



KING COUNTY HOUSING AUTHORITY

MAKING TRANSITION WORK

**ANNUAL REPORT
FOR FISCAL YEAR 2006**

Table of Contents

Executive Summary	1
Section I: Households Served.....	3
A. Numbers Served - Planned vs. Actual	3
B. Changes in Tenant and Participant Characteristics	3
C. Applicants.....	7
Section II: Occupancy Policies.....	9
A. Policy Processes.....	9
B. Deconcentration of Low-Income Households	9
C. MTW Policy Initiatives.....	11
Section III: Changes in Housing Stock	13
Section IV: Sources and Amounts of Funding	14
A. Sources and Planned vs. Actual Funding Amounts in the Consolidated MTW Budget.....	14
B. Sources and Amounts of Funding Outside the Consolidated MTW Budget	14
C. Explanation of the Differences between Projected and Actual Funding	15
Section V: Uses of Funds	17
A. Planned Expenditures and Changes in Expenses from the FY2006 Budget.....	17
B. Level and Adequacy of Reserves for the Public Housing and Section 8 Programs.....	19
Section VI. Capital Planning.....	20
A. Comprehensive Needs Assessment System.....	20
B. Ten-Year Capital Work Plan.....	20
Section VII: Owned and Managed Units	24
A. Vacancy Rates	24
B. Rent Collections	25
C. Work Orders	26
D. HQS Inspections	27
E. Security.....	27
F. MTW Initiatives to Improve Operational Efficiency	28
G. Site-Based Management	28

H. Policy Efforts Leading to Greater Efficiency	28
I. FY 2006 Initiatives Deferred.....	29
Section VIII: Leased Housing.....	30
A. Lease-Up Rates	30
B. Ensuring Rent Reasonableness.....	30
C. Expanding Housing Opportunities and Poverty Deconcentration	31
D. Other MTW Demonstration Initiatives	32
E. Inspection Strategy	33
Section IX. Resident Programs.....	35
A. Services and Programs	35
B. Issues and Proposed Actions	39
C. Resident Survey Results.....	41
Appendices.....	42

EXECUTIVE SUMMARY

The end of FY 2006 marks the conclusion of KCHA's second full year of participation in the Department of Housing and Urban Development's Moving to Work (MTW) demonstration program. As a high performing Housing Authority, the MTW program affords KCHA the flexibility to move away from HUD prescribed rules and regulations in favor of programs, policies and procedures designed to address local needs and circumstances. In the face of ongoing reductions in Federal funding, affecting virtually all of KCHA's programs, the flexibility of the MTW demonstration has proven essential to the Authority's ability to accomplish its mission to serve families with the greatest need while pursuing KCHA program objectives including:

- ❑ Increased housing choices for KCHA clients.
- ❑ Increased client self-sufficiency – leading to more positive transitions out of assisted housing, including homeownership.
- ❑ Increased operational efficiency and financial stability for KCHA programs.
- ❑ Preserving and increasing affordable housing opportunities for the region.

Under the MTW demonstration program, KCHA is required to submit an Annual Report to HUD documenting activities pursued during the year, along with data regarding client demographics, financial management, capital projects, and property management performance. The information provided is designed to allow HUD to evaluate the extent to which the Authority has accomplished the goals of the Demonstration and the Annual MTW Plan. This report is the Authority's FY 2006 Annual Report to HUD, documenting activities pursued during the fiscal year beginning July 1, 2005 and ending on June 30, 2006. The report highlights the Authority's accomplishments during the fiscal year in pursuit of its MTW program goals, including:

- ❑ Continued to serve roughly equal numbers of households, with an actual increase, from 10,512 to 11,276, served from the start of the MTW Program to the end of FY 2006.
- ❑ Continued to focus KCHA resources on the poorest and most at-risk households in the region. In FY '06, 86% of households assisted through KCHA's housing programs reported incomes below 30% of AMI.
- ❑ Continued to move Public Housing residents and Section 8 participants along the path to self-sufficiency. In FY '06, the percentage of Public Housing families with employment as their main source of income rose from 36% to 46% - a 10% increase over the prior fiscal year.
- ❑ Assisted families in leaving Federally subsidized housing and achieving homeownership. In FY '06, through a combination of ROSS, HOPE VI, FSS and Public Housing funded programs, over 33 Public Housing residents and program participants purchased homes.
- ❑ Expanded KCHA's locally designed Section 8 project basing initiative. The project based Section 8 program continued to be utilized during FY 2006 to bring on-line replacement housing for the Park Lake Homes HOPE VI initiative, expand the region's supply of housing

for homeless families under the Bill and Melinda Gates Foundation's Sound Families Program and revitalize existing affordable housing.

- ❑ Successfully transitioned the management of Public Housing developments to a site-based model, incorporating the best practices of the private sector into KCHA's daily operations.
- ❑ Revamped the Public Housing Waiting List system, implementing changes developed through the collaborative efforts of staff, residents and community stakeholders to increase applicant choice while maintaining the ability to address urgent housing needs and complementing KCHA's shift to site-based management of Public Housing properties.
- ❑ In conjunction with changes to the Public Housing Waiting List system, implemented modifications to KCHA's approved Local Preferences including (1) expanding the definition of "urgent need" to households whose income is at or below 30% of the Area Median income and (2) establishing a "set-aside" preference to applicants who have graduated from the Sound Families Housing program operated in partnership with KCHA, the Gates Foundation and local service providers.
- ❑ Utilized the authority granted under the MTW demonstration to continue to serve as its own ESCO, installing new energy efficient lighting, thermostats and heating systems and measures to reduce water consumption throughout the Public Housing inventory. Early results of these efforts show significant reductions, especially in the area of water savings where consumption in several sites has dropped more than 50%.

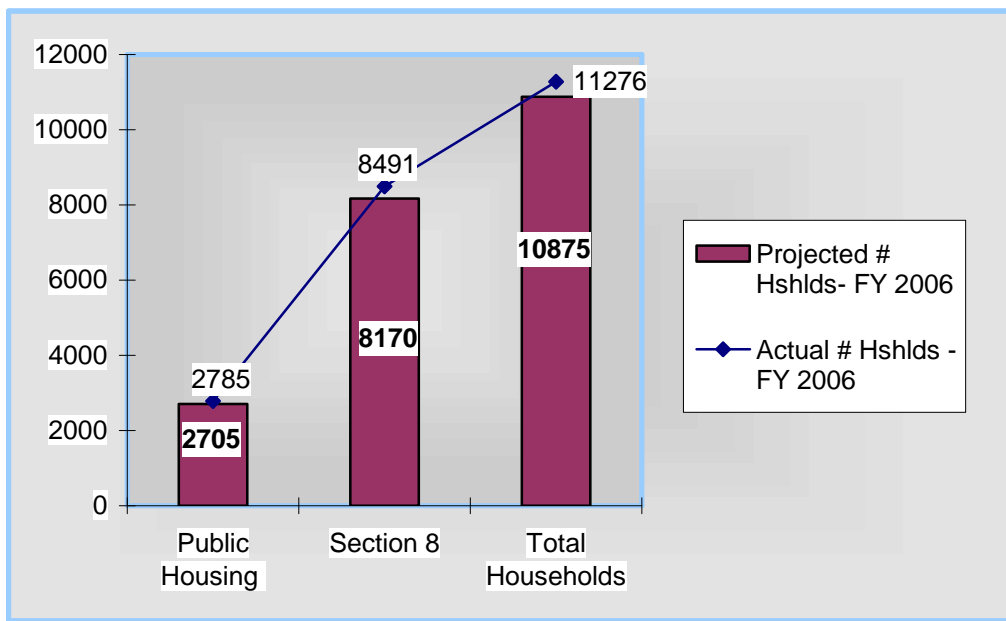
Copies of Board approved resolutions that further outline the policy and procedural changes approved by KCHA during the fiscal year are incorporated into and included as an attachment to this Report.

SECTION I: HOUSEHOLDS SERVED

A. NUMBERS SERVED - PLANNED VS. ACTUAL

Serving those most in need is a strategic goal of KCHA’s MTW Demonstration. Policies to expand access to housing for homeless households and individuals with disabilities under the Public Housing and Section 8 Program are examples of the Authority’s ongoing commitment to the county’s neediest households. The number and characteristics of applicants and residents served by KCHA’s Public Housing and Section 8 Programs exceeded projections identified in the FY 2006 MTW Annual Plan. As shown in Figure 1-A-1, a total of 2,785 households were served through KCHA’s Public Housing program while 8,491 households were participants in the Section 8 program administered by the Housing Authority at the end of FY 2006.

Figure 1-A-1



B. CHANGES IN TENANT AND PARTICIPANT CHARACTERISTICS

The Public Housing inventory shrunk slightly in Fiscal Year 2006. These differences in the numbers and characteristics of Public Housing households served in FY 2006 compared to households served at the beginning of the fiscal year reflected in Appendices A - M are primarily attributable to the relocation of residents from Park Lake Homes I as the redevelopment of the site under HUD’s HOPE VI reconstruction program progresses. It should be noted that KCHA’s

reduction of Public Housing units under the HOPE VI program has been matched one-for-one with increases in Housing Choice Vouchers for affected clients. The size of Section 8 supported units also shifted slightly downward as a result of cost saving measures implemented for the Section 8 Housing Choice Voucher program in FY 2005 and carried over for much of FY 2006.

Unit Sizes. Appendix A reflects approximately 87 fewer households in occupancy at the end of the year as compared to levels reported at the beginning of FY 2006. Figures 1-B-1 and 1-B-2, illustrate the change in the distribution of unit size for the Public Housing inventory at the end of FY 2006 as compared to that of FY 2003 when KCHA entered into the MTW demonstration program.

