8%

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 57% (see Figure 22, right panel). The proportion living in the highest-poverty neighborhoods also declined from 30% to 22%. Overall, voucher families with children live in slightly lower-poverty neighborhoods compared to the entire HCV population.

Figure 24 maps the location of INLIVIAN HCV clients against neighborhood poverty rates. The highest poverty rates in Mecklenburg County are primarily in the neighborhoods immediately west, north, and northeast of Uptown Charlotte where many HCV holders reside. However, a substantial number of voucher holders are also located in the middle-poverty areas further northwest of Uptown Charlotte off Brookshire Boulevard.

#### Property and violent crime

On average, INLIVIAN voucher holders reside in safer neighborhoods in 2020 than in 2017 and 2019 in terms of both violent and property crime rates (see Figure 23). For the entire population of voucher holders, neighborhood violent crime rates declined 7.3% between 2017–2020, while property crime rates declined 6.7%. One should note, though, that neighborhood crime rates for voucher holders are higher than the average for all Charlotte neighborhoods.

In 2017, 2019, and 2020, HCV families with children reside in safer neighborhoods compared to the overall voucher population (see Figure 23, right panel). HCV families with children also saw declines in neighborhood violent and property crime comparable to those of the entire voucher population.

Figure 23: Neighborhood crime rates for INLIVIAN HCV clients

Crime rate	All vouchers				HCV families with children			
	2017	2019	2020	Change	2017	2019	2020	Change
Violent crime	10.9	10.3	10.1	▼ -0.8	10.0	9.5	9.27	▼ -0.73
Property crime	49.4	48.6	46.1	▼ -3.3	47.3	46.0	44.6	▼ -2.7

2017 and 2019 figures utilize 2017 crime rates. 2020 figures utilize 2018 crime rates (the most recent year available from the Charlotte Quality of Life survey).

Figure 24: INLIVIAN HCV holders and neighborhood poverty rates (map)

