



# **Housing Authority of the City of Reno**



## **Moving to Work Annual Report**

**Fiscal Year 2016**

**July 1, 2015 - June 30, 2016**

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## **Mission Statement**

Provide fair, sustainable, quality housing in diverse neighborhoods throughout Reno, Sparks and Washoe County that offers a stable foundation for low-income families to pursue economic opportunities, become self-sufficient and improve their quality of life. In doing so, the Housing Authority will continue to cultivate strong community partnerships, promote fiscal responsibility, and administer all of its programs and activities in an efficient, ethical, and professional manner.

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## **I. Introduction**

The Housing Authority of the City of Reno (RHA) was founded in October 1943 as a municipal corporation under Nevada Revised Statute 315. Since its founding, RHA was also appointed as the Public Housing Authority (PHA) for the City of Sparks and Washoe County.

RHA currently owns and manages 751 units of Public Housing (PH) in eight different locations in the City of Reno and the City of Sparks for eligible low-income families, the elderly and persons with disabilities. Utilizing the Neighborhood Stabilization Program (NSP) and other funding sources, RHA acquired over 160 scattered site properties throughout the local area. The majority of these scattered site rental properties are allocated specifically for very low-income households.

In addition to these PH and scattered site units, RHA owns nine unaided multi-family housing properties. These nine properties provide an additional 332 housing units. Working with a private property manager, RHA continues to lease each of these properties at levels that are lower than the U.S. Department of Housing and Urban Development's (HUD) Fair Market Rents for Washoe County.

RHA also operates a number of rental assistance programs that were created under Section 8 of the 1974 Federal Housing and Community Development Act. Through these programs, RHA provides housing subsidies to more than 2,500 low-income families and individuals living in privately owned housing in Reno, Sparks and Washoe County.

### **What is MTW?**

Moving to Work (MTW) is a demonstration program, established by Congress in 1996, that offers a limited number of "high performing" PHAs the opportunity to propose and test innovative, locally-designed approaches to administering housing programs and self-sufficiency strategies. The program also permits PHAs to combine federal funds from the PH operating fund, Capital Fund Program (CFP) and Housing Choice Voucher (HCV) Program into a single, agency-wide funding source known as a "block grant." It is important to note that the MTW designation does not provide PHAs with additional funding from HUD, but rather allows each agency to use their funding in a more flexible manner.

With HUD's approval, PHAs participating in the MTW program are allowed to waive certain statutes and regulations in the United States Housing Act of 1937 to explore different and creative ways to improve their housing programs. These policy changes allow PHAs to address challenges for low-income families that are unique to their local needs. In doing so, each of the activities proposed or implemented must address at least one of three MTW statutory objectives:

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



After a national competition was held in 2012, RHA was selected and designated as one of four new MTW agencies in 2013. The MTW agreement between RHA and HUD, executed on June 27, 2013, was initially effective through RHA's Fiscal Year (FY) 2018. On December 18, 2015, President Obama signed the FY 2016 Consolidated Appropriations Act into law. Pursuant to Section 239 of Title II, Division L of the Act, RHA's MTW agreement was extended through FY 2028. This is also true for the other 38 MTW agencies currently participating in the demonstration. The Act also authorized HUD to expand the MTW demonstration program by an additional 100 PHAs over a seven year period.

### **What is the purpose of the MTW Annual Report?**

RHA's FY 2016 MTW Annual Report highlights and details each of the implemented activities initially approved by HUD on August 25, 2015 as well as the amended activity approved on May 11, 2016. The report also provides a status update on ongoing MTW activities which were approved and implemented in previous plan years. Overall, the report describes RHA's accomplishments in the areas of housing choice, self-sufficiency and cost effectiveness. It is presented in the required outline and format established in Attachment B of RHA's executed MTW agreement with HUD.

The following activities were approved in RHA's FY 2016 MTW Annual Plan and implemented during the plan year:

- Simplified medical deductions were established for all elderly/disabled PH and HCV households based entirely on the household's total gross income.
- HUD's definition of "near-elderly" (24 CFR §945.105) was redefined for RHA's PH program only to include persons who are at least 55 years of age but below the age of 62.
- HCV Program participants are now allowed, at their option, to lease units that exceed the 40% maximum rent burden as long as the initial rent burden does not exceed 50% of their monthly adjusted income.
- HUD-mandated Earned Income Disallowance (EID) was eliminated from the calculation of rent for PH residents and HCV participants.
- The definition of countable income was revised to provide an incentive to PH household members, ages 18-20 who are not the head of household or co-head, to become economically self-sufficient.
- A \$75 fee was implemented for each additional Housing Quality Standards (HQS) inspection when more than two inspections are required due to the owner/manager's failure to complete the necessary repairs.
- Allocate up to 50 Project Based Vouchers to existing units for properties that will provide services and assistance to homeless individuals and families in Washoe County. All properties, with the exception of RHA owned properties, will be identified through a competitive process.





## **Overview of RHA's short and long term MTW goals and objectives**

RHA has identified the following four goals within its mission statement that it continually strives to achieve: (1) provide sustainable, quality housing in diverse neighborhoods; (2) offer a stable foundation for low-income families to pursue economic opportunities; (3) improve quality of life; and (4) create MTW activities that assist in the community effort to address chronically homeless. Currently RHA staff are working to develop a strategic plan that builds on these goals and engages RHA's Board of Commissioners, management, staff, community partners and residents.

### ***Short-term goals and objectives***

RHA's Mobility Demonstration was implemented after HUD's approval of the FY 2014 MTW Annual Plan. RHA's goal continues to be to identify 40 single family homes, duplexes or condominiums within low poverty neighborhoods where a Project Based Voucher (PBV) can be assigned. Once assigned, the Demonstration offers qualified PH families, who otherwise lack mobility options, the opportunity to move to these neighborhoods throughout Reno, Sparks and Washoe County with higher economic opportunities. As of June 30, 2016, 33 properties have been identified for use in the Mobility Demonstration and 36 former PH families have been able to move to low poverty neighborhoods; effectively increasing their housing choice and economic opportunities.

To date, four Mobility Demonstration families have become completely self-sufficient and moved off of housing assistance; three of whom pay full rent and still occupy the property they leased under the program. An additional two families who are participating in the program are currently paying full rent for the units they occupy.

To provide additional housing choice for more low-income households, RHA began assigning PBVs to other RHA owned/controlled non-PH units without a competitive process. In FY 2016, 18 additional single family homes, duplexes and/or condominiums were identified for this purpose. Of these 18 units, 13 have been approved by HUD and 10 were leased and occupied with a PBV by the end of FY 2016.

In FY 2014, RHA excluded all educational financial aid from income calculations for HCV participants, allowed self-certification and exclusion of combined assets under \$10,000, and allowed for biennial recertification for families on fixed incomes. In FY 2015, staff expanded on the success of biennial recertifications and began allowing triennial recertifications for these same families. Each of these activities was designed to save RHA staff time and money. While staff time is saved by excluding all educational grant income from the calculation of rent, this activity was principally designed to encourage HCV participants to pursue educational opportunities as they move toward becoming self-sufficient.

### ***Progress toward long-term goals***

A Rent Reform Study was implemented in FY 2014 that includes a study group and a control group. The rent for the study group is a set amount based on FMRs and it does not change based on income or family size. The rent for the control group is calculated using the standard HCV guidelines. The Rent Reform Study was developed to determine if self-sufficiency is created when rents are not tied directly to income levels. Families in the study group are provided two strong incentives to become self-sufficient: (1) the motivation to increase household income when income no longer affects rent and (2) the awareness that their housing assistance will end after five years. Should a family's income increase for any reason and that family is participating in the Rent Reform Study group, the



extra income is considered discretionary and can be used however the family chooses. As of June 30, 2016, 246 vouchers had been issued for this activity, of which 188 leased up and 36 families moved off of assistance for various reasons.

In order to assist Rent Reform Study participants in achieving their self-sufficiency goals, RHA's Family Self-Sufficiency (FSS) Coordinators develop Individual Training and Service Plans (ITSP) and meet with each family at least once annually. The FSS Coordinators offer Rent Reform participants assistance and outreach services through the FSS Lite Program. The FSS Lite Program is designed to assist participants who are working toward self-sufficiency by furthering their education, enrolling in job training programs, identifying and overcoming barriers, and obtaining employment.

As of June 30, 2016, FSS staff have met with 160 Rent Reform Study participants; 93 of whom are still current and have signed FSS Lite agreements. With ITSPs in place, Rent Reform families are able to take advantage of everything the FSS Lite Program has to offer, including the Self-Sufficiency Fund. The \$50,000 Self-Sufficiency Fund was established in FY 2015 using MTW single fund flexibility and provides assistance to all FSS Lite participants in overcoming some of the most common barriers hindering self-sufficiency.

RHA continues to work with the University of Nevada, Reno (UNR) to document initial values and, over the years, the outcomes of the Mobility Demonstration Program and Rent Reform Controlled Study. A questionnaire has been developed and administered to all Mobility Demonstration and Rent Reform Study participants that will provide RHA and UNR with the data needed to evaluate the progress of the participants over the coming years. Examples of some of the information residents provide include family history, family education and income, transportation, and neighborhood satisfaction.

PBVs have also been assigned to RHA owned multi-family and scattered site properties to assist local nonprofits with housing their high risk families who have immediate housing needs. Collaborative partnership agreements have been established with the Committee to Aid Abused Women (CAAW), Casa de Vida, Safe Embrace, Washoe County Department of Social Services and Northern Nevada HOPES. Through a formalized partnership with each agency, RHA is able to offer their clients a safe and stable place to call home during a time they are faced with a very challenging situation. While these agencies have the ability to provide the necessary supportive services, they lack the funding to provide stable long term housing to their families.

### ***Non-MTW goals and objectives***

RHA's conversion to the Emphasys Elite software system is currently underway. Both the HCV and PH portions of the software went live on July 6, 2015 after a lengthy and tedious data conversion. RHA's investment in this new software system is expected to provide increased efficiencies in operations, allow the agency to meet all of its federal reporting requirements and, over time, allow for easy tracking and monitoring of RHA's MTW activities.

### **MTW and single fund flexibility**

With shrinking CFP budgets, single fund flexibility has proven to be vital in the improvement and conservation of RHA's PH properties. In FY 2016, RHA continued to use the flexibility afforded through participation in the MTW Demonstration to implement necessary energy saving measures





at its Mineral Manor PH complex. On December 12, 2015, RHA staff prepared the plans and specifications to replace 900 aluminum framed windows throughout the PH complex with energy star rated, highly efficient, thermal pane windows. On June 12, 2015, the second of two sets of prototype windows were installed. The installation of the first prototype followed by an alternate assisted staff in developing the final plans and specifications which were put out to bid for the entire complex.

A contract to replace the remaining windows for \$398,671 was awarded to Advance Installations on March 22, 2016. The contractor began work on May 2, 2016 and is anticipated to complete the job around August 15, 2016. As of June 30, 2016, 55% of the windows throughout the complex had been replaced and \$258,314 of the contract price had been expended.

RHA will continue to use this flexibility to make additional improvements to these properties, specifically those focused on energy and water savings.



## II. General Housing Authority Operating Information

In FY 2016, RHA served 3,653 households through of its PH and HCV programs. This included 2,805 children, 2,014 people with disabilities and 1,520 elderly and/or disabled households. At the end of 2016, the average income for households living in RHA's PH complexes was \$13,013 and 65.5% of these households had annual incomes at or below 30% of the Area Median Income (AMI). Similarly, the average income for households living within RHA's HCV program was \$13,179 and 70% of these households had annual incomes at or below 30% of the AMI.

The following table shows demographic information for both PH residents and HCV participants as of June 30, 2016. The table includes current residents/participants as well as those who moved off the programs throughout the course of the fiscal year.

<b>Demographics of RHA Assisted Households in FY 2016</b>				
	<b>PH residents</b>		<b>HCV participants</b>	
Total # households served	829	100%	2,824	100%
<b>Income Level</b>				
Extremely Low Income	543	65.5%	1,967	69.65%
Very Low Income	217	26.18%	693	24.54%
Low Income	55	6.63%	146	5.17%
Above Low Income	14	1.69%	18	0.64%
<b>Family Type</b>				
Elderly Disabled	149	17.97%	603	21.35%
Elderly Non-Disabled	126	15.2%	343	12.15%
Non-Elderly Disabled	177	21.35%	874	30.95%
Non-Elderly Non-Disabled	377	45.48%	1,005	35.59%
<b>Race of Head of Household</b>				
White	659	79.49%	2,264	80.17%
Black/African American	75	9.05%	419	14.84%
American Indian or Alaska Native	27	3.26%	57	2.02%
Asian	56	6.76%	67	2.37%
Native Hawaiian/Other Pacific Islander	12	1.45%	18	0.64%
<b>Ethnicity of Head of Household</b>				
Hispanic or Latino	231	27.86%	442	15.65%
Not Hispanic or Latino	598	72.14%	2,383	84.38%

**A. Housing Stock Information**

The following tables provide an overview of RHA's housing stock as of June 30, 2016.