Figure 1-B-1

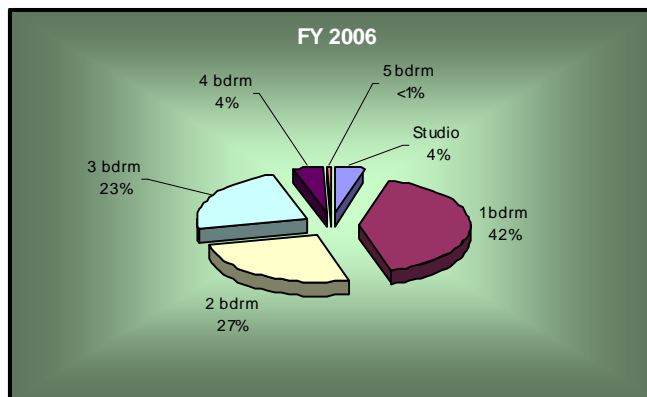
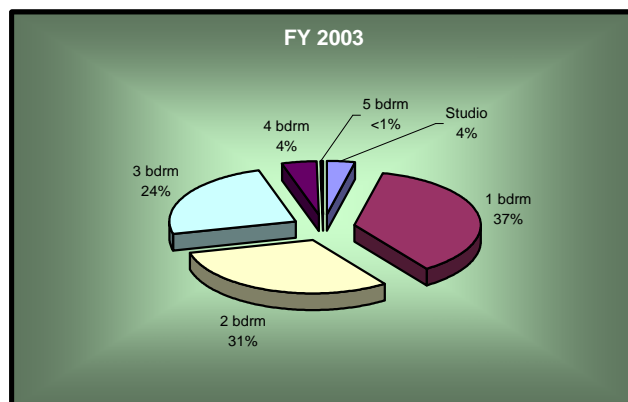
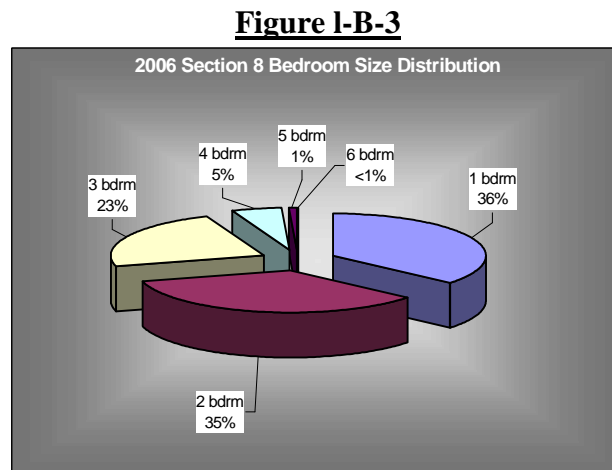


Figure 1-B-2



End of year data for KCHA's Section 8 Housing Choice Voucher program shows a significant change in the distribution of unit sizes among Section 8 participants. The change is attributed to KCHA's modification of program occupancy standards in FY05 as a means of controlling program costs. The largest jump (37%) came in the one bedroom units as a number of 2 person families were reduced to a one-bedroom unit as a result of their family composition. Standards established in FY 2005 were relaxed somewhat beginning in the 3rd quarter of FY 2006. As a result, KCHA could see a trending upward in bedroom sizes during the next fiscal year.

Figure 1-B-3 shows the bedroom size distribution of KCHA’s Section 8 Housing Choice Voucher Program at the end of Fiscal Year 2006.



Household Type. KCHA’s Designation Plan, which allocates up to 78% of the units within the Authority’s Mixed Population developments to elderly and near-elderly (age 55-62) households, has become an effective tool in balancing the housing needs of elderly and disabled households within units formerly designated as “elderly only” developments. Since implementation of the Designation Plan, KCHA’s percentage of elderly households has stabilized at around 67%. Appendix X provides detailed information regarding the current status of elderly and disabled populations in each of KCHA’s Mixed Population buildings.

Data provided in Table 1-B-4 provides a historical comparison of family types participating in KCHA’s housing programs. Changes in distribution for the Section 8 program are largely the result of KCHA’s focus on increasing housing resources available to disabled households.

Although not affected by KCHA’s Designation Plan, FY 2006 data in Appendix A and shown below reveals a continued decrease in the number and % of disabled households living within KCHA’s family communities. As with other changes, this is largely the result of the shift to Section 8 of households impacted by the HOPE VI Program at Park Lake Homes, a community that historically housed a large number of disabled residents.

Table 1-B-4

	FY 2003			Projected FY 2006			FY 2006 Actual		
	Disabled	Elderly	Family	Disabled	Elderly	Family	Disabled	Elderly	Family
PH Family Hshlds	392	345	1363	297	316	1101	267	279	1084
PH Mixed Hshlds	360	789	10	367	778	13	367	772	16
Subtotal:	752	1134	1373	664	1094	1114	634	1051	1100
Section 8 Hshlds	2259	982	4012	2678	1131	4217	2917	1282	4292
Grand Total:	3011	2116	5385	3342	2225	5331	3551	2333	5392

Race and Ethnicity. As expected, the policy changes implemented in FY 2006 did not result in a significant change in the racial/ethnic make-up of the Public Housing developments. Similarly, the racial and ethnic composition of participants on the Section 8 Program did not change significantly from numbers reported in the prior fiscal year. Table 1-B-5 illustrates the change in racial characteristics in KCHA’s Public Housing and Section 8 households over the term of MTW participation and highlights FY 06 projections against actual results.

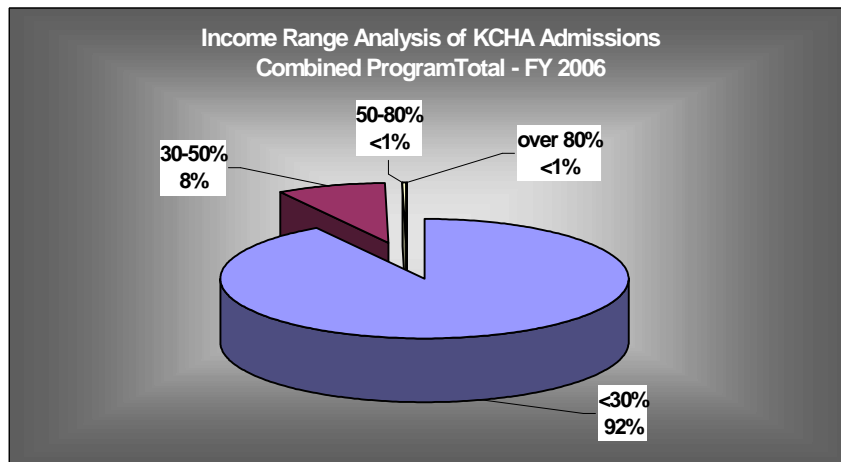
As anticipated, in conjunction with the relocation of families from Park Lake Homes, a slight shift in the overall population percentages has occurred. The increase in the percentage of white households (4%) and decrease in the percentage of Asian (7%) households in the family communities are due mainly to the shift of a large number of households from Park Lake Homes to Section 8 vouchers. This development had a significantly higher percentage of Asian households (50%) compared to the overall family Public Housing population (25%).

Table 1-B-5

	FY 2003						FY 2006 Projected						FY 2006 Actual				
	White	Black	Native American	Asian	Latino	Other	White	Black	Native American	Asian	Latino	Other	White	Black	Native American	Asian	Latino
PH Family Hshlds	1026	418	19	596	41	0	889	353	14	412	46	0	847	376	16	341	50
PH Mixed Hshlds	875	76	5	180	23	0	845	78	4	207	24	0	816	90	5	217	27
Subtotal:	1901	494	24	776	64	0	1734	431	18	619	70	0	1663	466	21	558	77
Section 8 Hshlds	4,022	2,554	93	313	152	119	4362	2751	105	441	301	65	4466	2990	131	569	335
Grand Total:	5,923	3048	117	1089	216	119	6096	3182	123	1060	371	301	6129	3456	152	1127	412
	56.3%	29%	1.1%	10.4%	2.1%	1.1%	55.9%	29.2%	1.1%	9.7%	3.4%	0.6%	54.4%	30.6%	1.3%	10%	2.7%

Income Group. Under the terms of KCHA’s MTW Agreement, the Authority is obligated to ensure that a minimum of 75% of households served have incomes below 50% of the Area’s Median Income (AMI). During FY 2006, over 90% of new admissions to KCHA’s Public Housing and Section 8 programs had income falling below 30% of the AMI. This high percentage of extremely low-income families reflects the overall economic environment of the greater King County region, as well as KCHA’s continued focus on serving those most in need through its housing preference policies. Figure 1-B-6 illustrates the income range analysis of KCHA admissions for its combined programs.

Figure 1-B-6



While serving those greatest in need will continue to be a focus at KCHA, the Authority is also determined to assist families as they move along the path to self-sufficiency. To this extent, KCHA has worked with community stakeholders to provide programs designed to assist families to increase skills necessary to obtain (and ultimately retain) employment. KCHA records at the end of FY 2006 indicate 45.9% of Public Housing residents rely upon “employment” as their main source of income - more than a 10% increase over totals reported at the onset of the fiscal year.

C. APPLICANTS

Appendices N - R provide information about the Public Housing and Section 8 waiting lists. The Section 8 waiting list reopened on April 26, 2006 for a period of two weeks during which time over 10,800 applications were received. Public Housing waiting lists remain open and currently contains 3,051 households.

As discussed elsewhere in this Report, during April 2006, KCHA took steps to re-organize its Public Housing Waiting Lists in order to allow families greater choice in determining where they would reside. Under the new policies, applicants were provided with an opportunity to apply for up to two (2) site-based or regional waiting lists. As part of the conversion process, the Public Housing waiting list was updated during FY 2006 by contacting each household to determine their preference in housing choice. As shown in Appendix N, the total of 3,051 households is significantly down from the 5,883 reported in the prior fiscal year. However, the 48% drop in names on the waiting for Public Housing assistance is not surprising. Rather, as outlined in the MTW Plan, the adjustment was expected as a result of efforts to purge and update the waiting list in conjunction with policy changes implemented during the fiscal year.

As stated above, the Housing Authority received over 10,800 applications when it reopened the Section 8 waiting list. In order to ensure applicants would not be required to wait an unreasonable amount of time for housing assistance, the size of the waiting list was limited a

maximum of 2,500. Following the close of the two-week opening, a lottery was held to determine which households would be added to the wait list. Waiting list data shown in Appendix R reflects the current demographic make-up of households selected through the lottery process.

SECTION II: OCCUPANCY POLICIES

The Authority developed, adopted and implemented a number of occupancy policies affecting the Public Housing and Section 8 programs and is in the process of exploring new rent policies. These policies and program changes are intended to:

- Improve the quality of life of KCHA clients.
- Simplify administrative processes for both clients and staff.
- Increase the efficiency and cost-effectiveness of administering the programs.
- Increase the housing choices of low-income households.
- Support residents in their efforts to become self-sufficient.