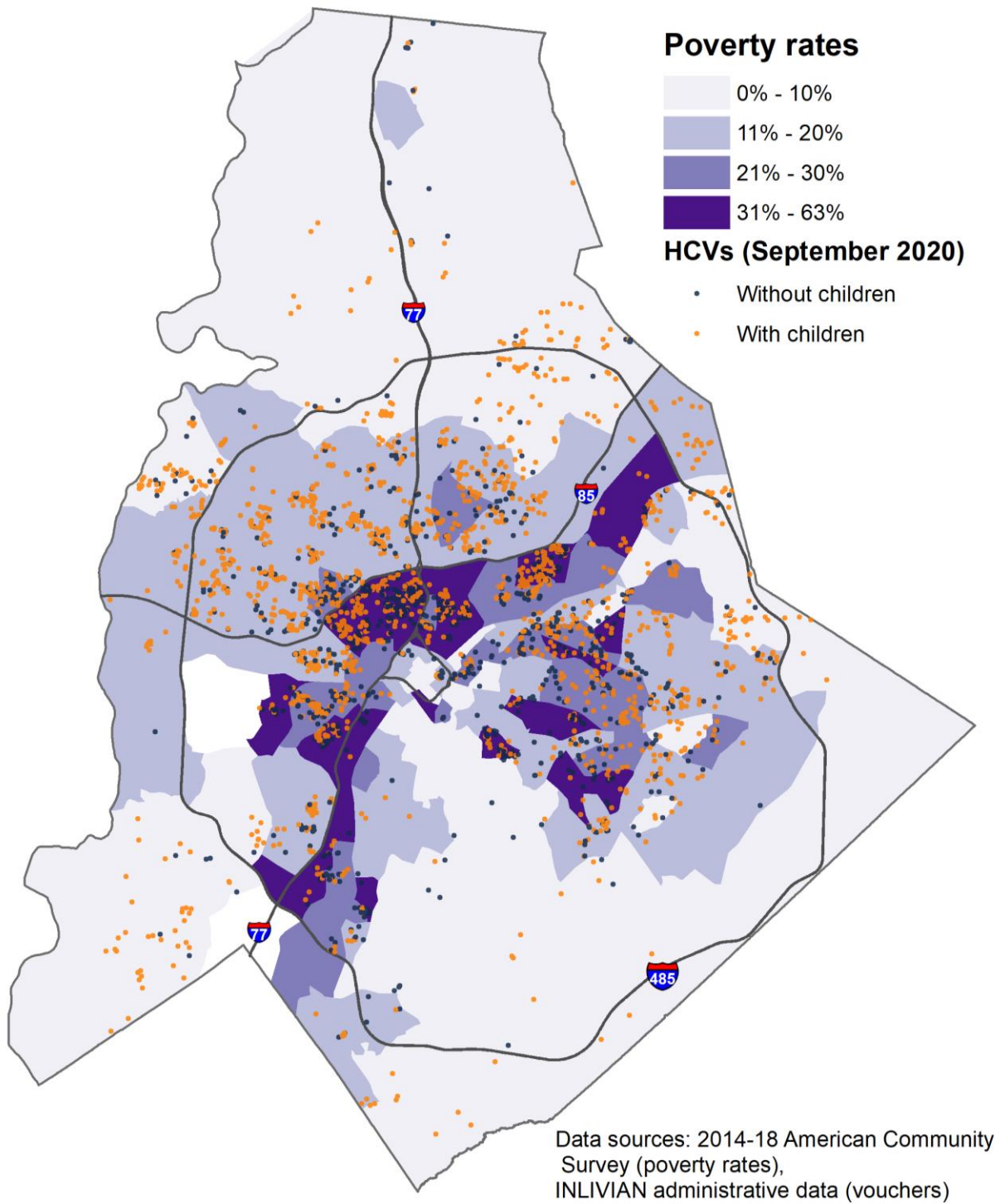


Figure 26 maps the location of INLIVIAN HCV clients against neighborhood property and violent crime rates. It shows that, while HCV holders may have experienced improvements in crime rates from 2017–2020, they are still concentrated in neighborhoods with quite high violent and property crime rates.

### School quality

Additionally, voucher holders saw modest improvements in terms of school quality between 2017 and 2020. Using elementary school performance scores as a proxy for school quality,<sup>9</sup> 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—decreased slightly over this period (see Figure 25). Meanwhile, the proportion of voucher holders in the neighborhoods assigned to the lowest performing schools decreased substantially over the same period. There were substantial increases in voucher holders living in neighborhoods with school performance scores between 40 and 69.

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.

*Figure 25: Elementary school performance scores for INLIVIAN HCV clients*

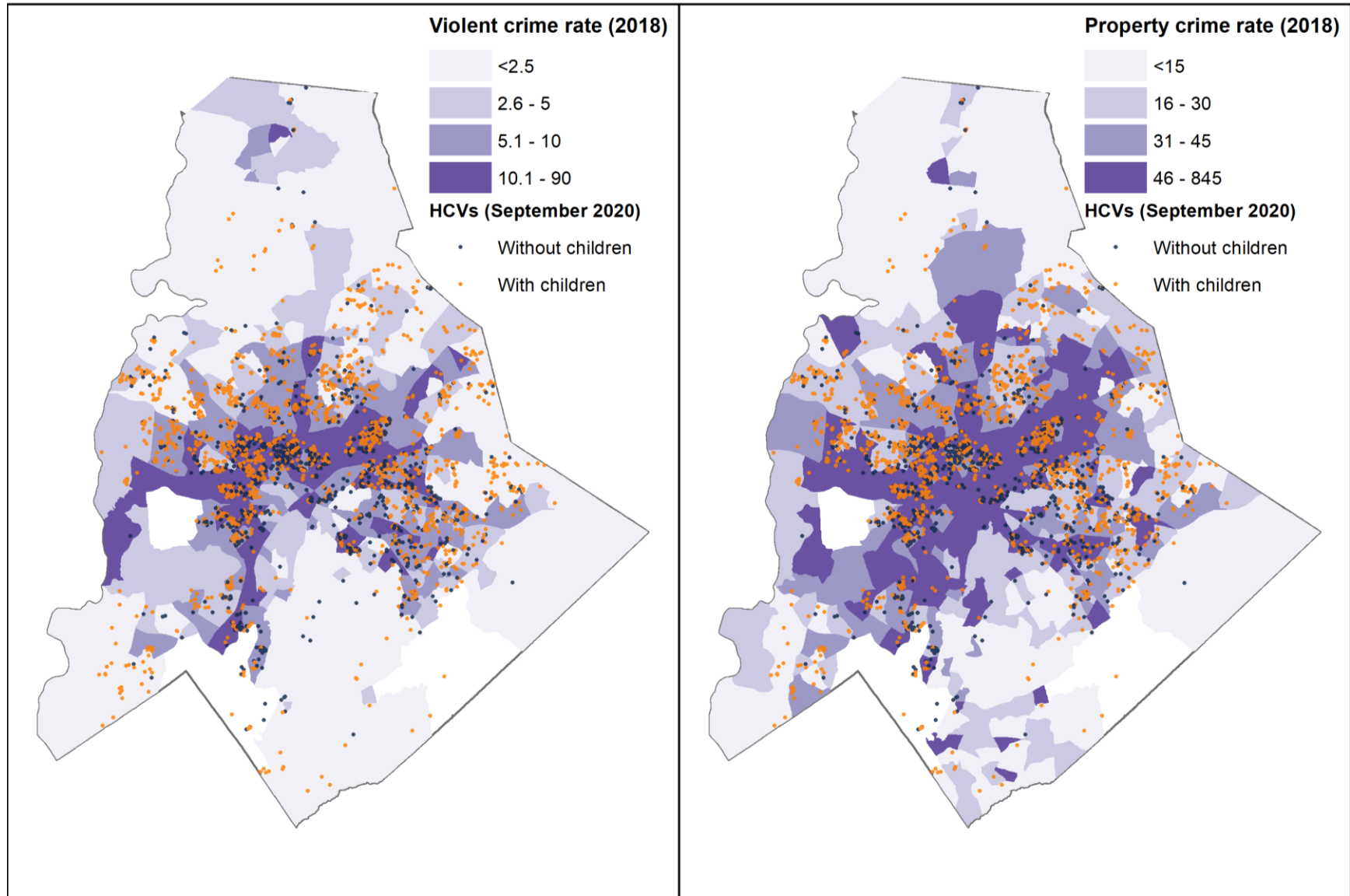
School performance score	All vouchers				HCV families with children			
	2017	2019	2020	Change	2017	2019	2020	Change
Over 85	0.4%	0.7%	0.1%	▼ -0.3%	0.4%	1.1%	0.1%	▼ -0.3%
70-85	7%	8%	5%	▼ -2%	5%	6%	6%	▲ 1%
55-69	32%	32%	41%	▲ 9%	39%	38%	42%	▲ 3%
40-54	40%	40%	44%	▲ 4%	40%	40%	44%	▲ 4%
Less than 40	21%	20%	9%	▼ -12%	15%	15%	8%	▼ -7%