New Housing Choice Vouchers that were Project-Based During the Fiscal Year			
Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of Project
Mobility Demonstration & Opportunity properties	10	3	PH residents in good standing are being given the opportunity to move to RHA’s scattered site rental properties on a two-year PBV. Additional PBVs will be assigned as properties are acquired or repurposed from other RHA programs.
Single Family Home Project Based Vouchers	10	7	RHA acquired many single family homes under NSP2 and other programs. RHA plans to assign additional PBVs as properties are acquired or become vacant.
Yorkshire Terrace	5	6	RHA is assigning PBVs to units in RHA’s LIHTC project at Yorkshire Terrace. Through activity 2015-03, PBVs may be assigned to up to 100% of these units.
Partnerships	5	2	RHA is working with local community nonprofits to provide affordable housing while the nonprofit groups provide supportive services.
Privately owned properties	10	0	RHA will allocate PBVs to privately owned properties, through a competitive process in exchange for their commitment to provide affordable housing to individuals and/or families who are experiencing homelessness.
			Anticipated Total # of Project-Based Vouchers Committed at the End of the Fiscal Year *
			Anticipated Total # of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
Anticipated Total # of New Vouchers to be Project-Based *		Actual Total # of New Vouchers that were Project-Based	92
			92



40	18	Actual Total # of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total # of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		73	58
* From RHA's Amended FY 2016 Annual MTW Plan			



### Other Changes to the Housing Stock that Occurred During the Fiscal Year

RHA continues to acquire single family homes, duplexes and condominiums for use with PBVs. Scattered site properties located in low poverty neighborhoods may be identified for use in RHA's Mobility Demonstration. All other properties acquired will be used to provide additional housing choices for low-income families and individuals through RHA's opportunity and single family home PBVs.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

### General Description of Actual Capital Fund Expenditures during the Plan Year

The CFP expenditures carried out in FY 2016 were as follows:

- A. Mineral Manor: exterior lighting upgrade.  
CFP 2015 expenditure totaled \$12,269.
- B. Tom Sawyer Village: electrical upgrades, landscape improvements, clubhouse carpet replacement, and water heater replacement.  
CFP 2013 expenditures totaled \$5,840 and CFP 2014 expenditures totaled \$205,642.
- C. Silverada Manor: hydronic repairs.  
CFP 2014 expenditure totaled \$53,735.
- D. Essex Manor: appliance replacement, landscape improvements, kitchen cabinet replacement and drain line replacement.  
CFP 2015 expenditures totaled \$531,809

Total expenditures for all CFP work carried out in FY 2016: \$809,295

**Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End**

<b>Housing Program*</b>	<b>Total Units</b>	<b>Overview of the Program</b>
Tax-Credit	30	Yorkshire Terrace is a LIHTC property which was fully conveyed to RHA from the limited partners on August 27, 2012. Eleven of these units have been assigned PBVs.
Non-MTW HUD Funded	16	Silver Sage Court is affordable housing for the elderly/disabled. The property was constructed using LIHTC and HOME funds through a joint venture agreement with Silver Sage Manor, Inc. The joint venture agreement was dissolved in 2014 after RHA paid off the remaining HOME loan balance.
Non-MTW HUD Funded	58	Sarrazin Arms Apartments was purchased by RHA in 1992; the down payment was funded through HOME funds.
Non-MTW HUD Funded	4	D&K Horizons was constructed in 1998 using HUD grant funds.
Non-MTW HUD Funded	164	RHA purchased several scattered site properties between November 25, 2008 and June 30, 2015 using NSP1, NSP2, and EDI grant funds, RHA funds, and HUD's Good Neighbor Program. Several of these properties have been assigned PBVs.
Locally Funded	156	Ala Moana Apartments was purchased by RHA in 1996 and funded by bonds.
Locally Funded	6	Carville Court was purchased in 1997 through a foreclosure sale. It is family housing.
Locally Funded	12	Colonial Court was purchased in 2008. It is family housing.
Locally Funded	34	Idlewild Apartments was a foreclosed bank owned property purchased by RHA in 2012. It is family housing. Several of these units have been assigned PBVs.
Locally Funded	16	Prater Way Apartments was a foreclosed bank owned property purchased by RHA in 2014. It is family housing.
Other (1)	7	Pilgrim Rest is owned by Pilgrim Rest Baptist Church and managed by RHA. It is affordable housing for the elderly/disabled.
Other (2)	4	Scattered site properties donated to RHA.
<b>Total Other Housing Owned and/or Managed</b>	<b>507</b>	
<b>If Other, please describe:</b>		Other (1) refers to a property owned by a non-PH entity and managed by RHA. Other (2) refers to properties which were donated to RHA.

\* Select Housing Program from: Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.



**B. Leasing Information****Actual Number of Households Served at the End of the Fiscal Year**

<b>Housing Program:</b>	<b>Number of Households Served*</b>	
	<b>Planned</b>	<b>Actual</b>
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	0	0
Port-In Vouchers (not absorbed)	N/A	0
<b>Total Projected and Actual Households Served</b>	<b>0</b>	<b>0</b>

\* Calculated by dividing the planned/actual number of unit months occupied/leased by 12.

\*\* In instances when a Local, Non-Traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of Households served.

<b>Housing Program:</b>	<b>Unit Months Occupied/Leased****</b>	
	<b>Planned</b>	<b>Actual</b>
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	0	0
Port-In Vouchers (not absorbed)	N/A	0
<b>Total Projected and Annual Unit Months Occupied/Leased</b>	<b>0</b>	<b>0</b>

RHA did not have anyone occupy or lease units through Local Non-Traditional MTW Funded Property-Based Assistance Programs.

\*\*\* In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of households served.

\*\*\*\* Unit Months Occupied/Leased is the total number of months the housing PHA has occupied/leased units, according to unit category during the year.

	<b>Average # of Households Served Per Month</b>	<b>Total # of Households Served During the Year</b>
<b>Households Served through Local Non-Traditional Services Only</b>	0	0



### Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved by examining Public Housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency's fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

<b>Fiscal Year:</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016<sup>1</sup></b>	<b>2017</b>	<b>2018</b>
Total Number of Local, Non-Traditional MTW Households Assisted	N/A	N/A	N/A	0	0	0	N/A	N/A
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	N/A	N/A	N/A	0	0	0	N/A	N/A
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	N/A	N/A	N/A	0	0	0	N/A	N/A

<sup>1</sup> RHA is not providing any housing assistance that is not reported in PIC.



### Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of “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” is being achieved, the PHA will provide information in the following formats:

<b>Baseline for the Mix of Family Sizes Served</b>					
Family Size:	Occupied # of Public Housing units by Household Size when PHA Entered MTW	Utilized # of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes*	Baseline # of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	284	1,307	0	1,591	50.56%
2 Person	207	433	0	640	20.34%
3 Person	115	290	0	405	12.87%
4 Person	76	192	0	268	8.52%
5 Person	40	107	0	147	4.67%
6+ Person	23	73	0	96	3.05%
<b>Totals</b>	<b>745</b>	<b>2,402</b>	<b>0</b>	<b>3,147</b>	<b>100%</b>

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized

**No baseline adjustments.**

\* “Non-MTW adjustments to the distribution of family sizes” are defined as factors that are outside the control of the PHA. Acceptable “non-MTW adjustments” include, but are not limited to, demographic changes in the community’s population. If the PHA includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

**Mix of Family Sizes Served**

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained*	50.56%	20.34%	12.87%	8.52%	4.67%	3.05%	100%
Number of Households Served by Family Size this Fiscal Year**	1,836	565	348	251	145	87	3,232
Percentages of Households Served by Household Size this Fiscal Year***	56.81%	17.48%	10.77%	7.77%	4.49%	2.69%	100%
Percentage Change	6.25%	-2.86%	-2.10%	-0.75%	-0.18%	-0.36%	0

Justification and Explanation  
for Family Size Variations of  
Over 5% from the Baseline  
Percentages

RHA staff continue to assist workable families in achieving their goals and become self-sufficient. Successful families ultimately move off of the program and no longer rely on housing assistance. However, many of RHA's one person households are elderly and/or disabled. Once housed, these families are more likely to remain in the unit. This stability accounts for RHA's slight variation in the number of one person households.

- \* The numbers in this row are the same numbers in the previous "Baseline for the Mix of Family Sizes Served" chart listed under the column "Baseline percentages of family sizes to be maintained."
- \*\* The methodology used to obtain these figures will be the same methodology used to determine the "Occupied number of Public Housing units by family size when PHA entered MTW" and "Utilized number of Section 8 Vouchers by family size when PHA entered MTW" in the table immediately above.
- \*\*\* The "Percentages of families served by family size this fiscal year" will reflect adjustments to the mix of families served that are directly due to decisions the PHA has made. HUD expects that in the course of the demonstration, PHAs will make decisions that may alter the number of families served.



**Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End**

Housing Program	Description of Leasing Issues and Solutions
Public Housing	<p>Due to the recent software system conversion, RHA's Asset Management staff experienced slightly longer leasing times. Normal vacancy issues that delay the unit turn around process were also worked through which include tenant damage, disposal of personal property in accordance with Nevada Revised Statutes and applicant refusal of units.</p>
Housing Choice Vouchers	<p>Reno, Sparks and Washoe County has experienced a strengthening local housing market due in part to announcements of major expansions and relocations by several companies, including Tesla Motors in 2014. With limited inventory and the anticipation of a population influx, the need for additional housing stock will begin to tighten the community's rental market and, in some cases, make it harder for RHA's HCV participants to find units to lease.</p> <p>RHA has already experienced the increased wariness of private landlords to rent to HCV participants. This is often made worse by the ongoing stigma within the local community regarding HCV participants and affordable multifamily properties in general. In response to the decline in the number of landlords willing to rent to HCV program participants, RHA recently adjusted its payment standards and began exploring possible incentives to increase landlord participation. RHA plans to work closely with participating HCV landlords over the coming year to identify the cause for their reluctance to continue to participate in the HCV program. In the future, staff anticipates proposing appropriate incentives based on the feedback provided.</p>

**Number of Households Transitioned To Self-Sufficiency by Fiscal Year End**

<b>Activity Name/#</b>	<b>Number of Households Transitioned*</b>	<b>Agency Definition of Self Sufficiency</b>
Disregard earned income of PH household members, age 18-20, who are not the head of household, co-head or spouse / 2016-06	8	RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.
Required Savings Plan for Earned Income Disallowance (EID) PH residents / 2015-04	6	
Mobility Demonstration / 2014-02	3	
Rent Reform Study / 2014-03	14	
Expand self-sufficiency activities / 2014-04	3	
Simplify rent calculations and increase the minimum rent / 2014-05	14	
<b>Households Duplicated Across Activities/Definitions</b>	4	
<b>ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY</b>	<b>44</b>	

\* The number provided here should match the outcome reported where metric SS #8 is used.





## C. Wait List Information

In order to ensure proper data conversion during the recent software conversion, RHA closed all wait lists. On February 21, 2016, a current interest letter was sent to all applicants on all wait lists to determine continued interest in applying for RHA rental assistance programs. On May 17, 2016, the wait list for Community-Wide Family Public Housing was partially opened, Site-Based Stead Manor Family Public Housing was opened, Community-Wide Elderly and Disabled Housing was opened, and Site-Based Project-Based units owned by RHA was partially opened. The Section 8 HCV wait list remains closed.

The following table reflects RHA's wait list information as of June 30, 2016. It is important to note that while the Section 8 HCV wait list remains closed, the number of applicants has increased slightly from what was reported in RHA's FY 2017 MTW Annual Plan on May 31, 2016. This slight increase is a direct result of the continued requests from applicants to be reinstated on the wait list after they receive a withdrawal letter due to their failure to respond to the current interest letter.

Wait List Information at Fiscal Year End				
Housing Program(s)*	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Was the Wait List Opened During the Fiscal Year
Federal MTW Public Housing Units	Community-Wide Family Public Housing	388	Partially Open	Yes
Federal MTW Public Housing Units	Site-Based Stead Manor Family Public Housing	172	Open	Yes
Federal MTW Public Housing Units	Community-Wide Elderly and Disabled Housing	217	Open	Yes
Federal MTW Housing Choice Voucher Program	Community-Wide	1,028	Closed	No
Federal MTW Housing Choice Voucher Program	Community-Wide Mod Rehab and SRO <sup>2</sup>	19	Closed	No
Federal MTW Housing Choice Voucher Units	Site-Based Project-based units owned by RHA	219	Partially Open	Yes
<p>* <i>Select Housing Program:</i> Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.</p> <p>** <i>Select Wait List Types:</i> Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).</p> <p>*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.</p>				

<sup>2</sup> This is per HUD's direction as Mod Rehab is not HCV.



**If Partially Open Wait List, please describe:**

**Partially Open Wait Lists:**

- Community-Wide Family Public Housing is open for 2, 3 & 4 bedrooms only.
- Site-Based Project-Based units owned by RHA is open for 3 & 4 bedrooms only.

**If Local, Non-Traditional Housing Program, please describe:**

N/A

**If Other Wait List Type, please describe:**

N/A

**If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.**

There are no changes to the organization structure of the wait list, however, with the opening of the wait list on May 17, 2016, Activity 2016-02 (Redefine near-elderly person) was implemented. Applicants who are at least 55 years of age but below the age of 62, are now be treated as "elderly" and allowed to be placed on RHA's Community-Wide Elderly and Disabled Housing wait list.



### **III. Proposed MTW Activities: HUD approval requested**

All proposed activities that are granted approval by HUD are reported on within Section IV as 'Approved Activities'.



## IV. Approved MTW Activities: HUD approval previously granted

### A. Implemented Activities

The activities discussed in this section have been previously approved by HUD and implemented by RHA. The following table provides an overview of all approved MTW activities including the year it was implemented, the primary statutory objective(s) the activity is intended to impact and the authorization(s) cited.

Approved/Implemented MTW Activities				
Activity #	Fiscal Year Implemented	Activity Name	Statutory Objective(s)	Authorization(s)
2016-01	2016	Simplification of medical deductions	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections C.11. and D.2.a.
2016-02	2016	Redefine near-elderly person	Increase housing choice for low-income families.	Attachment C Section C.2.
2016-04	2016	Allow HCV participants to lease units that exceed the 40% rent burden	Increase housing choice for low-income families.	Attachment C Section D.2.a.
2016-05	2016	Eliminate Earned Income Disallowance (EID)	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections C.11. and D.2.a.
2016-06	2016	Disregard earned income of PH household members, age 18-20, who are not the head of household or co-head	Create incentives for families to work, seek work or prepare for work.	Attachment C Section C.11.
2016-07	2016	Implement a \$75 fee for each additional HQS inspection when more than two inspections are required	Reduce costs and achieve greater cost effectiveness.	Attachment C Section D.1.a.
2016-08	2016	Expand Project Based Voucher Program	Increase housing choice for low-income families.	Attachment C D.1.e. and D.4.
2015-01	2015	Elimination of all negative rents and simplification of HCV utility allowances	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections D.2.a. and C.11.
2015-02	2015	Allow RHA to inspect its own HCV units	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections C.9.a. and D.5.
2015-03	2015	Assign PBVs to up to 100% of units in non-Public Housing RHA-owned properties	Reduce costs and achieve greater cost effectiveness <u>and</u> increase housing choices for low-income families.	Attachment C Sections D.1.e., D.7., and D.7.a.