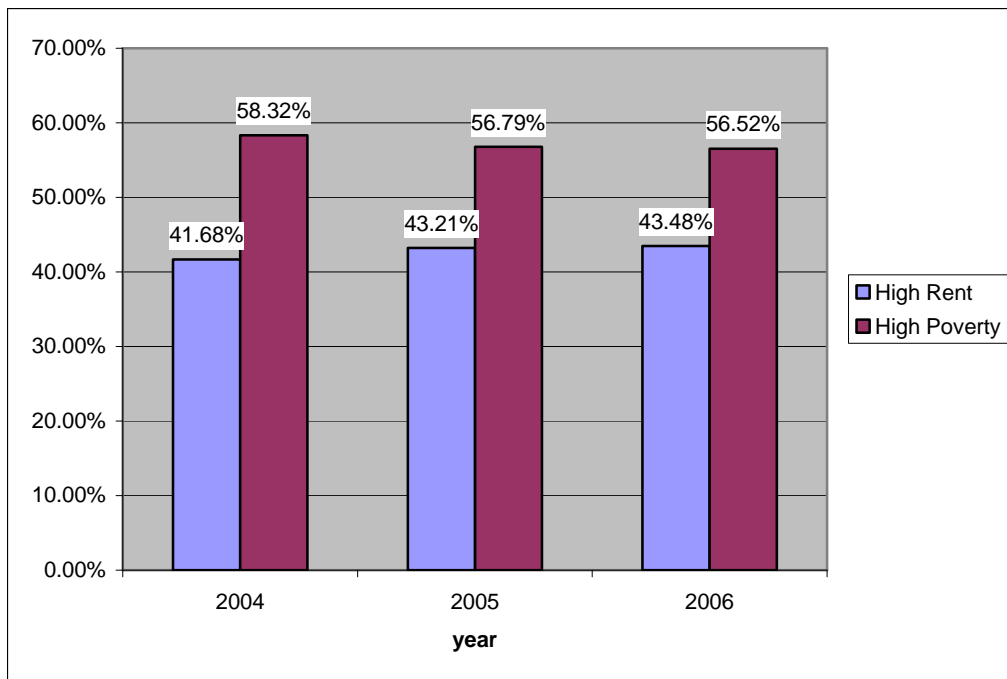
A. POLICY PROCESSES

KCHA staff at all levels and the Resident Advisory Council are consulted on all proposed policy and program changes before KCHA's Board considers policy proposals. In addition, proposals that may result in negative impacts on residents or applicants are reviewed through a process that includes relevant stakeholders. For example, if a policy could result in higher housing costs for KCHA clients, participation from residents, advocates, and service providers is invited and encouraged as early as possible in the policy development process. On the other hand, if changes are purely administrative and designed to increase internal administrative efficiency and the Authority holds a high level of confidence that residents will not be negatively impacted, only staff and the Resident Advisory Board are consulted.

B. DECONCENTRATION OF LOW-INCOME HOUSEHOLDS

In Public Housing, the most significant effort to reduce poverty concentrations currently underway is the revitalization of the Authority's largest family development - Park Lake Homes I - into a new mixed-income neighborhood – under the HOPE VI Program. Relocation of residents is in full swing. Over 250 Park Lake Homes units will be replaced off-site in areas of King County with better-resourced school districts, stronger employment opportunities, and lower poverty rates. Through KCHA's new Section 8 Project-Based Assistance Program, replacement of demolished units has begun, to date almost exclusively in East King County, the area of King County with the lowest poverty rates. As illustrated in Figure 2-B-1, KCHA has been somewhat successful in this area, increasing the participation of Section 8 households within more affluent neighborhoods, while occupancy in "high poverty" neighborhoods has diminished.

Figure 2-B-1



Other efforts to increase the mix of incomes in Public Housing have focused on economic self-sufficiency programs for existing residents. Public Housing has seen ongoing reductions in the percentage of family households who list Temporary Assistance for Needy Families (TANF) as their primary source of income – down to 16.5% overall from 18% in the prior year (and 21% in Fiscal Year 2004) - a 4.5% drop over 2 years

Although KCHA has implemented a Deconcentration policy consistent with HUD requirements, concentrations of extremely low-income households have not reached a level that requires KCHA to skip such households on the waiting list

The Section 8 Program continues to offer higher rent subsidies (exception rents) in higher cost rental markets in order to enable participants to rent in these areas and to assist in lessening concentrations of low-income households in higher poverty areas of King County. A total of 992 Section 8 households currently reside in exception rent areas.

C. MTW POLICY INITIATIVES

The following policy/program changes were explored and/or adopted during FY2006:

1. Public Housing Waiting Lists and Preferences.

Following implementation of site-based waiting lists for two of its developments: Pickering Court (Snoqualmie) and Casa Madrona (Olympia) in Fiscal Year 2005, KCHA began to explore the feasibility of implementing site-based waiting lists throughout its jurisdiction. Working with staff, residents and community stakeholders KCHA developed initial policy guidelines to reduce waiting list administration costs while offering applicants an opportunity to choose the development in which they will live.

Final policy recommendations were adopted and fully implemented during FY 2006. Included in the revisions implemented were the following changes:

- ❑ A new waiting list system, consisting of both Regional and Site-based waiting lists, which will allow applicants a choice of applying for up to two (2) specific housing developments, or a choice to apply for the first available unit in up to two (2) Regional waiting lists. As proposed, this system provides applicants with more choice in determining the location in which they will reside, while protecting households with more urgent housing needs by allowing applicants to choose to place their name on the Regional waiting list and be considered for a broader spectrum of units.
- ❑ Revised Local Preferences, expanding the definition of urgent need to include a preference for households with total income at or below 30% of the Area Median Income (AMI), based on household size. Application of this revision will increase the opportunity for economically disadvantaged households to obtain housing assistance, while significantly reducing KCHA's administrative burden.
- ❑ Creation of a separate waiting list for Public Housing applicants participating in the Sound Families Transitional housing program operated in partnership with KCHA and the Bill and Melinda Gates Foundation. One in every three vacancies in Public Housing will be made available to families transitioning out of homelessness through the Sound Families initiative.

2. Section 8 Project-Basing.

KCHA is expanding the amount of Project Based Assistance available in order to increase housing opportunities for extremely low-income households in three primary categories: 1) Local affordable housing preservation; 2) Supportive Housing with wrap-around services; and 3) Replacement Housing under the HOPE VI initiative. The following is a list of contracts executed in FY 06 in each of these categories:

Supportive Housing with wrap-around Services: 26 units

Project	Owner	Population Served	Units
Appian Way	Intercommunity Mercy Housing	Homeless Families	15
Enumclaw Fourplexes	KCHA	Homeless Families	4
Kensington Square (AHAP)	Housing at the Crossroads	Homeless Families	6
Lauren Heights (AHAP)	Lauren Heights, LLC	Homeless Families	5
Villa Esperanza (AHAP)	Villa Esperanza, LLC	Homeless Families	23

Replacement Housing: 161 units

Project	Owner	Population Served	Units
Summerfield Apts	Summerfield Housing, LLC	Families	13
Summerwood Apts (AHAP)	Summerwood Housing, LLC	Families	25
Seola Crossing (AHAP)	KCHA	Families	110
Eernisse Apts (AHAP)	Eernisse Housing, LLC	Families	13

3. Rent Policies and Other Changes Related to Self-Sufficiency

During FY 2006 the Authority deferred exploration of changes to the Public Housing and Section 8 Program Rent Policies as well as changes to the Family Self-Sufficiency (FSS) Program. In the next fiscal year, KCHA anticipates building upon work completed in 2005 including meetings with staff to help identify and define problems with the current policies, develop policy goals and explore potential alternatives to the current policies and protocols. To support this effort, in FY 2006, KCHA has increased outreach efforts to allow residents, service providers and advocates for low-income families to participate in meetings regarding proposed changes and policy planning. As part of this endeavor, KCHA worked collaboratively with residents to reconstitute the Authority's Resident Advisory Council (RAC) to ensure resident involvement in the MTW decision-making process. Participation of the two newly formed RAC committees will be integral during FY 2007 as KCHA moves forward to investigate potential changes in Rent and Income policies.

It is the Housing Authority's goal that any Rent Policy changes be designed to encourage employment and income progression among program residents. This initiative is part of a broader effort to strengthen the self-sufficiency outcomes for all KCHA clients. Changes to the FSS program and existing self-sufficiency programs serving Public Housing residents will improve participants' chances of obtaining jobs and increasing their incomes. These changes will also be designed to increase cost-effectiveness, simplify program administration and sharpen the focus on outcome based service delivery.

SECTION III: CHANGES IN HOUSING STOCK

A strategic goal of KCHA's MTW Demonstration is to preserve and increase the availability of affordable housing in King County. The Authority particularly wants to ensure that the number of units serving extremely low-income households does not decrease, especially during the redevelopment of Park Lake Homes I. The table below provides information about the total number of KCHA housing units projected to be available and the actual number of units available at the end of FY 2006. These numbers represent the gross number of units in listed programs.

Housing Program	Projected FY '06	Actual FY '06
Section 8 Vouchers	6,850	6,850
Low Income Public Housing (LIPH) Units	2,723	2,854
Section 8 New Construction Buildings	174	174
Preservation Program Buildings	271	271
TOTAL KCHA UNITS	10,018	10,149

KCHA's overall program projections for FY 2006 turned out to be relatively accurate, slightly above estimates at beginning of the fiscal year. At the close of FY 2006, a total of 131 households remained in occupancy at Park Lake Homes resulting in the variance from total Public Housing units projected in the MTW Plan. These remaining families are expected to transition out of Park Lake during early FY 2007 as the site moves full swing into the next phase of redevelopment under the HOPE VI Revitalization program. The Public Housing numbers include units that are available for resident occupancy, units being used to accommodate agencies serving KCHA residents, and 10 units destroyed by fire at Springwood Apartments in July 2004. The Housing Authority intends to rebuild these units and as a result has not requested to have them deleted from its inventory. The Section 8 numbers reflect all vouchers KCHA is authorized to issue.

SECTION IV: SOURCES AND AMOUNTS OF FUNDING

This Section compares the projected and actual FY 2006 sources and amounts of funding included in the consolidated MTW budget statement, the sources and amounts of funding outside the consolidated MTW budget and the Consolidated Budget Statement. This Section also includes the Authority's Consolidated Financial Statement for FY 2006. Please note that the following figures represent un-audited fiscal year end financial data. The audited Consolidated Financial Statement for FY 2006 will be available in March 2007.

A. SOURCES AND PLANNED VS. ACTUAL FUNDING AMOUNTS IN THE CONSOLIDATED MTW BUDGET

The following table compares the revenues projected in the FY 2006 MTW Plan with the actual revenues received by KCHA for FY 2006 for the Section 8 Housing Choice Vouchers and Public Housing Programs.

PROJECTED REVENUES	FY2006 BUDGET	FY2006 ACTUAL
Dwelling Rental Income	\$ 7,114,875	\$ 7,228,168
Investment Income	96,862	761,152
Other Income	520,014	626,977
Section 8 Block Grant	60,718,303	60,149,677
Section 8 Subsidy and Port/Admin Fees	3,212,600	2,822,796
Capital Subsidy (CFP all years)	10,269,954	9,699,172
Operating Subsidy (PH)	7,376,658	7,419,186
Total Revenues	\$ 89,309,266	\$ 88,707,128

B. SOURCES AND AMOUNTS OF FUNDING OUTSIDE THE CONSOLIDATED MTW BUDGET

KCHA operates Section 8 New Construction and Preservation Programs that are not part of the MTW Demonstration but receive HUD funding. Their projected and actual revenues are included in the table below. The table also reflects projected revenues of non-Capital Fund Grants.