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 2020. 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.

<sup>9</sup> 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.



Figure 26: Neighborhood crime rates and INLIVIAN HCV holders (map)



## Conclusions and Recommendations

This report has sought to address three objectives: providing an update in the Moving Forward program, evaluating INLIVIAN's compliance with the Moving to Work program's statutory requirements, reviewing the agency's progress in meeting the MTW statutory goals, and summarizing the agency's response to the ongoing COVID-19 pandemic. In doing so, the report has relied on administrative, case management, and secondary data.

Understandably, INLIVIAN has devoted significant attention to responding to the COVID-19 pandemic in the last year. To that end, the agency has both utilized numerous HUD-approved regulatory waivers and made several modifications to existing Moving Forward activities to ensure the health and safety of INLIVIAN staff and clients. Examples of each include HUD-approved regulatory waivers to eliminate in-person briefings for new clients and to simplify the income recertification process and agency reporting requirements, in addition to Moving Forward modifications to income recertifications and suspension of work requirement enforcement. Beyond those activities, INLIVIAN proposed one new Moving Forward activity in 2020: to modify a previous activity defining the terms of over-subsidy.

Administrative data show that INLIVIAN complied with the five MTW statutory requirements from September 2017–September 2019. To that end:

- In the HCV and RAD programs, at least 93% of households are very low-income in every quarter—a figure that substantially exceeds the requirement that 75% of households fall within that income category.
- We also find that the agency has consistently served the same number of clients over the last year (approximately 8,300), and this figure represents a 15% increase from the number of clients served when INLIVIAN joined MTW in 2008.
- Furthermore, the agency has maintained a comparable mix of family sizes, with approximately 40% of households being 1-person, 36% being two- or three-person, and 24% having four persons or more.
- While the number of minimum renters (those earning below \$3,000 annually, which we consider a proxy for employment) rose by roughly 9% from September 2019–September 2020, it is likely that this increase is a result of economic disruptions caused by the COVID-19 pandemic.

The first MTW statutory goal is to help families achieve self-sufficiency. To further this goal, INLIVIAN has implemented both rent reform policies that decrease disincentives to employment and a work requirement policy with supportive services at its 14 RAD developments. In response to the coronavirus pandemic, the agency has temporarily suspended enforcement of this work requirement until public health and economic conditions improve. INLIVIAN continues to offer supportive services programming and has made multiple additions to better assist families in 2020, including pop-up health events, virtual workshops, and additional support for K-12 students affected by school closures.

The second MTW statutory goal is to increase housing choices for low-income households. Among several other activities to achieve this goal, INLIVIAN has implemented a three-prong HCV mobility program that

comprises exception payment standards for all HCV clients, coaching and education for Opportunity Housing participants, and incentives to encourage landlords to participate in the HCV program. 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. These clients still, however, reside in lower-quality neighborhoods than the population of Charlotte as a whole.

The uncertain future of the COVID-19 pandemic complicates the process of generating recommendations, as the world appears remarkably unsettled as we enter 2021. Nevertheless, we would recommend that INLIVIAN evaluate changes the agency has made in response to COVID-19 for future adoption. For example, some of the policy changes for which HUD has provided waivers may inform future Moving Forward activities.