Activity #	Fiscal Year Implemented	Activity Name	Statutory Objective(s)	Authorization(s)
2015-04	2015	Required savings plan for Earned Income Disallowance (EID) PH residents	Create incentives for families to work, seek work or prepare for work.	Attachment C Section E.
2014-01	2014	Assign PBVs to RHA owned/controlled units without competitive process	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections D.2.b. and D.7.a.
2014-02	2014	Mobility Demonstration	Increase housing choices for low-income families <u>and</u> create incentives for families to work, seek work or prepare for work.	Attachment C Sections D.1.b., D.4., D.7.a., and E.
2014-03	2014	Rent Reform Controlled Study	Create incentives for families to work, seek work or prepare for work <u>and</u> reduce costs and achieve greater cost effectiveness.	Attachment C Sections D.1.b., D.1.c., D. 2. a., and D.4.
2014-04	2014	Expand self-sufficiency activities	Create incentives for families to work, seek work or prepare for work.	Attachment C Section E.
2014-05	2014	Simplify rent calculations and increase the minimum rent	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections C.4., C.11, D.2.a., and D.3.b.
2014-06	2014	Triennial recertifications for elderly/disabled participants on fixed incomes	Reduce costs and achieve greater cost effectiveness.	Attachment C Sections C.4. and D.1.c.
2014-07	2014	Alternate HQS verification policy	Reduce costs and achieve greater cost effectiveness.	Attachment C Section D.5.
2014-08	2014	Partner with local nonprofits to provide housing to at risk families	Increase housing choices for low-income families <u>and</u> create incentives for families to work, seek work or prepare for work.	Attachment C Sections B.4., D.1.b., and D.7.a.

**2016-01: Simplification of medical deductions****MTW statutory objective(s):**

Reduce cost and achieve greater cost effectiveness in Federal expenditures by reducing the amount of time staff spend verifying all medical deductions claimed during HCV and PH recertifications.

**Description:**

Under HUD regulations (24 CFR §5.611), if the head, co-head/spouse, or sole member of an applicant household is elderly (62 years of age or older) or disabled, the entire household may claim, as a deduction, medical expenses that are in excess of three percent (3%) of their annual income as long as the expenses are not compensated for or covered by insurance. As PHA staff must verify all deductions from income, gathering the required documentation often results in a substantial amount of time being spent by those households who wish to claim the medical deduction. In many cases, the documentation necessary to claim the medical deduction may include information that some of these households deem too private to share.

Rather than use third party verifications and require residents to provide receipts showing out of pocket medical expenses, RHA established the following seven simplified medical deductions based entirely on the household's gross income:

Simplified Medical Deductions	
Gross Annual Income Range	Annual Medical Deduction
\$1 - \$5,499	\$20
\$5,500 - \$7,199	\$150
\$7,200 - \$10,899	\$175
\$10,900 - \$14,499	\$450
\$14,500 - \$16,999	\$750
\$17,000 - \$20,699	\$1,050
\$20,700+	\$1,200

**Implementation year:**

This activity was approved and implemented in FY 2016.

**Status/schedule update:**

Following HUD's approval of RHA's FY 2016 MTW Annual Plan on August 25, 2016, RHA began implementing the simplified medical deductions. These deductions became effective for all elderly or disabled households with annual recertifications occurring on or after January 1, 2016 in both the PH and HCV programs. The activity remains on schedule and is ongoing.

**Impact:**

Upon HUD's approval of this activity, RHA began applying the simplified medical deductions to all PH and HCV elderly and disabled households regardless of whether or not their portion of total medical expenses exceed 3% of their annual income. This resulted in a reduction in the number of





verifications required, a simplified process for both staff and residents, and a decrease in overall administrative costs. However, RHA's rental revenue within PH and the amount of tenant contribution to rent within HCV actually experienced a decrease rather than the anticipated increase.

Prior to implementation, RHA incurred the following amount of time and cost on each medical expense verification:

Time and cost incurred for processing Medical Deductions per household								
PH Program					HCV Program			
	Material	Time	Labor			Material	Time	Labor
Cost for Asset/ Assistant Manager	\$4.19	1.05 hrs @ \$22.39 per hr *	\$23.51		Cost For Housing Specialist		.325 hrs @ \$18.33 per hr **	\$5.96
					Cost for Office Clerk	\$4.19	.73 hrs @ \$16.62 per hr ***	\$12.13
Total	\$4.19		\$23.51		Total	\$4.19		\$18.09
	Total Cost per Client:		\$27.70			Total Cost per Client:		\$22.28
* Hourly rate based on average Asset Manager salary (\$20.41-\$28.72/hr) and Assistant Asset Manager salary (\$16.79-\$23.63/hr)								
** Hourly rate based on average Housing Specialist salary (\$15.23-\$21.43/hr)								
*** Hourly rate based on average General Office Clerk salary (\$13.81-\$19.43/hr)								

As of June 30, 2016, 214 PH residents and 580 HCV participants (approximately 50% of all eligible PH residents and 40% of all eligible HCV participants) were receiving the simplified medical deduction. Similarly, as of June 30, 2016, 203 PH residents and 985 HCV participants still need to begin receiving the simplified medical deduction. RHA recognizes that the number of households receiving the simplified medical deduction within each program will fluctuate continuously as PH residents and HCV participants move on and off of the two programs.

PH residents as of June 30, 2016						
Gross Annual Income Range	# of PH residents on simplified deduction	# of PH residents still on actual ME incurred	Average deduction for those remaining	New simplified deduction	Average deductible effect on rent	Average per month change in rent
\$1 - \$5,499	8	8	\$10.84	\$20	\$0.27	\$(0.23)
\$5,500 - \$7,199	3	3	\$442.50	\$150	\$11.06	\$7.31
\$7,200 - \$10,899	84	70	\$134.92	\$175	\$3.37	\$(1)
\$10,900 - \$14,499	52	54	\$272.50	\$450	\$6.81	\$(4.44)
\$14,500 - \$16,999	24	20	\$1,614.89	\$750	\$40.37	\$21.62
\$17,000 - \$20,699	12	21	\$1,588.09	\$1,050	\$39.70	\$13.45
\$20,700+	31	27	\$1,099.30	\$1,200	\$27.48	\$(2.52)



HCV participants as of June 30, 2016						
Gross Annual Income Range	# of HCV participants on simplified deduction	# of HCV participants still on actual ME incurred	Average deduction for those remaining	New simplified deduction	Average deductible effect on rent	Average per month change in rent
\$1 - \$5,499	16	53	\$70.82	\$20	\$1.77	\$1.27
\$5,500 - \$7,199	5	9	\$0	\$150	\$0	\$(3.75)
\$7,200 - \$10,899	253	367	\$90.12	\$175	\$2.25	\$(2.12)
\$10,900 - \$14,499	145	305	\$280.77	\$450	\$7.02	\$(4.23)
\$14,500 - \$16,999	63	98	\$576.17	\$750	\$14.40	\$(4.35)
\$17,000 - \$20,699	52	86	\$765.12	\$1,050	\$19.13	\$(7.12)
\$20,700+	46	67	\$1,396.68	\$1,200	\$34.92	\$4.92

At the end of FY 2016, the remaining 203 PH residents will see an average rent increase of \$4.89 once they begin receiving the simplified medical deduction. Contrarily, the 985 HCV participants will see an average rent decrease of \$2.20.

#### **Hardship policy:**

In the event a participant wishes to have their portion of rent calculated based on unreimbursed medical expenses contrary to this activity, they must request a hardship. RHA will establish a three person committee to review all requests for hardship; however, in order to be considered for a hardship and referred to the committee, participants must meet the following criteria: (1) household's monthly rent is no less than RHA's established minimum rent, and (2) third party documentation must be provided detailing all anticipated medical expenses including monetary amounts and frequency. Once submitted, the three person committee will review all of the detailed expenses provided and determine whether a hardship is warranted. If any part of the established criteria is not met, a hardship will not be granted.

#### **Hardship requests:**

During FY 2016, RHA received eight hardship requests due to the implementation of this activity. These included one PH resident and seven HCV participants. Each of the hardship requests were forwarded to the three person committee for review. Upon consideration of all of the documentation provided by the hardship requestors, two of the hardships were granted and six were denied.

#### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

#### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

In order to simplify medical deductions for all elderly and disabled PH residents and HCV participants based on the household's gross income, sections C.11. and D.2.a. were cited and approved for this activity. The authorizations enable RHA to adopt and implement reasonable policies for calculating rents that differ from those in current statutes or regulations.



No changes to the authorizations were made in FY 2016.

### Activity Metrics:

The following metrics were identified and tracked for this activity.

2016-01 CE #1: Agency Cost Savings				
<i>Total cost of task in dollars (decrease).</i>				
Unit of Measurement	Baseline <sup>3</sup>	Benchmark	Outcome <sup>4</sup>	Benchmark Achieved?
Costs associated with PH Program calculations.	\$5,040 (15.17*27.70 = 420.21) (420*12 = 5,040)	\$0	\$2,136 (6.42*27.70 = 177.83) (178*12 = 2,136)	No
Costs associated with HCV Program calculations.	\$20,412 (76.34*22.28 = 1,700.86) (1,701*12 = 20,412)	\$0	\$5,880 (22*22.28 = 490.16) (490*12 = 5,880)	No

2016-01 CE #2: Staff Time Savings				
<i>Total time to complete the task in staff hours (decrease).</i>				
Unit of Measurement	Baseline <sup>5</sup>	Benchmark	Outcome	Benchmark Achieved?
Hours associated with PH Program calculations.	191.14 hours PH Asset Managers/ Assistant Managers: (15.17*1.05 = 15.9285) (15.9285*12 = 191.142)	0 hours	80.89 hours PH Asset Managers/ Assistant Managers: (6.42*1.05 = 6.741) (6.741*12 = 80.892)	No
Hours associated with HCV Program calculations.	966.47 hours Housing Specialists: (76.34*0.325 = 24.8105) (24.8105*12 = 297.726) Office Clerks: (76.34*0.73 = 55.7282) (55.7282*12 = 668.738) Combined hours spent: (297.73+668.74 = 966.47)	0 hours	278.52 hours Housing Specialists: (22*0.325 = 7.15) (7.15*12 = 85.8) Office Clerks: (22*0.73 = 16.06) (16.06*12 = 192.72) Combined hours spent: (85.8+192.72 = 278.52)	No

<sup>3</sup> Prior to implementation, medical deductions were verified for approximately 15.17 PH households and 76.34 HCV households per month. As reflected in the table titled "Time and cost incurred for processing Medical Deductions per household," baseline costs were estimated based on a total cost per client of \$27.70 per PH verification and \$22.28 for each HCV verification (page 22).

<sup>4</sup> Medical deductions were verified for approximately 6.42 PH households and 22 HCV households per month. All current households are being transitioned to RHA's simplified medical deductions during annual recertifications.

<sup>5</sup> PH Asset Managers/Assistant Managers spend approximately 1.05 hours per PH verification. Within the HCV Program, each verification took Housing Specialists .325 hours and Office Clerks .73 hours.

**2016-01 CE #3: Decrease in Error Rate of Task Execution***Average error rate in completing task as a percentage (decrease).*

Unit of Measurement	Baseline <sup>6</sup>	Benchmark	Outcome	Benchmark Achieved?
Rate associated with PH Program calculations.	2%	0%	2% 5 of the 214 households transitioned to the standardized medical deduction were found to contain errors.	No
Rate associated with HCV Program calculations.	5%	0%	8% 48 of 580 households transitioned to the standardized medical deduction were found to contain errors.	No

**2016-01 CE #5: Increase in Agency Rental Revenue***Rental revenue in dollars (increase).*

Unit of Measurement	Baseline	Benchmark <sup>7</sup>	Outcome <sup>8</sup>	Benchmark Achieved?
Rental revenue associated with PH Program.	\$0	\$11,221 (308*3.036 = 935.08) (935.08*12 = 11,221)	(\$14,794) (203*4.886 = 991.764) (214*-13.554 = -2,900.464) (-2,900+992 = -1,908.70) (-1908.70*12 = -22,904) (22,904-8,110 = 14,794)	No
Rental revenue associated with HCV Program.	\$0	\$8,765 (1,094*.6677 = 730.46) (730.46*12 = 8,765)	(\$97,615) (985*-2.1976 = -2,164.63) (580*13.554 = -7,861.07) (-2,165+-7,861 = -10,025) (-10,025 *12 = -120,308) (120,308-22,693 = 97,615)	No

<sup>6</sup> RHA staff routinely conduct audits on PH tenant and HCV participant files to identify errors based on the number of variables used to calculate rent. Out of 225 audits conducted on PH tenant files, six were found to contain errors related to the calculation of medical deductions. Similarly, out of 72 audits conducted on HCV participant files, four were found to contain errors.

<sup>7</sup> Previously, RHA estimated that 308 PH residents will have their rent increased by an average of \$3.04 per month, increasing PH rental revenue by \$11,221 after implementation. Likewise, 1,094 HCV participants will have their portion of the rent increased by \$0.67 per month, an increase in annual tenant contribution to rent of \$8,765.

<sup>8</sup> As of June 30, 2016, approximately 50% of PH residents and 40% of HCV participants were receiving the simplified medical deduction. Analysis has shown that when comparing the overall cost for both those households who are currently on the simplified medical deduction and those who are still claiming the actual out of pocket medical expense, RHA incurred a loss of rental revenue of \$2.96 per PH household per month and a loss of tenant contribution to rent of \$5.20 per HCV household per month.



### **Comparison of Outcomes to Baselines and Benchmarks:**

HUD approved RHA's FY 2016 MTW Annual Plan on August 25, 2015. Following HUD's approval and proper notification, RHA began implementing this activity with annual recertifications on or after January 1, 2016. As many of the PH residents and HCV participants had already had their annual recertification prior to January 1, 2016, these benchmarks were not met. RHA anticipates meeting these benchmarks in the future. See 2016-01 CE#1 and 2016-01 CE#2.

When RHA proposed this activity in the FY 2016 MTW Annual Plan, it was anticipated that it would affect 308 PH residents and 1,094 HCV participants. At that time, RHA estimated that rental revenue would increase an average of \$3.036 per household for PH residents and \$0.6677 per HCV participant household (2016-01 CE#5). During initial data analysis, RHA utilized its antiquated software system which has since been replaced. This along with several residents who became elderly or disabled between the initial data analysis, HUD's approval of the plan on August 25, 2015, and final implementation of the activity on January 1, 2016 resulted in 60 PH residents and 235 HCV participants being omitted from initial baseline data.

In order to try and analyze the overall cost of this activity on both the agency and the PH residents and HCV participants, RHA included the overall change in cost of medical care as reported within the Consumer Price Index published by the US Department of Labor Bureau of Labor Statistics. This included an offset in costs to the agency of \$8,109.77 within the PH program and \$22,693.38 within the HCV program which were not previously accounted for.

As of June 30, 2016, this activity is anticipated to affect a total of 417 PH residents and 1,565 HCV participant households. Many of these households have not had their post January 1, 2016 annual recertification. Realizing the overall loss of rental revenue and tenant contribution to rent that this activity is having on the agency, RHA plans to amend this activity in the future to include only households who self-certify that they have an ongoing medical expense. Furthermore, RHA is reviewing and may consider amending the hardship policy.