PROJECTED REVENUES	FY 2006 BUDGET	FY 2006 ACTUAL
Dwelling Rental Income	\$ 1,409,229	\$ 1,285,103
Investment Income	347,794	311,697
Other Income	55,378	111,596
Section 8 Subsidy and Admin Fee	2,748,041	2,798,165
Capital Subsidy	0	-
Operating Subsidy	0	-
Grants (non CFP)	10,282,074	15,676,853
Total Revenues	\$14,842,515	\$ 20,495,187

Consolidated Budget Statement:

PROJECTED REVENUES	FY 2006 BUDGET	FY 2006 ACTUAL
Dwelling Rental Income	\$ 8,524,104	\$ 8,513,271
Investment Income	444,656	1,072,849
Other Income	575,392	738,573
Section 8 Block Grant	60,718,303	60,149,677
Section 8 Subsidy and Admin Fee	5,960,641	5,620,961
Capital Subsidy	10,269,954	9,699,172
Operating Subsidy	7,376,658	7,419,186
Grants	10,282,074	15,676,853
Total Revenues	\$ 104,151,781	\$ 108,890,542

C. EXPLANATION OF THE DIFFERENCES BETWEEN PROJECTED AND ACTUAL FUNDING

Initial preparation of the MTW budget is in advance of the Authority's actual budget cycle. As a result, certain budget lines are based on assumptions that later are modified before the working budget is approved by the Authority's Board of Commissioners. Although in general, KCHA's funding sources were budgeted accurately, certain line items showed a significant variance. Major variances are discussed below.

- Projected rents were slightly higher in Public Housing due to minor differences in the relocation schedules for tenants at the HOPE VI project. More tenants were on the rent rolls. The non-MTW rent, particularly for the Preservation Projects, was short of estimates due to higher than anticipated vacancies as a result of numerous internal transfers of residents. It is also hard to estimate the relative rent versus subsidy budget in project based Section 8 buildings with a contract rent. HAP received on these developments was slightly over budget.
- Investment income is significantly favorable to budget. KCHA's MTW block grant reserve grew at a higher than expected pace as amounts needed to fund tenant assistance fell following certain changes to the program rules instituted by the Board of Commissioners when CY 2005 HUD budgets were released. KCHA has since relaxed some of these rules and opened its waiting list in order to boost utilization. At the time the budget was developed, it was not yet certain that all of the Authority's vouchers (excluding Mainstream) would be placed into the block grant, thus it was difficult to forecast how large the block grant would be. Finally, in addition to having more funds to invest, rising interest rates boosted earnings beyond initial budget projections. At the time the MTW budget was prepared, the Washington State Investment Pool was earning 3.4%; its current earnings rate is 4.89%.

- ❑ Other income reflects tenant charges other than rent including work orders, legal fees and laundry income. Housing Management is typically very conservative in its estimates of these amounts. KCHA simply received more revenue for these items than expected.
- ❑ Section 8 Block Grant funding was below estimates due to the zero AAF granted to the Seattle area in calculating funding for CY 2005 and the .02% granted in CY 2006. KCHA is experiencing significant increases in local market rents; however, because HUD uses less current information, its estimates of inflation are lower.
- ❑ Non-Block Grant Section 8 income includes HAP for the Mainstream and project-based Section 8 properties. It also includes fees for portable vouchers coming into King County. Although rents in the County are less affordable than in years past, KCHA continues to see a steady stream of voucher holders from the City of Seattle; this has kept net portable vouchers and the resultant income at higher than anticipated levels.
- ❑ The CFP expended (drawn through HUD's LOCCS system) in the current fiscal year is slightly below budget at \$9.7 million. Certain projects were delayed as approaches were refined in a market where costs are quickly escalating. No projects were deleted from the plan.
- ❑ Operating subsidy is close to estimate; however KCHA's FY 2006 receipts include an overpayment of subsidy for CY 2006 which will be corrected in FY 2007. All housing authorities nationally were paid in this manner, with 92% of eligibility funded in the first half of the year will be offset by a projected 78% funding in the second.
- ❑ Non-CFP grants includes primarily HOPE VI, ROSS, FSS and MTW grants. It also includes local grants from King County in connection with the HOPE VI project. Those grants were not included in FY 2006 budget projections. The Greenbridge HOPE VI project is on-schedule to re-house its first residents in August 2006. Schedules for payments to contractors and use of HUD versus non-HUD sources has changed since the original budget was proposed.

SECTION V: USES OF FUNDS

This Section compares FY 2006 budgeted expenditures with actual FY 2006 expenditures by line item. This Section also identifies the level and adequacy of reserve balances at the end of FY 2006. Please note that the following figures represent unaudited fiscal year end financial data.

A. PLANNED EXPENDITURES AND CHANGES IN EXPENSES FROM THE FY2006 BUDGET

Following are the amounts that were budgeted in FY 2006 as compared to actual expenditures in FY 2006 by line item.

PROJECTED EXPENDITURES	FY 2006 BUDGET	FY 2006 ACTUAL
Administration and General	\$ 19,321,237	\$17,541,009
Housing Assistance Payments	2,014,000	1,621,796
Section 8 Block Grant HAP	60,718,303	60,149,677
Utilities	2,877,716	2,725,256
Maintenance and Contracts	1,280,016	1,313,853
Capital Projects	9,008,339	7,781,792
Total Expenses	\$ 95,219,611	\$ 91,133,353

Description of the Changes in the Budgeted Activities in FY 2006:

The Authority's actual overall expenses varied from the original budget in specific areas for the following reasons:

- ❑ Administrative expenses, which includes management fees, is significantly below budget. Due to a delay in settlement of the Authority's collective bargaining agreement, cost of living increases for maintenance workers were deferred to FY 2007. In addition, positions, which had been budgeted for the entire year, went unfilled for a portion of the year. Overall management fees charged to the MTW portfolio were \$400 thousand below forecast; fees were based on actual overhead costs incurred; the same pattern of deferral or containment was evident in Central Office Cost Center expenditures.
- ❑ Housing Assistance Payments for the block grant mirror receipts and are subject to the same reasons for variances attributed to reduced funding receipts as outlined in Section 4.C. of this report. Per unit costs for the non-block grant vouchers, all of which are Mainstream, were below estimates throughout the year.
- ❑ Capital projects were approximately \$1.3 million below estimates. Two major projects charged to Public Housing were not commenced during FY 2006 but moved forward into the FY 2007 budget: the relocation of the Southwest Regional office and predevelopment costs of the Springwood revitalization plan. These projects had been scheduled to be funded from Public Housing operations, not CFP.

Ongoing Review of Energy Costs: Using its MTW authorization to act as its own ESCO, KCHA and its energy partner Siemens Building Technologies (SBT) spent most of FY 2006 installing energy measures in Public Housing buildings including new energy efficient lighting, thermostats and heating systems. As of September 2006 all remaining measures will be installed. In anticipation of billing residents for excess water usage, water meters were placed either directly on cold water lines or on hot water heaters in every family development. In addition, all outside watering was eliminated by locking hose bibs. KCHA's water usage has declined dramatically at many developments including several where consumption has dropped more than 50%. Total utility costs, excluding trash pickup for Public Housing, were \$2,214,436.

Private Sector Property Management Practices: KCHA completed its transition to a decentralized, site based management model in April 2006. Each KCHA property manager has been assigned a portfolio of up to 323 units and given responsibility for the overall management of specific developments, including maintenance, procurement (within limits), employee evaluations, budgeting and customer relations. Included in this model was the transition to site waiting lists, through which prospective tenants could select up to two sites or regions in which to live. Currently the waiting list is managed centrally, though it may later be transitioned to site management when site staff become proficient at the many new tasks now assigned to them. KCHA budgeted approximately \$1.2 million during FY 2006 to construct and equip site-based offices. Significant training resources were required to assist site staff in assuming their new responsibilities, including computer and financial analysis classes which in-house staff generally conducted.

Core Software System: The Authority converted to its current core software system in May 2004. During FY 2006, KCHA's Information Technology Advisory Committee (ITAC) reviewed numerous requests for modifications to the program software, resulting in completion of approximately sixty-four (64) enhancements designed to improve operational productivity. Among the enhancements were direct deposits of landlord payments, document imaging of accounting information, modification of the Applications module to allow Site-based and Regional Wait List selection, and a variety of program changes to streamline data entry and operations. In addition, Site, Regional and Central Office users received training on the use of Crystal Reports software, providing the tools necessary to access and track tenant and financial data necessary to monitor the financial performance of properties. Field staff now receive timely (15th of the month) financial reports showing all monthly activity as well as monthly and year to date variances against budget projections. During FY 2006, KCHA staff continued to expand proficiency in the use of a variety of software tools. Utilizing these strengths, it has linked the core system database to KCHA's web site, allowing immediate access to Public Housing waiting list wait times for potential applicants. No other housing authority in the country has this capability with this particular software product.

B. LEVEL AND ADEQUACY OF RESERVES FOR THE PUBLIC HOUSING AND SECTION 8 PROGRAMS

Following are the reserve balance amounts that were budgeted in FY 2006 compared to actual reserve balances by line item at the end of the year:

FISCAL YEAR 2006	BUDGETED RESERVE BALANCES	RESERVE BALANCES AT END OF YEAR
Public Housing	\$ 4,120,303	\$ 9,495,392
Section 8 Fee Reserve	3,560,153	8,694,709
Section 8 Internal Project Reserve	632,247	4,100,000
Total Reserves	\$ 8,312,703	\$ 22,290,100

These reserve balances represent projected and actual cash on hand as of June 30, 2006. Several factors have contributed to the wide variance between the two numbers. For the Section 8 program, KCHA's block grant reserves increased more rapidly than expected due to cost cutting measures implemented early in the CY 2005 funding cycle. The full impact of these measures fully hit during FY 2006. Section 8 reserves were also affected by a reduction in the utilization rates that resulted from a freeze on the reissuance of vouchers in FY '05. This freeze has been lifted as various cost containment measures have taken effect and utilization has climbed steadily during FY '06. June 2006 utilization was at 96.28%. FY '07 utilization is projected at 99%. As budget trends have shifted, KCHA is now taking steps to reduce the rent burden on participants, which has crept up over the past 18 months. The Authority placed an internal restriction on approximately \$4.1 million in Section 8 reserves to create a one month project reserve. This will enable KCHA to aggressively approach 100% utilization.

With regard to both Public Housing and Section 8, early budgets forecast cash losses in both programs due primarily to non-CFP capital outlays. This capital work was deferred into early FY 2007. Finally, it appears that at the point in time at which year-end balances were estimated, KCHA had significant amounts due to it from HUD for reimbursable grant expenses. This artificially depressed the opening balances. Actual opening balances at July 1, 2005 were approximately \$4.0 million higher than those used in the FY 2006 MTW Plan.