### **Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

### **Changes to data collection methodology:**

RHA's investment in a new software system is expected to provide increased efficiencies in operations, allow the agency to meet all of its federal reporting requirements and, over time, allow for easy tracking and monitoring of RHA's MTW activities. In the future, this activity will be tracked utilizing this new system.



## **2016-02: Redefine near-elderly person**

### **MTW statutory objective(s):**

Increase housing choices for low-income families.

### **Description:**

24 CFR §945.105 defines a near-elderly person as a person who is at least 50 years of age but below the age of 62, who may be a person with a disability. Furthermore, the term near-elderly family includes two or more near-elderly persons living together, and one or more near-elderly persons living with one or more persons who are determined to be essential to the care of well-being of the near-elderly person or persons.

In FY 2016, RHA changed the definition of near-elderly for its PH Program to limit it to persons who are at least 55 years of age but below the age of 62. These newly defined households were treated as “elderly” to allow for their admission from the waiting list to one of RHA’s senior PH complexes. RHA anticipates that this activity will increase the number of eligible families for referral to these PH units without raising concerns with current residents regarding potential lifestyle conflicts.

### **Implementation year:**

This activity was approved and implemented in FY 2016. Implementation of this policy change does not qualify the near-elderly family for the Elderly/Disabled Allowance, triennial recertification schedule or Simplified Medical Deduction.

### **Status/schedule update:**

RHA began implementing this activity with the opening of the PH wait list on May 17, 2016; the activity remains ongoing.

### **Impact:**

After the opening of the wait list on May 17, 2016, 70 near elderly person/families were able to apply for RHA’s senior PH complexes.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To develop and adopt policies and procedures for admission to RHA’s senior PH complexes that differ from those in current regulations, section C.2. was cited and approved for this activity. The





authorization allows RHA to change the definition of near-elderly within its PH Program and treat these households as “elderly” to allow for their admission to one of RHA’s senior PH complexes.

No changes to the authorizations were made in FY 2016.

### Activity Metrics:

The following metrics were identified and tracked for this activity.

2016-02 HC #4: Displacement Prevention				
<i>Number of households at or below 80% AMI that would lose assistance or need to move (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Households who would lose assistance or need to move.	0	0	0	Yes

2016-02 HC #5: Increase in Resident Mobility				
<i>Number of households able to move to a better unit and/or neighborhood of opportunity (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of near-elderly households able to move to a better unit and/or neighborhood of opportunity.	0	0	0	Yes

2016-02 RHA Local Metric: Additional Units of Housing Made Available				
<i>Number of housing units made available to households at or below 80% AMI.</i>				
Unit of Measurement	Baseline	Benchmark <sup>9</sup>	Outcome	Benchmark Achieved?
Number of housing units made available to near-elderly households at or below 80% AMI.	0	17 New housing units made available: $55 \times 0.30 = 16.5$	2 New housing units made available: $6 \times 0.30 = 1.8$	No

### Comparison of Outcomes to Baselines and Benchmarks:

Implementation of this activity has not caused displacement or increased resident mobility. RHA only offers units to those applicants pulled from the PH waiting list if/when a unit becomes vacant. While, there will not be an increase in resident mobility as RHA’s three senior PH complexes are

<sup>9</sup> During CY 2014, RHA experienced 55 vacancies within its three senior PH complexes. Benchmark for this activity was established assuming that approximately 30% of these vacancies could have been offered/leased to near-elderly households.



not located in low poverty/high opportunity neighborhoods, the affordable housing opportunities available for this population has increased.

During CY 2014, RHA experienced 55 vacancies within its three senior PH complexes. Following the opening of the wait listing on May 17, 2016 and the subsequent implementation of this activity, RHA had six vacancies within these same complexes. Although the number of vacant units varies on an annual basis, RHA anticipates meeting this Benchmark in future years. It is important to note that other factors, including preferences being claimed by individual applicants, will affect wait list placement and lease up sequence.

**Changes to Baselines, Benchmarks, and/or Metrics:**

There are no changes to the Baselines, Benchmarks, and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.



## **2016-04: Allow HCV participants to lease units that exceed the 40% rent burden**

### **MTW statutory objective(s):**

Increase housing choices for low-income families by providing HCV participants with more of a choice at lease up.

### **Description:**

Through the HCV Program, rental subsidies are provided for standard-quality units that are chosen by the tenant in the private market. CFR §982.508 limits tenant rent plus utilities to no more than 40% of monthly adjusted income for rent when the family first receives voucher assistance in a particular unit. However, this maximum rent burden requirement is not applicable at reexamination if the family stays in place. In many cases, tenancy is not approved because the tenant's portion of rent exceeds this maximum 40% rent burden by a relatively small amount.

In order to increase housing choices for several HCV participants, RHA began permitting these participants to lease units that exceed the 40% maximum rent burden in accordance with their individual financial circumstances. HCV participants can now choose housing that is more costly than otherwise permitted under HUD regulations as long as the initial maximum rent burden does not exceed 50% of their monthly adjusted income at the time of approving tenancy and executing a HAP contract.

### **Implementation year:**

This activity was approved in FY 2016 and implemented beginning with vouchers issued on or after October 1, 2015.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

Implementation of this activity is intended to allow HCV participants to lease units in lower poverty, higher opportunity neighborhoods with better schools and employment opportunities. It will also empower participants by allowing them to choose how they allocate their own resources.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To operate, adopt and implement a reasonable rent policy within RHA's HCV Program that differs from current regulations, section D.2.a. was cited and approved for this activity. The authorization



permits RHA to change its rent policy and allow HCV participants to lease units that exceed the 40% rent burden.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

2016-04 HC #5: Increase in Resident Mobility				
<i>Number of households able to move to a better unit and/or neighborhood of opportunity (increase).</i>				
Unit of Measurement	Baseline	Benchmark <sup>10</sup>	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity.	0	52	1	No

**Comparison of Outcomes to Baselines and Benchmarks:**

During FY 2016, RHA had one family who chose to lease up a unit that exceeded 40% of their monthly adjusted income. The property is located in a census tract where 11.46% of people are below the poverty line, less than HUD's limit of 20%.

While this activity allows HCV participants to lease units that exceed 40% of monthly adjusted income, it is completely voluntary based on how participants choose to allocate their own resources. This activity is also influenced by several factors including the local conditions of the rental market; rendering the number of participants taking advantage of this activity difficult to predict.

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.

<sup>10</sup> On average, RHA staff denied tenancy to approximately one unit per week due to the unit exceeding the 40% maximum rent burden.



## **2016-05: Eliminate Earned Income Disallowance (EID)**

### **MTW statutory objective(s):**

Reduce cost and achieve greater cost effectiveness in Federal expenditures by saving the staff time necessary to track EID participants throughout their eligibility period.

### **Description:**

EID allows eligible tenants in the PH and HCV Programs to increase their incomes through employment without triggering rent increases. Under HUD's guidelines (24 CFR §960.255), EID applies to a family member residing in PH whose annual income increases as a result of employment or increased earnings. Within the HCV Program, EID applies to a family whose income increases as a result of employment or increased earnings of a family member who is a person with disabilities (24 CFR §5.617). The resulting income increase is fully excluded for 12 months and 50% excluded for an additional 12 months. Further complicating the calculation is that each family member may be in a different exclusion phase or month count, making EID burdensome to administer. As EID regulations are cumbersome to apply and affected roughly three percent (3%) of the tenants in RHA's PH and HCV Programs, RHA eliminated this HUD-mandated calculation of rent in FY 2016.

### **Implementation year:**

This activity was approved and implemented upon HUD's approval of the FY 2016 MTW Annual Plan on August 25, 2015. Upon approval, RHA stopped enrolling new households in EID and existing EID participants began to be phased off of the program through a transition period. During this transition period, PH residents and HCV participants enrolled in EID prior to HUD's approval have been allowed to keep their benefits for one year from the date of plan approval. After this initial year, all participants will have their EID benefits eliminated upon their first annual recertification or immediately following the termination of employment income.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

In FY 2015, 99 individuals were enrolled in EID between RHA's PH and HCV Programs; of which only 45 of these individuals were employed and benefiting from the EID calculation. As of June 30, 2016, 34 individuals were enrolled in EID. As these existing/current EID participants, including those participating in the required savings plan through Activity 2015-04, have been allowed to keep their EID benefits until they transition off of the program, RHA continues to incur the following amount of time and cost per EID client:



Time and cost incurred for processing EID per client					
PH Program – Based on cost for Asset Manager & Assistant Asset Manager			HCV Program – Based on cost for Housing Specialist		
	Time	Labor		Time	Labor
Annual Recertification	0.8 hrs @ \$22.39 per hr *	\$17.91	Annual Recertification	0.8 hrs @ \$18.33 per hr **	\$14.66
Changes to Income (on average two changes requested per household)	1.6 hrs @ \$22.39 per hr *	\$35.82	Changes to Income (on average two changes requested per household)	1.6 hrs @ \$18.33 per hr**	\$29.33
Total Cost per Client:		\$53.74	Total Cost per Client:		\$43.99
* Hourly rate based on average Asset Manager salary (\$20.41-\$28.72/hr) and Assistant Asset Manager salary (\$16.79-\$23.63/hr).					
** Hourly rate based on average Housing Specialist salary (\$15.23-\$21.43/hr).					

**Hardship policy:**

Current EID PH residents and HCV participants have been allowed to retain their benefits for a minimum of one year following plan approval. As a result, no hardship policy was established or required for this activity.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To operate, adopt and implement a reasonable rent policy for its PH and HCV Programs that differs from current regulations, sections C.11. and D.2.a. were cited and approved for this activity. These authorizations permit RHA to implement a reasonable rent policy that can include the elimination of EID in both the PH and HCV Program.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

**2016-05 CE #1: Agency Cost Savings***Total cost of task in dollars (decrease).*

Unit of Measurement	Baseline <sup>11</sup>	Benchmark	Outcome	Benchmark Achieved?
Costs associated with EID calculations in the PH Program.	\$2,553  Asset Manager & Assistant Asset Manager: $53.74 \times 35 = 1,880.90$  Regular monthly tracking: $25/60 \times 6 = 2.5$ $2.5 \times 22.39 = 55.975$ $55.98 \times 12 = 671.76$  Combined costs: $1,881 + 672 = 2,553$	\$2,553	\$2,016  Asset Manager & Assistant Asset Manager: $53.74 \times 25 = 1,343.5$  Regular monthly tracking: $25/60 \times 6 = 2.5$ $2.5 \times 22.39 = 55.975$ $55.98 \times 12 = 671.76$  Combined costs: $1,344 + 672 = 2,016$	Yes
Costs associated with EID calculations in the HCV Program.	\$440  Housing Specialist: $43.99 \times 10 = 440$	\$440	\$396  Housing Specialist: $43.99 \times 9 = 396$	Yes

**2016-05 CE #2: Staff Time Savings***Total time to complete the task in staff hours (decrease).*

Unit of Measurement	Baseline <sup>12</sup>	Benchmark	Outcome	Benchmark Achieved?
Hours associated with EID calculations in the PH Program.	114 hours  Asset Manager & Assistant Asset Manager: $35 \times 0.8 = 28$ $35 \times 1.6 = 56$ $2.5 \times 12 = 30$ $28 + 56 + 30 = 114$	114 hours	90 hours  Asset Manager & Assistant Asset Manager: $25 \times 0.8 = 20$ $25 \times 1.6 = 40$ $2.5 \times 12 = 30$ $20 + 40 + 30 = 90$	Yes
Hours associated with EID calculations in the HCV Program.	24 hours  Housing Specialist: $10 \times 0.8 = 8$ $10 \times 1.6 = 16$ $8 + 16 = 24$	24 hours	21 hours  Housing Specialist: $9 \times 0.8 = 7$ $9 \times 1.6 = 14$ $7 + 14 = 21$	Yes

<sup>11</sup> Based on 74 PH residents participating in EID (35 who were employed) and 25 HCV households participating in EID (10 who were employed). As reflected in the table titled "Time and cost incurred for processing EID per client," costs were based on a cost of \$53.74 per employed PH resident and \$43.99 per employed HCV participant. Monthly tracking by six PH staff members (25 min per month) resulted in an additional cost of \$55.98 per month.

<sup>12</sup> Based on 74 PH residents participating in EID (35 who were employed) and 25 HCV households participating in EID (10 who were employed). As reflected in the table titled "Time and cost incurred for processing EID per client," annual recertifications take staff 0.8 hours to complete while staff spend 1.6 hours on each change to rent calculation due to an increase in income. On average, each household also requested two changes to their rent calculation due to a change in income. Furthermore, PH staff tracked all 74 EID participants on a monthly basis. Similarly, EID rent calculations were conducted for 10 HCV households. On average, each of these households also requested two changes to their rent calculations due to a change in income.

**2016-05 CE #3: Decrease in Error Rate of Task Execution***Average error rate in completing a task as a percentage (decrease).*

Unit of Measurement	Baseline <sup>13</sup>	Benchmark	Outcome	Benchmark Achieved?
Error rate associated with PH Program calculations.	0%	0%	0%	Yes
Error rate associated with HCV Program calculations.	0%	0%	0%	Yes

**2016-05 CE #5: Increase in Agency Rental Revenue***Rental revenue in dollars (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue associated with PH Program.	\$0	\$28,171	\$10,459	No
Rental revenue associated with HCV Program.	\$0	\$4,747 <sup>14</sup>	\$0	No

**Comparison of Outcomes to Baselines and Benchmarks:**

Upon implementation of this activity, RHA stopped enrolling new households in EID and existing EID participants began to be phased off of the program through a transition period. During this transitional year, no agency cost savings or staff time savings were anticipated.

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.

<sup>13</sup> Staff routinely conduct audits on tenant files to determine and identify errors based on the various variables to calculate rent in the PH and HCV programs. Out several audits conducted less than 1% have been found to contain errors associated with EID calculations within the PH program. Furthermore, the number of households enrolled in EID on the HCV program is less than 1% of the population. Both of these factors render the average error rate as negligible.

<sup>14</sup> This is tenant contribution to rent, not an increase in rental revenue to RHA.




**2016-06: Disregard earned income of PH household members, age 18-20, who are not the head of household, co-head or spouse**
**MTW statutory objective(s):**

Create incentives for young adults to work, seek work, or prepare for work in order to become economically self-sufficient.

**Description:**

Current HUD regulations for the PH program require that all earned income of adult children, between the ages of 18 and 20, be factored into the household's rent. To provide an incentive to pursue employment and become economically self-sufficient, RHA revised the definition of countable income and began excluding all earned income for these young adults when determining rent for the entire household. This exclusion is only applicable if the young adult is not the head of household, co-head or spouse.

**Implementation year:**

This activity was approved in FY 2016 and implemented on October 1, 2015.

**Status/schedule update:**

The activity is on schedule and remains ongoing.

**Impact:**

In FY 2016, there were 39 adult children between the ages of 18-20 living in PH who were eligible to participate in this activity upon starting employment. Of these young adults, 18 are currently employed, 19 are unemployed, one remains on EID and one has moved off of the program.

Average earned income of adult children (ages 18-20) who are not the head of household or co-head	
	PH residents
Maximum Amount Earned	\$27,648
Minimum Amount Earned	\$2,574
Average Amount Earned	\$11,543

Total earned income amount	
Total amount of income earned by adult children (ages 18-20) in the PH Program who were not the head of household or co-head	\$207,782

At the end of FY 2016, \$10,400 of the total earned income of \$207,782 was excluded through one resident's continued participation in EID. The remaining earned income was excluded to due to the implementation of this activity.



As earned income for the remaining 18 young adults living in PH, who are not the head of household, co-head or spouse, has been completely excluded, RHA experienced a loss of \$5,195 per month upon implementation. With the assumption that this remained consistent throughout the year, these PH households saved an average of \$289 per month from their portion of the rent.

#### **Hardship policy:**

Although this is technically a rent reform activity, the benefit of the activity is going directly to the PH household. As a result, no hardship policy was established or required.

#### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

#### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To operate, adopt and implement a reasonable rent policy for its PH Program that differs from current regulations, section C.11. was cited and approved for this activity. The authorization enables RHA to disregard the earned income of household members, age 18-20, who are not the head of household or co-head within the PH Program.

No changes to the authorizations were made in FY 2016.

#### **Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2016-06 CE #5: Increase in Agency Rental Revenue</b>				
<i>Rental revenue in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Rental revenue in dollars.	\$0	\$0	\$0	Yes

<b>2016-06 SS #1: Increase in Household Income</b>				
<i>Average earned income of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average earned income of adult children, ages 18-20, living in PH affected by this policy.	\$11,481	\$12,629	\$11,543	No

**2016-06 SS #8: Households Transitioned to Self-Sufficiency<sup>15</sup>***Number of households transitioned to self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency.	0	0	8	Yes

**Comparison of Outcomes to Baselines and Benchmarks:**

As income for adult children, ages 18-20, who are not the head of household, co-head or spouse has been excluded from rent calculations within the PH Program, there is no increase in RHA's rental revenue.

While this activity was not designed to transition PH households to self-sufficiency, eight have become self-sufficient based on income received from employment only. However, without the income from the young adults in these households, only one family would have become self-sufficient based on RHA's definition.

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.

<sup>15</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.



## 2016-07: Implement a \$75 fee for each additional HQS inspection when more than two inspections are required

### MTW statutory objective(s):

Reduce cost and achieve greater cost effectiveness in Federal expenditures.

### Description:

RHA is required to conduct re-inspections on units that fail an HQS inspection to ensure that the owner/manager or tenant has corrected the noted violations. If the unit fails HQS, the owner/manager is notified in writing of the deficiencies and repairs that need to be made within 30 days. If the owner/manager does not take the required corrective action, RHA can abate the HAP payment beginning 30 days from the date of the first inspection until the required work is complete. Frequently, a third inspection is required to verify the completion of the noted deficiencies.

To encourage owners/managers to correct the noted violations quickly and provide RHA's clients with safer living conditions, RHA began charging the owner/manager a \$75 fee for each additional HQS inspection when more than two inspections are required due to their failure to complete the necessary repairs. This fee does not remove the abatement of subsidy, but covers the administrative costs of conducting inspections.

### Implementation year:

This activity was approved in FY 2016 and implemented with new inspections occurring on or after March 1, 2016.

### Status/schedule update:

The activity is on schedule and remains ongoing.

### Impact:

During FY 2016, RHA conducted 269 third inspections, 139 of which were due to the owner/manager's failure to correct the noted violations. As of June 30, 2016, RHA had not charged any HCV landlords the third inspection fee of \$75. In the future, should a third inspection be required, RHA will continue to incur the following cost:

Cost incurred for third HQS inspection		
		Cost
Cost for HCV Housing Inspector	1 hr @ \$24.57 per hr*	\$24.57
Average roundtrip mileage per HQS inspection	15 miles @ \$0.575 per mile	\$8.63
<b>Total Cost per Inspection:</b>		<b>\$33.20</b>

\* Hourly rate based on average HCV Housing Inspector salary (\$20.41-\$28.72)

### Hardship policy:

As this activity is not considered a rent reform activity, no hardship policy was established or required.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To allow RHA to set the term and content of HAP contracts with owners, section D.1.a. was cited and approved for this activity. The authorization enables RHA to implement a \$75 fee for each additional HQS inspection when more than two inspections are required.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2016-07 CE #1: Agency Cost Savings</b>				
<i>Total cost of task in dollars (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Cost to complete an HQS inspection after the second fail.	\$3,353	\$1,677	\$4,615	No

<b>2016-07 CE #2: Staff Time Savings</b>				
<i>Total time to complete the task in staff hours (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Staff time to complete an HQS inspection after the second fail.	101 hours	50 hours	139 hours	No

**Comparison of Outcomes to Baselines and Benchmarks:**

Upon implementation of this activity on March 1, 2016, several landlords were granted or had previously been granted weather related extensions for specific repair items that were not subject to the \$75 inspection fee. During the period of March 1, 2016 – June 30, 2016, no HCV landlord was assessed the \$75 third inspection fee. RHA anticipates meeting these Benchmarks in the future, however, if the activity is successful the ultimate outcome for 2016-07 CE #1 and 2016-07 CE #2 will be zero.

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.



## **2016-08: Expand Project Based Voucher Program**

### **MTW statutory objective(s):**

Increase housing choice for low-income families.

### **Description:**

In FY 2016, RHA expanded its PBV program to include an allocation of up to 50 PBVs to privately owned properties in exchange for the owner's commitment to provide affordable housing to individuals and/or families who are experiencing homelessness. According to the requirements outlined in RHA's Administrative Plan, no project may set aside more than 25% of its total units for PBVs. However, depending on the size of the owner's complex, it is possible that 100% of the units within the complex will be project based. Therefore, this 25% requirement has been waived for properties applying for PBVs under this activity.

### **Implementation year:**

This activity was approved and implemented in FY 2016.

### **Status/schedule update:**

RHA began drafting a Request for Proposal (RFP) following HUD's approval of RHA's FY 2016 MTW Annual Plan Amendment on May, 11, 2016. On June 16, 2016, RHA issued an RFP to solicit proposals from owners of existing affordable housing units to receive an allocation of PBVs to serve homeless individuals and families within the City of Reno, the City of Sparks, and Washoe County. The PBV allocation will provide suitable housing to individuals and/or families who are experiencing homelessness so that they can receive the necessary supportive services and transition to self-sufficiency. All RFPs are to be submitted for consideration by July 18, 2016 and will be awarded in FY 2017.

### **Impact:**

Although these PBVs have not been awarded yet, RHA anticipates that 50 of Washoe County's homeless individuals and/or families will be given the opportunity to have a permanent affordable residence once this activity is fully implemented.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To determine basic operational policies and procedures within the HCV Program, sections D.1.e. and D.4. were cited and approved for this activity. These authorizations allow RHA to waive the



25% per development cap for PBVs and allow for an alternate waiting list with direct referrals from applicant property owners.

No changes to the authorizations were made in FY 2016.

### Activity Metrics:

The following metrics were identified and tracked for this activity.

2016-08 HC #3: Decrease in Wait List Time				
<i>Average applicant time on wait list in months (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average time on wait list in months.	TBD	TBD	TBD	TBD

2016-08 HC #4: Displacement Prevention				
<i>Number of households at or below 80% AMI that would lose assistance or need to move (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Households at or below 80% AMI that would lose assistance or need to move.	0 <sup>16</sup>	0	0	Yes

2016-08 RHA Local Metric: Increase in Resident Mobility				
<i>Number of households able to move to a better unit and/or neighborhood of opportunity (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Households able to move to a better unit and/or neighborhood of opportunity as a result of partnership.	0	50	0	No

<sup>16</sup> RHA has included a clause in the RFP for PBV assignment that specifically states that RHA will not consider proposals from owners of properties in which families or individuals are being or will be displaced.



2016-08 RHA Local Metric: Households Assisted by Services that Increase Housing Choice				
<i>Households receiving services aimed to increase housing choice (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Households receiving services aimed to increase housing choice as a result of partnership.	0	50	0	No

**Comparison of Outcomes to Baselines and Benchmarks:**

RHA issued an RFP on June 16, 2016 to begin implementing this activity; RHA anticipates meeting these Benchmarks in the future.

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.



**2015-01: Elimination of all negative rents & simplification of HCV utility allowances****MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

**Description:**

RHA's PH residents and HCV participants no longer receive negative rents due to utility allowances. Furthermore, RHA simplified the HCV utility allowances for all units by creating a flat utility allowance schedule based on four structure types and authorized voucher bedroom size.

**Negative rents:**

Due to HUD's rules regarding the calculation of income, PHAs may pay a utility reimbursement to the participant if the utility allowance (for tenant-paid utilities) exceeds the amount of the total tenant payment. As of December 18, 2013, less than 10% of RHA's PH residents and HCV participants were receiving utility allowance reimbursements. RHA staff reviewed each of these participants and determined that the majority of these families did have enough income to cover utilities; however, based on HUD's rules regarding calculation of income, this income was excluded and the participants received a check every month for utility reimbursement payments. In FY 2015, RHA received approval and eliminated negative rents for all PH residents and HCV participants.

**Utility allowance simplification:**

Prior to FY 2015, RHA had a simplified utility allowance schedule for designated highly energy efficient multifamily complexes only. After the FY 2015 MTW Annual Plan was approved, RHA simplified HCV utility allowances for all other units by creating a flat utility allowance based on structure type and authorized voucher bedroom size. The new allowances, as shown in the following table, are designed to cover the full cost of apartment utilities, but a lesser percentage proportionally for participants who choose single family homes, duplexes and mobile homes.

<b>Standardized HCV Utility Allowances</b>					
<b>Structure Type</b>	<b>0-BR</b>	<b>1-BR</b>	<b>2-BR</b>	<b>3-BR</b>	<b>4-BR+</b>
<b>EES</b>	N/A	56	72	87	107
<b>Apartment</b>	50	70	88	107	124
<b>House/Duplex</b>	92	113	138	162	185
<b>Mobile</b>	N/A	123	131	149	162

This simplification is a significant change from the prior utility allowance schedule which had over 40 variables and paid based on unit bedroom size rather than voucher size. The new standardized HCV utility allowance schedule allows participants to know exactly what they will receive and encourages them to seek out energy efficient units and conserve energy and water.

**Implementation year:**

This activity was approved and implemented in FY 2015.

**Status/schedule update:**

The activity is on schedule and remains ongoing.



**Impact:**

Following HUD's approval of RHA's FY 2015 MTW Plan, RHA provided PH residents and HCV participants with a notice regarding the elimination of all negative rents effective October 1, 2014. As of June 30, 2016, no HCV participants or PH residents received a utility reimbursement payment.

RHA's simplified HCV utility allowance schedule became effective immediately for vouchers issued on or after August 7, 2014 and annuals and lease renewals on or after November 1, 2014. The new schedule allows HCV participants to know exactly what amount they will receive and encourages them to seek out units based on their authorized voucher size, water conservation and energy efficiencies. Implementation of the simplified schedule has also saved a significant amount of staff time and alleviated errors within the calculations. As of June 30, 2016, all HCV participants are receiving the simplified utility allowance.

**Hardship policies:**

Elimination of all negative rents: When a participant claims a hardship due to negative rent, RHA will refer them to the Financial Guidance Center (FGC) and the FSS Lite Program for assistance in managing their finances.

Simplification of HCV utility allowances: The utility allowances are set using current utility rates and reasonable expectations of use. RHA will not be allowing exemptions from the new utility allowances.

**Hardship requests:**

There have been no hardship requests related to this activity.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To allow RHA to adopt reasonable policies to calculate rent that differ from current regulations within the PH and HCV Programs, sections C.11. and D.2.a. were cited and approved for this activity. These authorizations allow RHA to eliminate negative rents from the PH and HCV Programs and simplify the HCV utility allowance schedule.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

*The following Baselines, Benchmarks and/or Metrics relate to the elimination of negative rents:*

<b>2015-01 CE #1: Agency Cost Savings</b>				
<i>Total cost of task in dollars (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Amount in negative rents issued to PH residents.	\$13,180 Cost incurred January 2013 - December 2013	\$660 5% of original cost based on probable hardship requests	\$0	Yes
Amount in negative rents issued to HCV participants.	\$198,785 Cost incurred January 2013 - December 2013	\$9,940 5% of original cost based on probable hardship requests	\$0	Yes

<b>2015-01 CE #2: Staff Time Savings</b>				
<i>Total time to complete task in staff hours (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
PH staff hours to complete task.	6 hours annually or 0.5 hours per month	0 hours	0 hours	Yes
HCV staff hours to complete task.	204 hours annually or 17 hours per month	0 hours	0 hours	Yes

*The following Baselines, Benchmarks and Metrics relate to the simplification of HCV utility allowances:*

<b>2015-01 CE #1: Agency Cost Savings</b>				
<i>Total cost of task in dollars (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Cost of HCV utility allowances.	\$263,371 per month <sup>17</sup>	\$253,566 per month	\$188,027 per month	Yes

<sup>17</sup> RHA's baseline for this Metric was estimated based on a sample of 372 HCV participants in January 2014 and assumed 100% voucher utilization with all participants receiving a utility allowance. The actual cost in October 2014 for 2,174 HCV participants who were leased up and receiving a utility allowance that month was \$201,684 which included 1,353 HCV participants who were still on the old utility allowance schedule.