With one month "restricted" Section 8 reserves, and Public Housing reserves equal to approximately 10 months of expenses, KCHA is well positioned to support its operations in the coming year. Having these resources, plus unrestricted block grant reserves allows the Authority more freedom to experiment within the limits of its MTW authorization on self-sufficiency, homeownership and rent initiatives during the remainder of the demonstration period. It also helps to buffer KCHA's deep subsidy programs against significant on-going Federal budget funding cuts predicted in the foreseeable future.

SECTION VI. CAPITAL PLANNING

A. COMPREHENSIVE NEEDS ASSESSMENT SYSTEM

The King County Housing Authority has developed and implemented an in-house comprehensive needs assessment (CNA) inspection program and database system that includes all of KCHA's federally assisted properties. This in-house program helps the agency identify:

- ❑ The condition of properties.
- ❑ Completed capital improvement work.
- ❑ New capital improvement work needed to upgrade and maintain the life of the property.
- ❑ All associated costs.

KCHA has used the CNA to generate complete capital replacement and repair schedules for its Public Housing and other housing properties.

B. TEN-YEAR CAPITAL WORK PLAN

Based on the CNA, the Authority has developed a 10-year work plan (FY 2003 to FY 2012) to address the highest priorities among the identified capital needs for Public Housing developments. The 10-year work plan just completed the third year of capital improvements in FY 2006. The work plan provides a description, schedule (year), and projected costs of all capital projects that will be undertaken through FY 2012. The total cost for projects in the 10-year plan through FY 2012 is approximately \$51.5 million based on current estimates. These estimates are updated annually. The work plan also identifies all capital needs that are deferred beyond 2012. The current total of deferred capital needs is \$72.7 million. The CNA is updated annually to reflect system life cycles, property conditions and needs, overall inventory priorities, and estimated costs for both planned projects and deferred projects. KCHA's ability to complete scheduled work within the 10-year work plan is dependent on sustained levels of annual appropriations for the Capital Fund by Congress, and the ability to leverage capital funds to supplement available funding for critical capital improvements. Some of the major needs addressed in FY2006 include:

- ❑ **Park Lake Homes Redevelopment.** The Authority received a HOPE VI Revitalization Grant in 2001 for the Park Lake Homes I community and the first phase of vertical construction is currently completing. This 92 acre distressed community will be completely redeveloped into a mixed-income neighborhood (Greenbridge) of Public Housing and market rate rentals as well as homeownership opportunities for a broad spectrum of household incomes. Three hundred Public Housing units will be replaced on site, and 269 will be replaced elsewhere on a one-for-one basis with units subsidized through project-based Section 8 assistance. FY2006 activities included permitting, demolition, site grading, infrastructure construction and completion of 80 units in the first phase of vertical construction. The

second phase of demolition and infrastructure construction as well as additional housing construction will occur in FY 2007.

- ❑ **Fire and Life/Safety Upgrades in Mixed-Population Buildings.** The Authority continues to move forward on its the multi-year plan to update the Fire and Life/Safety systems in all its mixed-population buildings including the upgrade of fire alarm systems and the installation of fire sprinkler systems . This work has been completed at 13 Public Housing sites and two Section 8 sites with the remaining 8 buildings to be completed by FY2009. In FY 2006, Yardley Arms, a 67-unit Public Housing senior/disabled site and Southridge House, an 80-unit Public Housing senior/disabled site were upgraded under this initiative.

- ❑ **Springwood Apartments Revitalization.** This aging and physically distressed 333-unit property will undergo a total renovation over a multi-year period. Because Capital Fund resources are inadequate to fund this project, KCHA plans on funding the revitalization through disposition of the property with leveraging a combination o bank, tax credit, replacement housing factor capital and state and local financing. Preliminary estimates indicate that \$30 million to \$40 million is needed for hard costs to bring the buildings up toe Housing Authority standards. The Authority is currently procuring architectural and engineering services to prepare construction plans for the revitalization project.

- ❑ **New Signage.** New modern signage, including monument, way finding, directional, and unit signs continue to be installed as part of the scope of work for all capital improvement projects.

- ❑ **Springwood Recreation Center.** The expansion of a dilapidated one-story, 5,350 square foot community building into a two-story, 10,845 square foot complex that includes a gymnasium, commercial kitchen facilities, computer lab and after-school homework clinic at the Springwood Apartments Development in Kent has been completed.

- ❑ **Other Major Multi-Year Projects.** Utilizing a \$3.9 million ESCO financing executed in FY 2005 with Siemens Building Technologies, KCHA completed a variety of energy efficiency measures. The project will be completed in September 2006. The Authority also completed the substantial interior remodel of Firwood Circle, a 50-unit site in Auburn, which also received new underground utility upgrades including side sewers, gas lines, and water lines.

FY 2006 Capital Projects for Public Housing
Projected/Obligated/Actual Expenditures by Property

Community	Summary of Work Activities	Projected Costs	CFP Obligated FY2006	CFP Spent in FY2006	Status and Explanation
2-22 Yardley Arms	Fire and life safety upgrades including domestic water, community spaces remodel, and upgrading heating systems.	\$1,800,000	\$2,088,094	\$2,088,094	COMPLETED
2-20 Southridge House	Fire and life safety upgrades including domestic water, community spaces remodel, upgrading heating systems, and exterior improvements.	\$2,500,000	\$2,639,786	\$2,639,786	COMPLETED
2-21 Casa Juanita	Infrastructure improvements	\$500,000	\$517,000	\$466,358	Bids received in excess of budget. Project scope modified with completion deferred to FY 2007. Project converted to GC/CM. Commenced work in FY06. Completion scheduled for October 2006.
2-34 Springwood Apts	Recreation Center Construction	\$3,000,000	\$600,000	\$600,000	COMPLETED. Project was completed with grant financing. \$600,000 of CFP was used for the project. Total project cost was \$2,616,847.
2-12 Firwood Circle	Interior remodel, water lines, gas meters.	\$2,225,000	\$2,485,072	\$2,485,072	COMPLETED
2-28 Mardi Gras	Decks – repair & replace. Boiler testing.	\$250,000	\$191,188	\$191,188	COMPLETED
2-05 Park Lake II	Furnace/ductwork replacement and mold mitigation.	\$350,000	\$24,600	\$24,600	Project deferred to FY07. Completed engineering scope analysis and recommendations. Project redefined as this site is planned for redevelopment.
2-23 Paramount House	Fire/Life Safety Upgrades A&E	\$0	\$42,790	\$42,790	Commenced A&E design. FY2007 construction project.
2-24 Brittany Park	Fire/Life Safety Upgrades A&E	\$0	\$34,035	\$34,035	Commenced A&E design

FY 2006 Completed Capital Projects for Public Housing

Projected/Obligated/Actual Expenditures by Property

Community	Summary of Work Activities	Projected Construction	CFP Obligated FY2006	CFP Spent in FY2006	Status and Explanation
2-65 Youngs Lake	Underslab Sewer	\$0	\$9,160	\$9,160	Conducted engineering study & investigation
2-09 Valli Kee	Engineering Physical Needs	\$0	\$1,080	\$1,080	Completed envelope analysis
Federal Way Houses	Engineering structural analysis	\$0	\$ 809	\$ 808	Completed analysis
2-40 Gustaves Manor	Building envelope analysis	\$0	\$ 528	\$ 528	Completed analysis
TOTALS		\$10,625,000	\$8,634,141	\$8,583,499	

SECTION VII: OWNED AND MANAGED UNITS

Under the MTW Demonstration, KCHA continues to explore new ways to improve the efficiency and cost-effectiveness of its operations. During FY 2006, the Authority continued to manage its Public Housing developments with a high level of efficiency and attention to quality of service as measured by the following indicators:

A. VACANCY RATES

KCHA's overall vacancy rate for FY 2006 was 1.1%, slightly lower than the target of 1.2% projected by the Authority at the beginning of the fiscal year. KCHA's vacancy rate remains comfortably below benchmarks (98% occupancy rate, 2% vacancy rate) established upon entry into the MTW program, a result of effective waiting list management, unit turn and lease-up protocols. Consistent with KCHA's MTW agreement, the Vacancy Rate is calculated as a snapshot of activity as of April 2006 and excludes units that were undergoing modernization or redevelopment (Park Lake Homes). Table 7-A-1 lists actual vacancy rates for all Public Housing developments in KCHA's inventory.

Table 7-A-1

Development	Households	Units	Vacancy Rate
AVONDALE MANOR	20	20	0.0%
BALLINGER HOMES	110	110	0.0%
BELLEVUE SINGLE-FAMILY HOMES	8	8	0.0%
BOULEVARD MANOR	70	70	0.0%
BRIARWOOD	70	70	0.0%
BRITTANY PARK	43	43	0.0%
BURNDALE HOMES	49	50	2.0%
CAMPUS COURT	13	13	0.0%
CASA JUANITA	80	80	0.0%
CASA MADRONA	67	70	4.3%
CASCADE APTS	107	108	0.9%
CEDARWOOD	25	25	0.0%
COLLEGE PLACE	51	51	0.0%
EASTRIDGE HOUSE	40	40	0.0%
EASTSIDE TERRACE	50	50	2.0%
EVERGREEN COURT	30	30	0.0%
FIRWOOD CIRCLE	46	50	8.0%
FOREST GLEN	40	40	0.0%
FOREST GROVE	25	25	0.0%
GLENVIEW HEIGHTS	10	10	0.0%
GREEN RIVER HOMES	59	60	1.7%
GREENLEAF	27	27	0.0%
GUSTAVES MANOR	35	35	0.0%
JUANITA COURT	30	30	0.0%
JUANITA TRACE	30	30	0.0%
JUANITA TRACE II	9	9	0.0%

Development	Households	Units	Vacancy Rate
KINGS COURT	30	30	0.0%
KIRKWOOD TERRACE	28	28	0.0%
MARDI GRAS	61	61	0.0%
MUNRO MANOR	60	60	0.0%
NORTHRIDGE HOUSE I	69	70	1.4%
NORTHRIDGE HOUSE II	70	70	0.0%
PARAMOUNT HOUSE	70	70	0.0%
PARK LAKE HOMES I & II – HOPE VI Site	131	569	Redevelopment
PARK LAKE HOMES II	164	165	0.6%
PICKERING COURT	30	30	0.0%
PLAZA 17	70	70	0.0%
RIVERTON TERRACE	60	60	0.0%
SHOREHAM	18	18	0.0%
SOUTHRIDGE HOUSE	80	80	0.0%
SPRINGWOOD APTS	321	333	3.6%
THE LAKE HOUSE	70	70	0.0%
VALLI KEE HOMES	114	114	0.0%
VICTORIAN WOODS / FEDERAL WAY HOMES	16	18	11.1%
VISTA HEIGHTS	29	30	3.3%
WAYLAND ARMS	67	67	0.0%
WELLSWOOD	30	30	0.0%
YARDLEY ARMS	67	67	0.0%
YOUNGS LAKE	25	28	10.7%
TOTAL UNITS NOT UNDER REDEVELOPMENT	2,693	2,756	1.1%

B. RENT COLLECTIONS

KCHA continued its successful record in collecting assessed rents in Public Housing. Consistent with projections, the Authority collected more than 98 percent of rents during FY 2006. The Authority’s centralized rent collection system continues to be an effective tool in the rent collection process and will continue to be utilized in the future in lieu of collecting rents directly on site. Table 7-B-1, below, compares *planned* collections, estimated at the beginning of FY 2006, to *actual* achievements at the end of the fiscal year.