**2015-01 CE #2: Staff Time Savings***Total time to complete the task in staff hours (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Hours to calculate HCV utility allowances.	32.5 hours annually  Approximate amount of time RHA staff spent calculating all utility allowances.	12 hours annually  Approximate amount of time RHA staff will spend calculating all utilities under the simplified system.	11.1 hours annually	Yes

**2015-01 CE #3: Decrease in Error Rate of Task Execution***Average error rate in completing task as a percentage (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing the HCV utility allowances.	2.6%  Average error rate in 2013.	0.5%	0%	Yes

**2015-01 CE #5: Increase in Agency Rental Revenue***Rental revenue in dollars (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue after the simplification of HCV utility allowances.	\$0	\$117,760  Overall tenant contribution to rent will increase by \$9,805 per month or \$117,760 annually.	\$163,886  \$13,657 per month or approximately \$163,886 annually. <sup>18</sup>	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

As RHA did not receive any increase in agency rental revenue prior to the implementation of this activity and the simplification of the utility allowance schedule, the baseline for this metric (2015-01: CE #5) has been set at \$0.

**Comparison of Outcomes to Baselines and Benchmarks:**

The elimination of negative rents has successfully been implemented in both the PH and HCV programs and effectively saved RHA approximately \$211,965 and 210 hours of staff time.

RHA's baseline for 2015-01: CE #1 was estimated based on a sample of 372 HCV participants in January 2014 and assumed 100% voucher utilization with all participants receiving a utility allowance. The actual cost in October 2014 for 2,174 HCV participants who were leased up and

<sup>18</sup> This is tenant contribution to rent, not rental income to RHA.



receiving a utility allowance that month was \$201,684. This amount included 1,353 HCV participants who were still on the old utility allowance schedule at that time. As of June 30 2016, each of the 2,240 HCV participants entitled to a utility allowance were receiving the allowance for their particular unit based on RHA's simplified utility allowance schedule. With all participants now converted to the simplified utility allowance schedule, the cost to the agency was \$188,027 per month or a monthly savings of \$13,657. RHA has also seen a dramatic decrease in the amount of staff time required to calculate HCV utility allowances which has also decreased the error rate associated with the calculations.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.



## **2015-02: Allow RHA to inspect its own HCV units**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

### **Description:**

RHA owns a significant number of units which previously had to be inspected by third party contractors due to HUD's established rules. Under HUD's rules, a unit that is owned by the PHA that administers the HCV Program (including a unit owned by an entity substantially controlled by the PHA) may not be inspected for HQS compliance by PHA staff. The PHA must obtain the services of a HUD approved independent entity to perform HQS inspections, which often results in longer lead times for a unit to become available for a tenant. In FY 2015, RHA staff began conducting inspections on all HCV and PBV units rather than using a third party contractor, regardless of ownership or property management status, including properties that are owned or managed by RHA.

RHA acknowledged that the possibility of fraud increases when PHAs are allowed to inspect their own units. To address this concern, RHA's Director of Asset Management began conducting quality control checks on the units inspected by HCV staff. These inspections are done at a rate of one unit per month or 5% of the units inspected in any particular month, whichever is greater. As of June 30, 2016, the Director of Asset Management conducted 17 quality control inspections.

### **Implementation year:**

This activity was approved and implemented in FY 2015.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

Previously, RHA was required to hire outside inspectors to conduct inspections of RHA owned units. Scheduling these inspections with third party contractors often slowed down occupancy, which, over time, cost RHA more money due to the vacancy. Implementation of this activity has allowed RHA staff to inspect RHA owned units. During FY 2016, RHA staff conducted 53 initial inspections and 125 annual inspections on agency owned units rather than using a third party contractor.

The following table shows the estimated amount of time RHA staff spent at each annual/initial HQS inspection. The total amount of time is based on the bedroom size of the dwelling unit. The times estimated are conservative and do not include travel to and from the property location.



Estimated FY 2016 staff time spent inspecting RHA owned units			
Bedroom Size	Estimated amount of staff time per inspection	# of inspections performed	Amount of staff time spent (in minutes)
0	25 minutes	11	275
1	30 minutes	28	840
2	30 minutes	46	1380
3	35 minutes	82	2870
4	40 minutes	10	400
5	45 minutes	1	45
6	50 minutes	0	0
Total amount of staff time spent (in minutes):			5,810

**Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To simplify property management practices and certify that housing units meet the housing quality standards as established by HUD, sections C.9.a. and D.5. were cited and approved for this activity. These authorizations allow RHA to establish inspection frequencies and protocols in lieu of utilizing an outside agency to conduct the inspection as well as certify that a housing unit has met the required HQS standards.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

2015-02 CE #1: Agency Cost Savings				
Total cost of task in dollars (decrease).				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total amount incurred to have RHA owned HCV units inspected by outside agencies.	\$4,645	\$0	\$0	Yes



2015-02 CE #2: Staff Time Savings				
<i>Total time to complete the task in staff hours (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Hours spent inspecting HCV units owned by the Agency.	117.83 hours annually  10 minutes per contracted inspection to schedule and log the inspection, plus one hour for a staff member to accompany the inspector to fill out any additional paperwork for a total of 70 minutes.  $(70 \times 101) / 60 = 117.83$	75.75 hours annually  RHA staff will spend approximately 45 minutes per inspection; a savings of 25 minutes per inspection or 42.08 hours annually.  $(45 \times 101) / 60 = 75.75$	96.83 hours annually  RHA staff conducted 178 inspections in FY 2016. Each inspection took approximately 25-45 minutes based on bedroom size resulting in a savings of 110.83 staff hours.  Calculations used for the savings in staff time are based on the Baseline of 70 minutes per inspection.  $(70 \times 178) / 60 = 207.67$ $207.67 - 96.83 = 110.83$	Yes

#### Changes to Baselines, Benchmarks and/or Metrics:

**2015-02 CE #2:** In the FY 2015 MTW Annual Plan, the Baseline established for the amount of staff time spent to schedule and log one inspection (conducted by a third party inspector) was estimated at 10 minutes. However the Plan also noted that an RHA staff member needed to accompany the third party inspector to fill out additional paperwork; which took approximately one hour. Therefore, according to the FY 2015 MTW Annual Plan, prior to implementation of this activity, RHA's total staff time per inspection was approximately one hour and ten minutes. After implementation, it is anticipated that staff will spend approximately 45 minutes per inspection for an overall time savings of 25 minutes per inspection. Furthermore, RHA's Baseline in the Plan for this same Metric erroneously stated that staff time would increase by approximately 35 minutes as a result of the activity when in fact, it will actually decrease. The Baselines and Benchmarks for this Metric have been updated accordingly.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

#### Comparison of Outcomes to Baselines and Benchmarks:

Implementation of this activity has allowed inspections to become more efficient and cost effective. During FY 2016, RHA staff spent approximately 32.64 minutes per property; 12.36 minutes less than RHA's Benchmark of 45 minutes per property. As a result, RHA staff nearly doubled the number of inspections completed on an agency owned/managed property.

#### Changes to data collection methodology:

There are no changes to the data collection methodology.





## **2015-03: Assign PBVs to up to 100% of units in non-Public Housing RHA-owned properties**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures and increase housing choices for low-income families.

### **Description:**

RHA owns non-PH dwelling units and complexes which have been assigned PBVs and utilized in various housing programs to help more households move off of the wait lists. Per 24 C.F.R. 983.56, PBV assistance for units in a project cannot exceed more than 25% of the number of dwelling units (assisted or unassisted) in the project. RHA recognized that assistance could be provided to more low-income families and rental revenue would increase, if the cap on the number of PBV units within each project was lifted.

In FY 2015, RHA waived the per project cap on RHA owned non-PH complexes allowing for the assignment of PBVs to up to 100% of these units; increasing both the rental revenue for RHA and housing choices for low-income families. In FY 2017, RHA requested and received approval for a waiver to lift the 20% limit on the amount of voucher funding that may be utilized under the PBV program.

### **Implementation year:**

This activity was approved and implemented in FY 2015.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

Approval of this activity has allowed RHA to lease units at Yorkshire Terrace more easily with no additional advertising necessary as applicants are pulled from an existing PBV wait list. Prior to implementing this activity, units at Yorkshire Terrace had been hard to lease due to the LIHTC income restrictions. During FY 2014, 12 units at Yorkshire Terrace were vacant for an average of 4.79 months; however, after implementation of this activity in FY 2015, six units at this same complex were vacant and successfully turned in 1.90 months. During FY 2016, four additional units were vacant and successfully turned in 7.5 months. This delay was due in large part to mold within some of the units that had to be completely remediated before any additional lease ups could occur.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.



**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To determine basic operational policies and procedures as well as establish a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance, sections D.1.e., D.7. and D.7.a. were cited and approved for this activity. These authorizations allow RHA to determine the percentage of housing voucher assistance it is permitted to project-base and to develop and adopt a reasonable rent policy and process for project-basing Section 8 tenant-based leased housing assistance.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

2015-03 HC #4: Displacement Prevention				
<i>Number of households at or below 80% AMI that would lose assistance or need to move (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Households at or below 80% AMI that lost assistance or needed to move.	0	0	0	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Comparison of Outcomes to Baselines and Benchmarks:**

RHA does not assign PBVs to any units until they are vacant; this activity will not cause displacement in any way.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.



## **2015-04: Required Savings Plan for Earned Income Disallowance (EID) PH residents**

### **MTW statutory objective(s):**

Provide incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

### **Description:**

EID allows eligible residents in the PH Program to increase their incomes through employment without triggering rent increases. When any assisted participant in the PH Program, who is unemployed or under-employed, obtains a job or increases their wages, they are eligible for the EID benefit. The resulting increase in income is fully excluded for 12 months and 50% excluded for an additional 12 months.

While the goal of EID is to motivate people who qualify for the program to accept employment, PH EID participants are often unable to maintain steady employment and frequently have issues once the EID period runs out because they have not learned how to effectively manage their money. In order to encourage PH residents to think more about their finances and ultimately prepare for the end of the EID period, RHA began requiring that all EID PH residents participate in a savings plan through the FGC. The FGC is a HUD approved, consumer credit counseling agency that assists families in managing debt, increasing their credit scores, as well as providing advice on savings, money management, and homeownership preparation.

A minimum deposit of \$50 per month must be established throughout the resident's participation in EID. RHA identified the following two choices for the EID savings plan: (1) Individual Development Account, which offers matching funds through the FGC to be used for education, homeownership, or small business development or (2) a savings account with no matching funds through a lending institution. If a savings account is selected by the tenant, the account is frozen by the FGC removing the ability for the participant to withdraw funds until the FGC authorizes the withdrawal at the end of the EID period.

### **Implementation year:**

This activity was approved and implemented in FY 2015.

### **Status/schedule update:**

The activity remains ongoing.

### **Impact:**

As of June 30, 2016, 48 PH residents were referred to the FGC and 14 or 30% signed up for a savings plan.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

**Challenges and/or potential new strategies:**

As reported previously, the response to this activity among PH residents has been relatively minimal. As current EID regulations are cumbersome to apply and only affect approximately 3% of families in the PH and HCV Programs, RHA proposed and received approval for the elimination of the HUD-mandated EID from the calculation of rent in both the HCV and PH Programs in the FY 2016 MTW Annual Plan. This activity will be discontinued in the future and current/existing EID participants will be given one year to transition/phase off of the EID benefit.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To operate its existing self-sufficiency and training programs, including its FSS Program and any successor programs exempt from certain HUD program requirements, section E. was cited and approved for this activity. This authorization allows RHA to establish rent incentives and mandatory self-sufficiency participation requirements as well as establish relationships with local agencies to leverage expertise to assist with self-sufficiency.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2015-04 SS #2: Increase in Household Savings</b>				
<i>Average amount of savings/escrow of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average amount of savings/escrow of PH households affected by this policy.	\$0	\$1,200 Expected household savings over the course of the two year EID eligibility period.	\$809 Average savings among 14 households.	No <sup>19</sup>

<sup>19</sup> Of the 14 PH EID participants, the first began contributing to a required savings plan on November 26, 2014 and the last began on October 6, 2015. On average, these 14 participants contribute \$74 per month to their savings plan.

**2015-04 SS #8: Households Transitioned to Self-Sufficiency<sup>20</sup>***Number of households transitioned to self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PH EID households transitioned to self-sufficiency.	0	0	6	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Comparison of Outcomes to Baselines and Benchmarks:**

A total of 48 PH residents have been referred to the FGC, of which only 14 are currently active and four have withdrawn from their savings plan for various reasons. Of the 14 PH EID participants, the first began contributing to a required savings plan on November 6, 2014 and the last began on October 6, 2015. On average, these 14 participants contribute \$74 per month to their savings plan.

While this activity is not expected to transition PH EID households to self-sufficiency, it is important to note that based on RHA's definition of self-sufficiency, six of these households would have transitioned to self-sufficiency based on the household's earned income only.

**Changes to data collection methodology:**

There are no changes to the data collection methodology.

<sup>20</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.



## **2014-01: Assign PBVs to RHA owned/controlled units without competitive process**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

### **Description:**

RHA owns a number of single family homes, duplexes and condominiums throughout Reno, Sparks, and Washoe County and continues to purchase more of these scattered site units. In order to expand housing choices for low-income families, RHA requested and received approval from HUD to assign PBVs to many of these units without going through a competitive process. On November 20, 2013, RHA submitted a Technical Amendment to its FY 2014 MTW Annual Plan which allowed for initial contract rents that are at or below the applicable low HOME rents, to be set by RHA rather than contracting with a state-certified appraiser and a HUD-approved independent agency.

This activity is intended to reduce cost by eliminating requirements of the competitive process such as the requirement to place legal ads. It reduces costs further by allowing RHA to set rents at or below low HOME rents, which are below market rent, rather than hiring or paying a state-certified appraiser and a HUD-approved independent agency to set the rents.

### **Implementation year:**

This activity was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

These units are being used for several of RHA's programs and effectively increase housing choices for many low-income households. As of the end of FY 2016, RHA has received HUD approval to assign PBVs without a competitive process to 68 units. An additional five units have been identified for submission, of which three were submitted on July 13, 2016. RHA plans to continue to utilize this flexibility in future years to further expand housing choices for RHA participants, when appropriate.

Previously, RHA paid a state-certified appraiser and a HUD-approved independent agency \$75 each (\$150 total) to set the rents for each unit prior to a request to assign a PBV being sent to the local HUD field office for approval. As RHA can now set rents at or below low HOME rents, implementation of this component of the activity saved the agency \$2,850.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To develop and adopt a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance that differs from the currently mandated requirements, sections D.2.b. and D.7.a. were cited and approved for this activity. These authorizations allow RHA to establish an MTW Section 8 PBV Program which includes the commitment of PBVs to RHA owned units without a local competition and the ability to determine contract rents.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

2014-01 CE #1: Agency Cost Savings				
<i>Total cost of task in dollars (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Cost of assigning PBVs to RHA owned/controlled unit without competitive process.	\$720/property  Cost incurred for a three-day legal advertisement.	\$0	\$0	Yes <sup>21</sup>

2014-01 CE #2: Staff Time Savings				
<i>Total time to complete the task in staff hours (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of RHA staff hours required to complete task.	4 hours  .25 hours or 15 minutes per property  Staff time to place a legal advertisement.	0 hours	0 hours	Yes <sup>22</sup>

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

<sup>21</sup> In FY 2016, RHA submitted and received HUD approval to assign 19 additional PBVs without having to incur the three-day legal advertisement fee; an overall savings to the agency of \$13,680.