Table 7-B-1

Rent Collections – FY 2006				
Region	Dwell Rent Charged	Dwell Rent Revenue	FY 2006 Target	FY 2006 Actual
North	1,149,061			
Eastside	1,127,908			
Southwest	1,528,082			
South	1,606,844			
Totals:	\$7,255,425	\$7,228,168	+ 98%	99.6%

C. WORK ORDERS

During FY 2006, the Housing Authority continued to be successful in meeting projected response rates to both Emergency Maintenance Work Orders and Routine Work Orders. As shown in Table 7-C-1 below, 100% of Emergency Work Orders reported to KCHA during the fiscal year were completed within 24 hours, exceeding the target of 99% established in the FY 2006 MTW Plan. Similarly, as illustrated in Table 7-C-2, KCHA effectively managed completion of Routine Work Orders, exceeding the FY 2006 target (97%) in all KCHA Regions. Overall, during the fiscal year, KCHA completed 98.1% of Routine Work Orders within the established 30-day benchmark.

Table 7-C-1

Emergency Work Order Completion Rates - FY 2006				
Total Completed under 24 hrs				
Region	Total Orders Entered	# Completed under 24 hrs	FY 2006 Target	FY 2006 Actual
North	460	460	100%	100.0%
Eastside	535	535	100%	100.0%
Southwest	526	526	100%	100.0%
South	333	333	100%	100.0%
Totals:	1854	1854	100%	100.0%

Table 7-C-2

Routine Work Order Completion Rates - FY 2006				
Total Completed within 30 Days				
Region	Total Orders Entered	# Completed within 30 Days	FY 2006 Target	FY 2006 Actual
North	1,632	1,610	97%	98.7%
Eastside	5,426	5,302	97%	97.7%
Southwest	4,389	4,324	97%	98.5%
South	5,966	5,851	97%	98.1%
Totals:	17,413	17,087	97%	98.1%

D. HQS INSPECTIONS

KCHA has delayed for future consideration any changes to its Public Housing inspection protocols. As a result, Housing Management staff conducted 100 percent of annual inspections during FY 2006 using HQS guidelines established by HUD for its Public Housing inventory. KCHA received an average score of 88.3 percent under the most recently completed Public Housing REAC inspections (FY 2004) by HUD contractors.

E. SECURITY

The Authority's primary strategies for ensuring resident safety and security continue to be thorough screening of applicants and proactive and consistent lease enforcement by housing management staff. The Authority has implemented and enforces strict one-strike screening policies for each of its Public Housing developments, including mandatory screening of applicant criminal history with the Washington State Patrol and the FBI's NCIC (National Criminal Information Clearinghouse) databank. During FY 2006, as outlined in the MTW Plan, KCHA utilized a collaborative approach to ensuring safety and security within its Public Housing developments, maintaining cooperation agreements with each of the 14 Police Departments serving the 19 cities in which it has operations. Through strong partnerships with local police departments, KCHA has developed an avenue to exchange information regarding criminal activity in and around its Public Housing developments, providing the Authority with a valuable tool in curtailing criminal activity within its communities. Table 7-E-1, shown below, provides detail regarding reported criminal activity in each of KCHA's four (4) Regional management areas.

Table 7-E-1

SAFETY & SECURITY REPORT						
	POLICE CONTACTS		VANDALISM / GRAFFITI	ILLEGAL DRUG ACTIVITY	DOMESTIC VIOLENCE	VIOLENT CRIMINAL ACTIVITY
Region	GIVEN	RECEIVED	#	#	#	#
Northend	16	52	2	2	3	7
Eastside	17	20	0	3	1	1
Southeast	60	498	18	7	9	5
Southwest	39	122	9	6	7	4
Grand Total:	132	692	29	18	20	17

KCHA also continues to work with local stakeholders to provide a range of programs to prevent drug-related and other criminal activities including the funding of community police officers in

some developments and after-school and summer programs for teens and children. In addition, during FY 2006, the Authority was awarded a Department of Justice grant to complement Authority sponsored security measures within its Public Housing developments. The \$600,000 grant, distributed over a 2-year period, will fund lighting and equipment upgrades, enhanced community services and programs, and community policing targeted toward three (3) KCHA family developments located in Southeast King County.

F. MTW INITIATIVES TO IMPROVE OPERATIONAL EFFICIENCY

KCHA engaged in a number of initiatives to improve its operations during FY 2006. Among these, the shift to site-based management of its Public Housing portfolio (discussed briefly below) has been the most significant and time consuming. Other efforts include implementation of policy changes to the Public Housing Waiting List and Preference system (discussed earlier in this Report) and changes which have allowed the Authority to move forward with a “combined” program approach to the “re-occupancy” of Seola Crossing, the first phase in the re-development of Park Lake Homes into the new Greenbridge community. Changes relating Public Housing Rent and Income policies were deferred to fiscal year 2007.

G. SITE-BASED MANAGEMENT

In response to HUD’s stop-loss requirements, KCHA accelerated implementation of Site-based Management throughout its Public Housing portfolio during FY 2006. The initiative, targeted at improving operational efficiencies by adapting property and asset management practices characteristic of the private sector to Public Housing sites, built upon the success of a pilot program implemented in the Authority’s South Region in FY 2005.

Program expansion has resulted in significant changes in KCHA operations and necessitated extensive training of on-site staffing in new budgeting, financial management and procurement procedures. Much of this training was accomplished through the use of in-house specialists. In addition, during FY 2006, KCHA committed approximately \$1.2 million in capital and operating resources to build and equip “on-site” management offices at a total of sixteen (16) Public Housing sites. This project was successfully completed on schedule in April 2006.

In FY 2006, KCHA Public Housing staff completed their first full year of inclusive management of properties financed under the Low Income Housing Tax Credit Program. Increasing internal proficiency in the Public Housing program in dealing with compliance, reporting and asset management requirements of tax credit properties will be critical as KCHA increasingly utilizes this program to leverage outside equity investments to fund capital needs for the Public Housing inventory.

H. POLICY EFFORTS LEADING TO GREATER EFFICIENCY

Public Housing policy and program changes discussed in Section II of this Report were designed to improve operations. These include:

- ❑ Site-Based Waiting Lists. The adoption of site-based waiting lists for all of KCHA's Public Housing sites will to reduce transfer requests and lease-up time for vacant units by allowing applicants a choice in the development in which they will live.
- ❑ Public Housing Local Preferences. Revisions to KCHA's Local Preference system are expected to significantly reduce the time needed to verify an applicant's claimed local preference, while reducing the incentive for applicants to provide inaccurate information in order receive a priority on KCHA's waiting list. The changes have also allowed KCHA to target priority populations more effectively and to coordinate with initiatives under the County's 10 Year Plan to End Homelessness.

I. FY 2006 INITIATIVES DEFERRED

A number of potential changes identified in the FY 2006 MTW Plan were postponed for future consideration, delayed primarily to accommodate KCHA's decision to fully implement the Site-based Management demonstration ahead of schedule. The delay will assist the Authority to ensuring adequate and careful review of the complex issues involved. The following proposed initiatives may still be pursued by KCHA during FY2007 or future years under the MTW demonstration program:

- ❑ Changes relating Public Housing Rent and Income policies which were deferred during Fiscal Year 2006.
- ❑ Changes in eligibility for single, non-disabled, non-elderly persons. Any change in eligibility policy will be part of a more comprehensive review of admissions policies.
- ❑ Transfers between Section 8 and Public Housing.
- ❑ Inspection protocols. KCHA is continuing to review changes in inspection protocols, and will move forward with proposals in FY '07 to improve efficiency without compromising quality and effectiveness.
- ❑ Exploring options to streamline grievance procedures.
- ❑ Replacing PHAS with internally developed performance tools and standards that effectively track the progress of the Agency's evolution to Site-based Management.
- ❑ Development of a Locally designed Lease consistent with MTW initiatives.

SECTION VIII: LEASED HOUSING

A. LEASE-UP RATES

During FY 2006 KCHA continued to restructure its leased housing program to operate within the requirements of the budget-based system implemented by HUD's re-structuring of the Section 8 HCV program. Like many Housing Authorities across the country, KCHA received less funding than was needed to support full allocation of authorized vouchers.

Uncertain of the availability of future funding, KCHA operated during much of FY 2006 utilizing cost containment measures implemented in 2005, such as freezing rents and not reissuing vouchers in order to ensure KCHA's ability to meet obligations to current property owners and program participants. As cost containment measures dropped per unit costs below the HUD funding cap, KCHA has begun to issue vouchers and has raised payment standards and loosened occupancy standards. Utilization climbed during FY 2006 from 96.25% in July to 98.28% in June, and is projected to average 99% in Fiscal Year 2007.

Table 8-A-1

Housing Choice Voucher Program		
Lease-Up Rates - FY 2006		
Month	FY 2006 Target	Actual Lease-up %
July-05		96.25%
August-05		95.84%
September-05		94.38%
October-05		94.07%
November-05		94.38%
December-05		95.28%
January-06		95.11%
February-06		98.32%
March-06		97.58%
April-06		97.72%
May-06		98.10%
June-06		98.36%
	100%	96.28%

B. ENSURING RENT REASONABLENESS

KCHA ensures that the rents of all units subsidized under the Section 8 program are rent reasonable. To facilitate the process, Section 8 inspectors use a customized instrument produced by Dupre+Scott Apartment Advisors. The instrument is based on an extensive survey of over

75,000 housing units in KCHA's jurisdiction. It establishes the maximum rent for housing units based on location, size, quality, type, amenities, utilities, and general condition.

During FY 2006, KCHA continued to use MTW authority to allow staff inspectors to conduct rent reasonableness determinations for units owned by KCHA, thus eliminating potential delays in new lease-ups and streamlining the completion of annual reviews. In addition, under MTW modifications implemented in FY 2004, KCHA continued to forego rent reasonableness determinations at annual re-certification when contract rents do not increase, unless warranted by a documented shift in the local rental market. These and other efforts to streamline the program will continue to ensure that all contract rents approved by the Authority do not exceed their market value.