<sup>22</sup> In FY 2016, RHA submitted and received HUD approval to assign 19 additional PBVs without having to place a legal advertisement; saving 4.75 hours of staff time.



**Comparison of Outcomes to Baselines and Benchmarks:**

During FY 2016, RHA submitted and received HUD approval to assign 19 additional PBVs without having to incur the three-day legal advertisement fee; an overall savings to the agency of \$13,680. Furthermore, since placement of the legal advertisement was not required, 4.75 hours of staff time was also saved.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.





## 2014-02: Mobility Demonstration

### **MTW statutory objective(s):**

Increase housing choices for low-income families *and* provide incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

### **Description:**

RHA is assigning PBVs to single family homes, duplexes and condominiums in low-poverty census tracts for PH families with children who meet the established requirements to participate in the Mobility Demonstration. RHA anticipates that the activity will (1) provide mobility options for families with children living in PH who otherwise lack mobility options, (2) enable families to move to neighborhoods with lower crime rates, (3) improve the poverty level of the surrounding area for these families, and (4) yield a valuable demonstration to augment current knowledge regarding the impact of increased mobility and living in more poverty deconcentrated neighborhoods. In order to determine whether moving from a high poverty census tract to a low poverty census tract ultimately changes the outcomes for these families, UNR is conducting a longitudinal study.

Each time a unit identified for the Mobility Demonstration is ready for occupancy, a family is chosen from a pool of qualified and interested PH families based on the family's approved voucher size. The family is then given the opportunity to move into a newly renovated property in a low-poverty area. Participation in the Mobility Demonstration is completely voluntary; should a family refuse one of the available units, they are simply placed back into the lottery pool for that bedroom size.

If a tenant is unemployed at the time of lease up or becomes unemployed at any time during their participation in the Mobility Demonstration, they are given 120 days to obtain employment. If employment is not secured within 120 days, they are required to participate in the FSS Lite Program unless they are otherwise determined to be exempt. RHA has established a criteria for exemption based on the same criteria for exemption from Community Service for PH residents. More specifically, a Mobility Demonstration tenant who would otherwise qualify for an exemption from required Community Service hours based on the exemptions established in RHA's Admissions and Continued Occupancy of Public Housing Units (*Section 14.2.*) will also be exempt from the required FSS Lite Program component of the Mobility Demonstration.

### **Implementation year:**

This activity was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

By the end of FY 2016, a total of 36 former RHA PH families with children have moved to properties in low-poverty census tracts. Four of these Mobility Demonstration families became



completely self-sufficient and moved off of housing assistance. Three families were removed from the program for other reasons. There are currently 29 families participating in the Mobility Demonstration program.

**Hardship policy:**

For any issues pertaining to inability to pay rent, the Housing Choice Voucher Program's hardship policy will be in effect.

Issues pertaining to unemployed tenants' required participation in the FSS Lite Program, the tenant must, within thirty (30) days of missing a required program component, submit an MTW Request for a Temporary Exemption which can then be verified by a medical professional, requesting temporary exemption from the requirements of the program. If the tenant does not participate in the mandated activities of the FSS Lite program and does not provide verifiable documentation of inability to comply, the FSS Coordinators will initiate termination of the tenant's assistance under the Housing Choice Voucher program as allowed under 24 CFR §984.303(b)(5)(iii).

**Hardship requests:**

To date, there have been no hardship requests related to this activity.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To determine basic operational policies and procedures within the HCV Program that differ from current regulations and operate the FSS Lite Program exempt from certain HUD requirements, sections D.1.b., D.4., D.7.a, and E. were cited and approved for this activity. These authorizations allow RHA to determine the length of the lease period; determine Section 8 waiting list procedures and preferences; establish an MTW Section 8 Project-Based Voucher Program, including commitment of project-based vouchers to Agency-owned units without a local competition; and establish mandatory self-sufficiency requirements.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

**2014-02 SS #1: Increase in Household Income***Average earned income of households affected by this policy in dollars (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of earned income of Mobility Demonstration households.	\$15,007  Average earned income of households at time of admission to the Mobility Demonstration.	\$15,757  5% increase in earned income or approximately \$750.	FY 2016 - \$16,297 FY 2015 - \$16,733	Yes

**2014-02 SS #2: Increase in Household Savings***Average amount of savings/escrow of households affected by this policy in dollars (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of participating Mobility Demonstration households.	\$231  Average savings account balance of households at time of admission to the Mobility Demonstration is \$124; average checking account balance is \$107.	\$531  Increase household savings by \$25 per month or \$300 per year.	FY 2016 - \$925 FY 2015 - \$410  13 Mobility Demonstration participants have a savings account with an average balance of \$747 and 17 have a checking account with an average balance of \$178.	Yes

**2014-02 SS #3: Increase in Positive Outcomes in Employment Status***Report each type of employment status for those head(s) of households affected by the self-sufficiency activity.*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time	8 or 25%  8 of 32 head(s) of households employed full-time at time of admission.	14 or 34%	7 or 24%  7 of 29 head(s) of households are employed full-time. There are 2 spouse and/or co-heads employed full-time who are not included in the percentage calculation.	No
Employed Part-Time	9 or 28%  9 of 32 head(s) of households employed part-time at time of admission.	24 or 61%	9 or 31%  9 of 29 head(s) of households are employed part-time. There is 1 spouse and/or co-head employed part-time who is not included in the percentage calculation.	No



Enrolled in an Educational Program	0 or % 0 of 32 head(s) of households enrolled in an educational program at time of admission.	0 or 0%	1 or 3% 1 of the 29 head(s) of households are enrolled in an educational program.	Yes
Enrolled in Job Training Program	0 or 0% 0 of 32 head(s) of households enrolled in job training program at time of admission.	0 or 0%	0 or 0% 0 of 29 head(s) of households are enrolled in a job training program.	Yes
Unemployed	14 or 44% 14 of 32 head(s) of households unemployed at time of admission.	2 or 5%	12 or 41% 12 of 29 current head(s) of households are enrolled in an educational program. There are 2 spouse and/or co-heads unemployed who are not included in the percentage calculation.	No
Other	N/A	N/A	N/A	N/A

#### 2014-02 SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

*Number of households receiving TANF assistance (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Mobility Demonstration households receiving TANF assistance.	2 2 Mobility Demonstration households were receiving TANF at the time of admission.	2	4	No

#### 2014-02 SS #5: Households Assisted by Services that Increase Self-Sufficiency

*Number of households receiving services aimed to increase self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Mobility Demonstration households receiving services aimed to increase self-sufficiency.	0	2	16 16 Mobility Demonstration households have signed FSS Lite Agreements and received services aimed to increase self-sufficiency.	Yes

**2014-02 SS #6: Reducing Per Unit Subsidy Costs for Participating Households***Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per Mobility Demonstration household.	<p>\$269,280</p> <p>Baseline has been calculated based on the average ceiling rent for each PH complex (\$776) less the average TTP at each PH complex based on the bedroom size (\$235) of current Mobility Demonstration households at time of admission.</p> <p><math>(796-235 = 561)</math>  <math>(561*40*12 = 269,280)</math></p>	<p>\$266,251</p> <p>RHA anticipates the average monthly HAP payment to decrease to \$554.69. This is a decrease of 1.125% or \$6.31 per family, per month for 40 Mobility Demonstration households.</p> <p><math>(561*1.125\% = 6.31)</math>  <math>(561-6.31 = 554.69)</math>  <math>(554.69*40*12 = 266,251.20)</math></p>	<p>FY 2016 - \$145,464 FY 2015 - \$167,424</p> <p>On average, RHA paid \$418/per family in HAP payments or \$12,122 per month for the 29 families who are currently participating in the Mobility Demonstration in FY 2016.</p> <p><math>(418*29*12 = 145,464)</math></p>	<p>Yes</p> <p>This is due in part to the program not being 100% leased up as of the end of FY 2016.</p>

**2014-02 SS #7: Increase in Agency Rental Revenue***PHA rental revenue in dollars (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Increase in RHA rental revenue.	\$0	<p>\$347,534</p> <p>On average, RHA receives rental revenue of \$724 per Mobility Demonstration property leased or \$23,169 per month for 32 properties.</p> <p>This Benchmark has been set using the total # of Mobility Demonstration properties expected overall, or 40.</p> <p><math>(724.03*40*12 = 347,534.40)</math></p>	<p>FY 2016 - \$251,700 FY 2015 - \$245,553</p>	No

**2014-02 SS #8: Households Transitioned to Self-Sufficiency<sup>23</sup>***Number of households transitioned to self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Mobility Demonstration households transitioned to self-sufficiency.	0	2	3  This includes only Mobility Demonstration household who were active in the program in FY 2016, it does not include the four families who became completely self-sufficient and moved off of the program.	Yes

**2014-02 HC #5: Increase in Resident Mobility***Number of households able to move to a better unit and/or neighborhood of opportunity (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Mobility Demonstration households able to move to a better unit and/or neighborhood of opportunity.	0	40  Benchmark was set at 21 in the FY 2015 MTW Annual Plan; total # of Mobility Demonstration participants expected overall is 40.	36	No

**2014-02 HC #7: Households Assisted by Services that Increase Housing Choice***Number of households receiving services aimed to increase housing choice (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Mobility Demonstration households receiving services.	0	40  Benchmark was set at 21 in the FY 2015 MTW Annual Plan; total # of Mobility Demonstration participants expected overall is 40.	36	No

<sup>23</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.



<b>2014-02 RHA Local Metric: Improvement in poverty level of census tract</b>				
<i>Improvement in poverty level of census tract for families participating in the Mobility Demonstration.</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Improvement in census tract poverty level for participating families.	31.72%  Average percentage of people in the census tracts below the poverty line where RHA's PH complexes are located.  This ranges from a low of 11.46% of people in the census tract below the poverty line to a high of 42.73%.	Every family moving into a Mobility Demonstration property will also be moving into a census tract with a lower percentage of people below the poverty line.	4.95%  Average percentage of people in the census tracts below the poverty line where Demonstration properties are located.  This ranges from a low of 1.43% of people in the census tract below the poverty line to a high of 8.91%.	Yes

The following table provides the actual percentage of people living below the poverty line for each census tract where RHA's PH family complexes are located. It also provides the number of residents from each complex who are participating in the Mobility Demonstration and the improvement in percentage of households below the poverty line within the new neighborhoods chosen by Mobility Demonstration participants.

<b>Improvement in neighborhood poverty lines for Mobility Demonstration participants</b>			
PH complex	# of families in Mobility Demonstration from PH complex	% of people below poverty line in census tracts where PH complexes are located	% of people below poverty line in census tracts chosen by Mobility Demonstration participants from each PH complex
Essex Manor	6	11.46	4.06, 4.06, 6.01, 6.38, 7.23, 8.91
Hawk View Apartments	11	39.97	2.71, 2.71, 2.71, 2.71, 3.73, 4.06, 4.06, 6.29, 6.29, 6.38, 7.12
Mineral Manor	7	29.93	1.43, 2.71, 2.71, 6.01, 6.19, 7.12, 7.42
Myra Birch Manor	2	42.73	2.71, 6.38
Stead Manor	7	34.50	1.43, 3.73, 4.06, 4.06, 6.01, 7.42, 7.42

#### **Changes to Baselines, Benchmarks and/or Metrics:**

In the FY 2014 MTW Annual Report and FY 2015 MTW Annual Plan, RHA revised its MTW Baselines, Benchmarks and Metrics for consistency with the established HUD Standard Metrics and revised MTW reporting requirements. As a result of this requirement, several Baselines and Benchmarks were not set. The tables above provide revised Baselines and Benchmarks for this activity based on all Mobility Demonstration participants. Where applicable, Baselines have been





set to reflect all participants at the time they leased up under the program. In some instances, they have been revised to include all households rather than just those who are/were unemployed at the time of admission.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Comparison of Outcomes to Baselines and Benchmarks:**

Implementation of the Mobility Demonstration continues to be a successful activity for RHA overall. Although these households experienced a slight decrease in earned income (see 2014-02 SS#1 and 2014-02 SS#2) in FY 2016, the amount of household savings among participants doubled from \$410 to \$925.

The average amount of HAP payments for Mobility Demonstration households decreased by \$18 (see 2014-02 SS#6) to \$418 per family per month. Based on RHA's HAP baseline of \$561 per family per month, this is a monthly savings to the agency of \$143 per family.

As of June 30, 2016, RHA had 27 of 31 Mobility Demonstration properties occupied and leased with a PBV and two families who were paying full rent. In addition, three families are paying full rent, have been removed from housing assistance and continue to occupy the property that they leased under the Mobility Demonstration. All of this combined has increased RHA's rental revenues (see 2014-02 SS#7) to \$251,700. Although Benchmark of \$347,534 was not achieved for this Metric, RHA is confident the Benchmark will be met in the future if the program can be 100% leased up.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.



**2014-03: Rent Reform Study****MTW statutory objective(s):**

Provide incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient and reduce costs and achieve greater cost effectiveness in Federal expenditures.

**Description:**

This activity's main objective is to rigorously promote self-sufficiency through a rent reform program that provides strong incentives to adult household members to seek and obtain employment. The Rent Reform Study is being tested by bringing at least 150 families with children off of the HCV waiting list, assigning them to one of two groups of participants based on when their name is pulled from the waiting list, and issuing them vouchers limited to five years. This activity does include elderly/disabled families with children.

For half of the families participating the Rent Reform Study, rent is calculated as a standard HCV subject to the same policies and procedures as all other HCV participants. This group, also known as the control group, has rents set using RHA's current HCV policy, 30% of adjusted monthly income.

The Rent Reform Study has been designed to test two of the strongest incentives for HCV participants to become self-sufficient: (1) the ability to increase income without affecting rent and (2) the knowledge that housing assistance will end after five years. These two incentives are given to study group participants, the other half of the Rent Reform Study. Participants in this group have rents set in advance which do not change based on income or household size. Rents for the study group change only after the participant has been on the program for two years or if the required bedroom size of the unit changes based on additional members being added to the household. As a result, the disincentive for obtaining new income is removed for these participants as families are allowed to keep any increase in earned income without worrying that 30% of this income increase will be calculated by RHA for rent.