C. EXPANDING HOUSING OPPORTUNITIES AND POVERTY DECONCENTRATION

KCHA continues to pursue every avenue to expand housing opportunities through the Section 8 Program. These efforts include:

- ❑ Continuing to apply for qualifying voucher funding made available by HUD such as the Mainstream Vouchers for individuals with disabilities.
- ❑ The Housing Access and Services Program (HASP), created to coordinate housing and services to disabled households through the use of Allocation and Mainstream Vouchers, continues to provide critical housing and support services to disabled households in King County. To further ensure access to this program, disabled households living in group settings are now able to access state funds if the units they lease have rents that exceed the applicable payment standard. KCHA is increasingly coordinating the use of these vouchers with initiatives under the 10 Year Plan to End Homelessness and project-basing HASP vouchers to underwrite supportive housing projects.
- ❑ KCHA continues to identify and acquire properties throughout King County to ensure that existing affordable housing stock is preserved over the long term. KCHA currently has a local program inventory of over 5,000 units, much of it located in affluent communities. Significant project basing, both to deconcentrate Public Housing under the HOPE VI replacement housing initiative and to assist 10 Year Plan Goals under the Sound Family initiatives, is occurring.
- ❑ Section 8 households continue to take advantage of exception rent payment standards in sub-markets where rents are significantly above the average rents in King County.
- ❑ An expanded Section 8 Project-Basing Program, discussed in more detail below, has increased the availability of housing in low-poverty areas.
- ❑ Successful outreach to landlords through a variety of avenues including trade shows and onsite trainings has resulted in the participation of over 3,200 landlords in the Section 8 Program. A growing number of landlords are listing available units through internet tools developed by KCHA and available to voucher holders.

D. OTHER MTW DEMONSTRATION INITIATIVES

Project-Based Assistance Program

During FY 2006, KCHA has continued to expand upon the Project-Based Assistance Program adopted by the Authority's Board in FY 2003 and implemented during FY 2004. Staff has completed a comprehensive implementation manual, augmenting previous revisions to the Housing Assistance Payments (HAP) Contract for existing housing in order to facilitate private sector investment in affordable housing. Under this program, KCHA has entered into HAP Contracts with housing and service providers on a number of high-priority projects including:

- **HOPE VI Replacement Housing.** In order to maintain and deconcentrate the number of housing units affordable to families with extremely low incomes in King County after demolition of Public Housing units at KCHA's HOPE VI site, KCHA is using Project-Based Assistance to provide access to market-rate housing in scattered sites. Furthering the HOPE VI goal of deconcentration, these units are primarily located in high-employment areas of the county with strong school systems. In addition to the 89 units contracted in FY2004 and 15 units contracted in FY 2005, KCHA coordinated agreements for an additional 161 units of replacement housing in FY2006. To date, 91 replacement housing units are leased to eligible families.

Through systems established by the Authority, applicants have been able to apply for these units at any of KCHA's Public Housing offices. A Section 8 staff person dedicated to the Project-Based Assistance Program works closely with private landlords to refer applicants from the waiting list when units become available and to coordinate the screening and placement of these applicants.

- **Transitional Housing: Sound Families Program.** Through the end of FY 2006 KCHA has signed agreements and contracts with housing and service providers to create 158 additional units of supportive housing under the Sound Families Program, a partnership between local housing authorities and the Bill and Melinda Gates Foundation to address the plight of homeless women and children in the Puget Sound region. The project-based rental assistance in these projects has leveraged approximately \$3.67 million in capital and service funding from the Foundation.

Block Grant Program and Policy Initiatives

During FY 2006, KCHA received approval of Amendment #2 to the original MTW agreement entered into with HUD in 2003. The amendment allows the Housing Authority to include in its Section 8 Block Grant all of the Authority's Housing Choice Vouchers other than those funded under the Mainstream program. Expansion of the Section 8 Block Grant in this manner provides KCHA with greater flexibility to experiment, within the limits of its MTW authorization, with programs designed to increase family economic self-sufficiency during the remainder of the demonstration period.

Streamlining and Cost Containment Initiatives

A major portion of FY 2006 was devoted to two MTW initiatives: Expanding the Block Grant and revising the Project Based Policy. Both these efforts were accomplished, allowing the Housing Authority to pursue the following changes for FY2007:

- Continue to expand and revise the inspection process to improve program efficiency;
- Revise program eligibility criteria in areas of live-in aides, definition of relatives, housing preferences, and program rules surrounding residual family members;
- Research the effects of possible changes to the rent policy including Payment Standard Development, rent caps, income inclusions and exclusions, minimum rent, changes to utility allowances, and development of a flat rent program;
- Expand verification methods; and
- Streamline portability and moving processes.

E. INSPECTION STRATEGY

During FY 2006, KCHA inspectors continued to perform 100 percent of annual HQS, pre-contract inspections, annual inspections and quality control inspections using the previously adopted changes, including:

- ❑ KCHA staff performs HQS inspections of Authority-owned units.
- ❑ Self-certification by owners and tenants of corrections to minor fail items identified during annual inspections.
- ❑ A redefinition of “annual inspections” which allowed inspections to be completed by the annual review date rather than within 12 months of the last inspection.

During FY 2006, KCHA has begun to realize the positive impact of changes in the inspection strategy as illustrated in Table 8-E-1 below. KCHA estimates staff savings totaling 418 hours (approximately ¼ staff time) as a result of allowing owner self-certification of the correction of minor fail items identified during the course of unit annual inspection.

Table 8-E-1

Month	Annual	Total Fails	Fail Minor	% Reduction in Re-Inspection	Saving (@15 min/ea)
Jul-05	622	254	146	57.5%	36
Aug-05	718	316	176	55.7%	44
Sep-05	484	197	105	53.3%	26
Oct-05	608	276	154	55.8%	39
Nov-05	519	273	141	51.6%	35
Dec-06	641	290	143	49.3%	36
Jan-06	746	302	148	49.0%	37
Feb-06	599	324	115	35.5%	29
Mar-06	700	375	149	39.7%	37
Apr-06	646	290	112	38.6%	28
May-06	726	348	162	46.6%	41
Jun-06	616	299	120	40.1%	30
	7,625	3,544	1,671	47.2%	418

KCHA will continue to adjust the inspection process in Fiscal Year 2007. Changes will decouple the inspection from the annual review date allowing the inspector to schedule their inspections by area rather than date. This adjustment will enable “clustering” of inspections and eliminate significant travel time. In addition, the Housing Authority will be bringing in an outside efficiency expert to review the Section 8 inspection paperwork. Both initiatives are intended to increase efficiency and will require MTW authority to waive current HUD requirements.

SECTION IX. RESIDENT PROGRAMS

KCHA operates a broad spectrum of resident support programs through its Resident Services Department utilizing both direct service staff and established partnerships with community-based service providers. These programs focus on three major goals:

- ❑ To support early childhood learning and development opportunities and youth recreation and after school activities;
- ❑ To provide residents with a broad array of employment training and economic self-sufficiency-related programs; and
- ❑ To support senior citizens and younger disabled residents with services that build community and will enable the residents to remain healthy and independent for as long as possible.

The following details MTW related actions and initiatives taken during KCHA's FY 2006 year in support of Public Housing residents and Section 8 participants. In response to a HUD request received after submission of the Fiscal Year 2007 MTW Plan, KCHA will be expanding the review of quantifiable outcomes for these programs in FY '07 and FY '08. (For more information on KCHA's resident service programs please refer to Appendix F of the MTW FY 2006 Annual Plan.)

A. SERVICES AND PROGRAMS

1. Children and Youth Support Services

KCHA continued to provide children and youth support services to residents as described in MTW FY 2006 Annual Plan.

FY2006 Results:

- ❑ Program goals in all youth programming contracts with agency partners were realigned to better evaluate results in four primary areas: academic success, socialization, engagement in community and physical and emotional health.
- ❑ An average of 1,130 youth, over 54 percent of the youth that live in KCHA's Public Housing communities, participated monthly in youth programs including homework assistance, leadership development and nutrition programs.
- ❑ An average of 190 youth attended computer skills classes every month at four sites.
- ❑ 640 sack lunches were served daily at 10 KCHA sites during the FY2006 summer months.

2. Self-Sufficiency Services and Programs

KCHA continued to provide opportunities for residents in Public Housing and the Section 8 program to obtain employment, retain jobs, and increase wages.

FY2006 Results:

▪ **Career Development Centers**

The Springwood and Park Lake Career Development Centers assisted 134 residents to become employed. Residents earned an average of \$10.10 per hour and 63 percent retained employment for six months or more.

▪ **Section 8 Family Self-Sufficiency Program**

Twenty-three clients graduated from the Section 8 Family Self-Sufficiency program. A total of 17 graduates transitioned to unsubsidized housing, including 10 who purchased homes. KCHA disbursed \$161,201 in escrow account payments with an average payout of \$7,008.

3. Support Services Coordination for Elderly and Younger Disabled Households

KCHA's Support Service Coordinators continued to help residents assess their needs and link residents to community-based services that enable residents to remain independent and healthy for as long as possible.

FY 2006 Results: Eight Support Service Coordinators led an average of 131 activities per month throughout 23 mixed population buildings. Activities included field trips, community meetings, birthday parties, civic engagement projects, and others. These events provided engagement opportunities for over 1000 participants each month.

KCHA partnered with agencies to provide the following new services for residents living in the mixed population buildings:

- ***Transportation:*** KCHA established a transportation program for residents with two local non-profit service providers, Senior Services and HOPELINK, to help residents access grocery store and food banks. Approximately 275 riders each month utilize the services provided under this contract. This initiative replaced KCHA's in-house transportation services, which were eliminated because of budget cuts to the Public Housing program.
- ***Nutrition and Wellness:*** KCHA began a Nutrition and Wellness program in five mixed population buildings. Fifty residents have participated in the planning process. If successful, KCHA plans to expand this program to 100 percent of its mixed population buildings.

4. Reasonable Accommodations

The Authority continued to administer a 504 reasonable accommodation request program on behalf of Section 8, Public Housing program participants and applicant households.

FY 2006 Results: KCHA processed 928 reasonable accommodations (of which 68% were approved). KCHA continues to see an increase in the number of accommodation requests. For Fiscal Year 2006, the Authority experienced an increase of 13% from FY 2005 totals, when 822 reasonable accommodation requests were processed.

5. Section 8 Partnerships with Human Service Organizations

KCHA continued to provide coordination of human services in support of residents with special needs within the Section 8 Housing Choice Voucher Program.

FY 2006 Results: KCHA partnered with 10 nonprofit organizations and mainstream human service systems to ensure that wrap-around services were provided to the most vulnerable populations served by the Section 8 program. More than 400 households were provided supportive services including housing search, mental health and chemical dependency services, paperwork assistance, case management and eviction prevention.

6. Project-Based Assistance Program

KCHA used Project-Based Section 8 operating subsidies available to housing owners and service agencies to assist in the development of transitional and permanent housing.

FY 2006 Results: KCHA signed Agreements and Contracts with 9 housing owners for 143 units of project-based housing.

7. Public Housing Homeownership Program

Planned outcome: Through a program funded by a 2004 ROSS grant, 30 Public Housing residents will purchase homes over a three-year period.

FY 2006 Results: Twenty-five Public Housing families purchased homes in FY '06 through the ROSS Homeownership Program. Thirty-one Public Housing families have purchased homes since the inception of the grant exceeding the HUD target. The average family annual income was \$31,000 and the average home purchase price was just under \$300,000. Residents worked with three home ownership counseling programs to prepare for homeownership. Sixty-six percent of the families utilized grants of up to \$15,000 in down payment assistance provided by KCHA.

8. AmeriCorps Program

Under the guidance of 5 partner agencies, this year's 15-member team focused on English skill development, youth activities and environmental education at 29 sites throughout King County.

FY 2006 Results:

- 316 students were tutored throughout the year in 6 Public Housing communities.

- ❑ 55 adults participated in community-based English as Second Language programs.
- ❑ AmeriCorps members worked with the Washington State Parks Department to develop and implement an informational website for use by elementary and middle schoolteachers to facilitate state park field trips and presentations.
- ❑ 500 72-hour emergency kits were assembled and donated to KCHA for distribution in the mixed population buildings.

9. Hope VI Family Services

KCHA established several goals related to its Greenbridge HOPE VI project. Below is a list of goals and results for HOPE VI relocation and supportive services in FY2006:

Planned outcome: Support remaining Park Lake Homes families to relocate successfully.

FY 2006 Results: 81 families permanently relocated from Park Lake Homes using Section 8 vouchers or by moving into other Public Housing communities. In FY 2006, eight families purchased homes upon relocation. A total of 33 Public Housing families have purchased homes upon relocation from Park Lake.

Planned outcome: Assist relocated families with emergency assistance and housing stability.

FY 2006 Results: Assisted approximately 462 families over the course of FY2006 to manage emergencies and maintain housing stability. This assistance included restoring utility shut-offs, landlord and Section 8 interventions and moving to a second unit post relocation.

Planned outcome: Develop and implement a Homeownership Individual Development Account (IDA) Pilot program for HOPE VI families.

FY 2006 Results: In partnership with United Way of King County, KCHA developed a proposal that would provide up to 30 HOPE VI families with IDA savings accounts that could accrue a 3 to 1 match, up to \$12,000, to be used towards the purchase of homes. In this proposal, KCHA and United Way would provide two-thirds of the match and a private third party organization, required under federal program guidelines, would fund the third portion of the match. KCHA and United Way have been seeking a third party agency to partner in this program. The proposal is currently under review by the Annie E. Casey Foundation, through its White Center Making Connections Initiative.

Planned outcome: Establish a financial literacy program.

FY 2006 Results: KCHA contracted with the YWCA beginning February 2006 through 2008 to provide a financial literacy program for HOPE VI families. The program includes at least 2 workshop series per quarter that provide clients training in areas that increase their capacity for economic self-sufficiency. Examples of trainings include, but are not limited to, credit-clean up, money management, and asset building. Series must have a minimum of 2 classes. Twelve residents attended the first series.

In addition, the YWCA incorporates its financial literacy curriculum into computer classes offered on-site 3 times per week. Thirty residents have received financial literacy education in this manner.

Planned outcome: Develop and implement a Youth Individual Development Account (IDA) and education scholarship program for HOPE VI Youth.

FY 2006 Results: Due to a high number of housing stability and emergency-related situations with HOPE VI families, and key staff turnover, this initiative was put on hold in FY 2006. KCHA will be exploring a countywide scholarship program throughout its Public Housing family developments in FY2007.

Planned outcome: Link residents to pre-apprentice, apprentice and employment opportunities with the HOPE VI project.

FY 2006 Results: To date, 68 residents participating in the HOPE VI Section 3 program have become employed through Greenbridge construction related activities. KCHA has exceeded its overall goal to hire Section 3 residents in conjunction with this project. HOPE VI family services staff will continue to work with Greenbridge contractors, consultants and local employment and training programs to increase local resident hiring.

B. ISSUES AND PROPOSED ACTIONS

In the MTW FY 2006 work plan, KCHA proposed several additional new initiatives. Below is a summary of the status of these plans:

1. Initiatives to Strengthen Self-Sufficiency Outcomes

Planned outcome: KCHA will explore the potential for expanding the size of its Family Self Sufficiency Program to include up to 300 Public Housing residents to improve resident self-sufficiency outcomes—employment, job retention, income progression, and transition to unsubsidized housing.

FY 2006 Results: Family Services was awarded a contract to administer a family self-sufficiency program in KCHA's Public Housing developments. The contract will be one component of an upcoming comprehensive economic self-sufficiency strategy for residents living in KCHA's Public Housing developments throughout the county.

Planned outcome: Included in the above initiative will be the development of an integrated tracking system for monitoring the success of residents who participate in self-sufficiency initiatives.

FY 2006 Results: KCHA has partnered with the YWCA and Center for Career Alternatives to integrate the Employment Readiness Scale, a web-based self-assessment tool that measures employment readiness, predicts employment outcomes, assesses intervention effectiveness and supports practitioners in their work with clients. Each agency will perform up to 150 assessments over the next year with client participants. The experience and results will be used to evaluate whether this model should be taken to scale as part of KCHA's economic self-sufficiency strategy.

Planned outcome: The self-sufficiency initiative will be combined with the implementation of a new rent policy with more effective employment incentives. During FY 2006 the Authority deferred exploration of changes to the Public Housing and Section 8 Program Rent Policies. In the next fiscal year, KCHA anticipates building upon work completed in 2005 including meetings with staff to help identify and define problems with the current policies, develop policy goals and explore potential alternatives to the current policies and protocols.

2. Continuing to Address the Needs of the Senior and Younger Disabled Populations

Planned outcome: Provide service delivery to senior and younger disabled residents in KCHA's mixed population developments through the Title XIX Medicaid contract.

FY2006 Results: KCHA's Support Services staff provided outreach to 540 residents who were eligible for, but not yet receiving, Medicaid benefits. In addition Support Services staff provided direct access to medical services to 624 residents who were previously enrolled or newly enrolled in the Medicaid program. Direct access included linkages to primary and secondary medical providers and orientation to Medicaid programs and benefits.

Planned Outcome: Explore a "Cluster Care" model through a pilot initiative at two of KCHA's mixed population buildings. The Cluster Care approach is an innovative model of service delivery that is flexible in responding to residents' need to maintain their independence and quality of life as they age in place.

FY 2006 Results: KCHA explored the Cluster Care model with residents, service providers and internal staff and determined that the existing support services program was an effective and preferred approach to providing in home care assistance. Through the Support Services Coordination program, residents are able to receive information, assistance and referrals to outside service providers that enable them to remain living independently in their units. Because of the strong network of partnerships, Service Coordinators have been successful in communicating residents' needs to in home service providers that can successfully assist residents in place. KCHA determined from this analysis and resident input that setting aside units for a Cluster Care model was not necessary or desirable.

3. Additional Initiatives to Increase Family Support Services

Planned Outcome: KCHA will work with its partner agencies to build the Springwood Youth Center and a Service Center at Burndale Homes.

FY 2006 Results: The Springwood Youth Center has been built and is scheduled to open in late August 2006. Kent Youth and Family Services will operate an array of after-school, late night and weekend recreation and education programs. The opening of this building represents the realization of a long-standing dream to provide a safe and well-designed facility in which the community's over 700 youth could play, learn and thrive.

The service center at Burndale Homes was intended to provide a larger and more appropriate space for Neighborhood House’s youth programs, currently housed in a converted Public Housing unit. Plans for this center were put on hold when it was determined that the Auburn Food Bank would be moving from their existing Burndale Homes space into an offsite location. Originally a community center, the Auburn Food Bank space can be inexpensively converted to house on-site youth programs. While the Auburn Food Bank would not be relocated for several years, expenditure to build a new community center onsite does not make financial sense. For now, Neighborhood House will continue to operate youth programs from its existing converted Public Housing unit. In FY 2008, KCHA will explore alternative space options with Neighborhood House.

C. RESIDENT SURVEY RESULTS

Although exempted from reporting requirements of HUD’s Public Housing Management Assessment System (PHAS), KCHA continues to participate in the Resident Assessment (RASS) function of PHAS in order to receive tabulated data regarding resident perception of Housing Authority performance.


During FY 2006, as a result of steps taken to allow MTW PHAs to transition to the new MTW 50058 PIC module, KCHA tenant address information was purged from HUD’s tenant database. As a result, HUD’s Real Estate Assessment Center was unable to mail surveys to residents within KCHA communities - and has manually adjusted KCHA’s recorded scores in all components of the RASS survey to 100%. Table 9-C-1, shown below, provides a recap of KCHA Resident Survey scores in each RASS sub-section for FY 2006 as well as that of FY 2005 when surveys were last distributed to KCHA households.


Table 9-C-1


Year	Maintenance and Repair	Communication	Safety	Services	Neighborhood Appearance
2006	100.0%	100.0%	100.0%	100.0%	100.0%
2005	90.1%	78.6%	78.5%	92.7%	80.4%

Appendices to KCHA's FY2006 MTW Report


"Appendix A - FY 06
Public Housing Family


"Appendix B - FY 05
Family PH Demo.xls"


"Appendix C - FY 04
Family PH Demo.xls"



"Appendix D - FY 03
Family PH Demo.xls"


"Appendix E - FY 06
Public Housing Mixed


"Appendix F - FY 05
Mixed Dev Rpts - Enc


"Appendix G - FY 04
Mixed Dev Rpts - Enc


"Appendix H - FY 03
Mixed Dev Rpts - Enc


"Appendix I - FY 06
Section 8 Current Ho


"Appendix J - FY 05
Section 8 Partic Dem


"Appendix K - FY 04
Section 8 Partic Dem


"Appendix L - FY 03
Section 8 Partic Dem


"Appendix M -
Combined Program I


"Appendix N - FY 06
Public Housing Applic


"Appendix O - FY 05
PH WAITING LIST.xls


"Appendix P - FY 04
PH WAITING LIST.xls


"Appendix Q - FY 03
PH WAITING LIST.xls


"Appendix R - FY 06
Section 8 Application:



"Appendix S - PH
WAITING LIST COMP


"Appendix T - FY 05
S8 Waiting List Demc


"Appendix U - FY 04
S8 Waiting List Demc


"Appendix V - FY 03
S8 Waiting List Demc


"Appendix W - S8
Waiting List Demo Cc


"Appendix X- Mixed
Pop Demographics.dr