For the first two years, rent for the study group has been set at 95% of the average Total Tenant Payment (TTP) when they enter the program. After the second year, the family's rent automatically increases to 105% of the same measure. This rent level remains in effect until the family has been on the program for five full years.

The following table shows current rents for study group participants:

<b>Total Tenant Payment (TTP)*</b>			
	2 Bedrooms	3 Bedrooms	4 Bedrooms
Average TTP	\$329	\$390	\$407
95% (Years 1-2)	\$313	\$371	\$387
105% (Years 3-5)	\$345	\$410	\$427

\* These figures are valid from January 1, 2016 through December 31, 2016.



In FY 2015, RHA determined that should a child in the household become an adult during the family's five-year voucher and they are leased up under the study group, the family will continue to receive a subsidy amount based on the voucher size they were issued when they entered the program.

All families participating in the Rent Reform Study are required to meet with an FSS Coordinator on an annual basis, at minimum. RHA offers supportive services to help guide families toward self-sufficiency through the FSS Lite Program and through several community partnerships already in place which include Charles Schwab Bank, Healthy Families Foundation, JOIN, Job Connect, and the Children's Cabinet. FSS also has a strong partnership with FGC, a HUD approved consumer credit counseling agency that helps families increase their credit scores and provides advice on savings, money management, and access to zero percent interest loans.

**Implementation year:**

This policy was approved and implemented in FY 2014.

**Status/schedule update:**

The activity is on schedule and remains ongoing. UNR continues to track families participating in both groups of the Rent Reform Study in order to identify any differences between the two groups.

**Impact:**

At the end of FY 2016, 246 vouchers had been issued for this activity, of which 188 leased up. Overall, 17 participants in the study group and 19 participants in the control group were removed from the program for reasons that include family violations, skips, evictions and voluntary move offs. RHA continues to lease up families with children off of the HCV wait list under this program as move offs occur. Lease up will continue until 200 families are actively participating in the program.

**Hardship policy:**

A committee of three staff persons will be established to review hardship requests based on the inability to pay rent once the hardship has lasted more than 30 days. If the hardship documentation is accepted by the committee, rents may be set as low as the greater of \$75 or utility costs. There will be no negative rents. The committee will determine the length of the exemption, up to a maximum of six months.

The hardship policy for the end of the Rent Reform Controlled Study is very limited. Should the head or co-head of the family become disabled and require continued housing assistance, the three-person panel will review the request and decide whether an unrestricted voucher should be issued. Beyond that, there will be no hardship exemptions from the five year limitation.

**Hardship requests:**

No hardship request were received or reviewed by the established Rent Reform Hardship Committee in FY 2016.

**Challenges and/or potential new strategies:**

No challenges and/or potential new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To determine basic operational policies and procedures within the HCV Program that differ from current regulations exempt from certain HUD requirements, sections D.1.b., D.1.c., D.2.a, and D.4. were cited and approved for this activity. These authorizations allow RHA to determine the length of the lease period; define, adopt, and implement a new Housing Choice Voucher Program reexamination schedule; adopt and implement any reasonable policy to calculate the tenant portion of the rent and determine HCV waiting list procedures, tenant selection procedures and criteria, and preferences.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2014-03 SS #1: Increase in Household Income</b>				
<i>Average earned income of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average earned income of households participating in the Rent Reform Study.	Control Group \$15,258	\$600 annual increase	Control Group FY 2016 - \$20,614 FY 2015 - \$15,192	Yes
	Study Group \$17,494		Study Group FY 2016 - \$26,773 FY 2015 - \$20,999	

<b>2014-03 SS #2: Increase in Household Savings</b>				
<i>Average amount of savings/escrow of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average amount of savings/escrow of households participating in the Rent Reform Study.	Control Group \$43	\$50 annual increase	Control Group FY 2016 - \$945 FY 2015 - \$267	Yes
	Study Group \$118		Study Group FY 2016 - \$1,382 FY 2015 - \$380	



<b>2014-03 SS #3: Increase in Positive Outcomes in Employment Status</b>				
<i>Data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Employed Full-Time	Control Group 25 or 30%  25 of 82 head(s) of households were employed full-time at time of admission.	Control Group 25 or 33%  25 of 75 head(s) of households employed full-time.	Control Group 15 or 20%  15 of 76 head(s) of households employed full-time. There are four spouse and/or co-heads employed full-time who are not included in the percentage calculation.	Benchmark was not achieved for the control group, but was achieved for the study group.
	Study Group 27 or 35%  27 of 78 head(s) of households were employed full-time at time of admission.	Study Group 25 or 33%  25 of 75 head(s) of households employed full-time.	Study Group 26 or 34%  26 of 76 head(s) of households employed full-time. There are six spouse and/or co-heads employed full-time who are not included in the percentage calculation.	
Employed Part-Time	Control Group 16 or 20%  16 of 82 head(s) of households employed part-time at time of admission.	Control Group 44 or 58%  44 of 75 head(s) of households employed part-time.	Control Group 18 or 24%  21 of 76 head(s) of households employed part-time. There are two spouse and/or co-heads employed part-time who are not included in the percentage calculation.	No
	Study Group 19 or 24%  19 of 78 head(s) of households employed part-time at time of admission.	Study Group 44 or 58%  44 of 75 head(s) of households employed part-time.	Study Group 18 or 24%  21 of 76 head(s) of households employed part-time. There are two spouse and/or co-heads employed part-time who are not included in the percentage calculation.	



Enrolled in an Educational Program	Control Group 0 or 0%	Control Group 0 or 0%	Control Group 8 or 11%	Yes <sup>24</sup>
	0 of 82 head(s) of households enrolled in an educational program at time of admission.		8 of 76 head(s) of households are enrolled in an FT or PT educational program.	
Enrolled in Job Training Program	Study Group 0 or 0%	Study Group 0 or 0%	Study Group 9 or 12%	Yes <sup>25</sup>
	0 of 78 head(s) of households enrolled in an educational program at time of admission.		9 of 76 head(s) of households are enrolled in an FT or PT educational program.	
Enrolled in Job Training Program	Control Group 0 or 0 %	Control Group 0 or 0%	Control Group 30 or 39%	Yes <sup>25</sup>
	0 of 82 head(s) of households enrolled in job training program at time of admission.		30 of 76 head(s) of households have enrolled in some form of job training.	
Enrolled in Job Training Program	Study Group 0 or 0%	Study Group 0 or 0%	Study Group 28 or 37%	Yes <sup>25</sup>
	0 of 78 head(s) of households enrolled in job training program at time of admission.		28 of 76 head(s) of households have enrolled in some form of job training.	

<sup>24</sup> Outcome information is based on second year data received from UNR's survey/questionnaire administered to all Rent Reform Study participants.

<sup>25</sup> Outcome information is based on second year data received from UNR's survey/questionnaire administered to all Rent Reform Study participants. It includes a count of participants who have participated in some form of job training program, not all participants are currently enrolled in such a program.



Unemployed	Control Group 41 or 50%  41 of 82 head(s) of households unemployed at time of admission.	Control Group 24 or 32%  24 of 75 head(s) of households unemployed.	Control Group 43 or 57%  42 of 76 head(s) of households unemployed. There are nine spouse and/or co-heads who are unemployed who are not included in the percentage calculation.	No
	Study Group 32 or 41%  32 of 78 head(s) of households unemployed at time of admission.	Study Group 24 or 32%  24 of 75 head(s) of households unemployed.	Study Group 32 or 42%  32 of 76 head(s) of households unemployed. There are seven spouse and/or co-heads who are unemployed who are not included in the percentage calculation.	
Other	0	0	0	N/A

2014-03 SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Number of households receiving TANF assistance (decrease).				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of Rent Reform Study households receiving TANF assistance.	Control Group 14 or 17%  14 of 82 households were receiving TANF at time of admission.	Control Group 5 or 7%  5 of 75 households receiving TANF.	11 or 14%  11 of 76 current control group households are receiving TANF.	No
	Study Group 13 or 17%  13 of 78 households were receiving TANF at time of admission.	Study Group 5 or 7%  5 of 75 households receiving TANF.	6 or 8%  6 of 76 current study group households are receiving TANF.	



<b>2014-03 SS #6: Reducing Per Unit Subsidy Costs for Participating Households</b>				
<i>Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average amount of Section 8 and/or 9 subsidy per Rent Reform Study household.	Control Group \$517,500  On average RHA paid \$43,125 per month in HAP payments for Control Group households at lease up or \$575 per family, per month.  (575*75*12 = 517,500)	Control Group \$512,100  RHA expects the average monthly HAP payment to decrease to \$568.53. This is a decrease of 1.125% or \$6.47 per family, per month for 75 households.  (575*1.125% = 6.47) (569*75*12 = 512,100)	Control Group \$551,496  On average, RHA paid \$45,958 per month in HAP payments for 76 control group households or \$604.71 per family, per month.  (604.71*76*12 = 551,496)	No <sup>26</sup>
	Study Group \$553,500  On average RHA paid \$46,125 per month in HAP payments for Study Group households at lease up or \$615 per family, per month.  (615*75*12 = 553,500)	Study Group \$547,200  RHA expects the average monthly HAP payment to decrease to \$608.08. This is a decrease of 1.125% or \$6.92 per family, per month for 75 households.  (615*1.125% = 6.92) (608*75*12 = 547,200)	Study Group \$589,560  On average, RHA paid \$49,130 per month in HAP payments for 76 study group households or \$646.45 per family, per month.  (646.45*76*12 = 589,560)	

<sup>26</sup> RHA anticipates that the Benchmarks for this activity will be achieved in future years as Rent Reform Study participants begin to reach their self-sufficiency goals prior to the expiration of their five-year voucher.





<b>2014-03 SS #7: Increase in Agency Rental Revenue</b>				
<i>PHA rental revenue in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
PHA rental revenue in dollars (increase).	Control Group \$324,900  On average Control Group households pay \$27,075 per month towards rent and utilities or \$361 per family at time of admission.  (361*75*12 = 324,900)	Control Group \$328,500  RHA anticipates the average monthly TTP to increase to \$365.06. This is an increase of 1.125% or \$4.06 per family, per month for 75 households.  (361*1.125% = 4.06) (365*75*12 = 328,500)	Control Group \$332,868  On average, the 76 control group households pay \$27,739 per month towards rent and utilities or \$364.99 per family.  (364.99*76 = 27,739) (27,739*12 = 332,868)	Yes
	Study Group \$294,300  On average Study Group households pay \$24,525 per month towards rent and utilities or \$327 per family.  (327*75*12 = 294,300)	Study Group \$297,900  RHA anticipates the average monthly TTP of Study Group participants to increase to \$330.68. This is an increase of 1.125% or \$3.68 per family, per month for 75 households.  (327*1.125% = 3.68) (331*75*12 = 297,900)	Study Group \$321,240  On average, the 76 study group households pay \$26,770 per month towards rent and utilities or \$352.24 per family.  (352.24*76 = 26,770) (26,770*12 = 321,240)	

<b>2014-03 SS #8: Households Transitioned to Self-Sufficiency<sup>27</sup></b>				
<i>Number of households transitioned to self-sufficiency (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Number of Rent Reform Study households transitioned to self-sufficiency.	Control Group 0	Control Group 5	Control Group 2	Benchmark was not achieved for the control group, but was achieved for the study group. <sup>28</sup>
	Study Group 0	Study Group 5	Study Group 12	

<sup>27</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.

<sup>28</sup> Per RHA's definition of self-sufficiency, 14 households on the Rent Reform Study transitioned to self-sufficiency based on earned income from employment only.



**2014-03 HC #3: Decrease in Wait List Time***Average applicant time on wait list in months (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Rent Reform Study applicant time on wait list.	15.45 months	No change.	26.27 months	No

**2014-03 CE #1: Agency Cost Savings***Total cost of task in dollars (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars.	\$8,445  Average cost of an HCV interim (\$33) * expected number of interims required to be processed (10% of 150, or 15) + average cost of an annual (\$53) * 150  (33*15 = 495) (53*150 = 7950)	No change.	\$13,343  Interims were logged and tracked for 157 participants and 154 annuals were completed.  (33*157 = 5181) (53*154 = 8162)	No

**2014-03 CE #2: Staff Time Savings***Total time to complete the task in staff hours (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours.	445.5 hours  Prior to implementation staff spent 1.7 hours for an interim and 2.8 hours for each annual.  (1.7*15 = 25.5) (2.8*150 = 445.5) (25.5+420 = 445.5)	No change.	698.1 hours  Interims were logged and tracked for 157 participants and 154 annuals were completed.  (1.7*157 = 266.9) (2.8*154 = 431.2)	No



<b>2014-03 CE #3: Decrease in Error Rate of Task Execution</b>				
<i>Average error rate in completing a task as a percentage (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average error rate in completing a task.	6%  On average 4 of 72 HCV files audited contained errors related to the processing of files under the HCV Program.	0%	0%	Yes <sup>29</sup>

### **Comparison of Outcomes to Baselines and Benchmarks:**

The average amount of earned income has increased overall for both control group and study group participants (see 2014-03 SS #1), however, this increase does not include all active Rent Reform Study participants. At the end of FY 2016, 46 study group households and 38 control group households had income from actual employment.

Participants in the Rent Reform Study experienced an increase in the average amount of savings/escrow (see 2014-03 SS #2) on average, however, this increase is not all inclusive. Thirty one households participating in the control group have an active checking account with an average account balance of \$443, and 15 households have an active savings account with an average account balance of \$502. Similarly, 39 households participating in the study group have an active checking account with an average account balance of \$677, and 19 households have an active savings account with an average balance of \$705.

Overall, applicants who leased up on the Rent Reform Study averaged 26.27 months on the wait list (2014-03 HC #3). This has slowly decreased since this activity was implemented. In FY 2015, the average wait list time was 29.08 months and in FY 2014 it was 29.51 months. As stated in the FY 2016 Annual MTW Plan, there are several factors that influence the length of time an applicant will remain on the wait list which should be noted including sequestration, local preferences, the closure of the wait list, etc.

While interims are no longer being fully processed for Study Group participants, any change in employment and income continues to be tracked and logged in order to accurately assess the overall effectiveness of the study. This tracking takes approximately the same amount of staff time and varies annually based on the status of each of the participants. If RHA should realize any agency cost savings or staff time savings (see 2014-03 CE #1 and 2014-03 CE #2) on interims it would be completely negligible. Similarly, annuals are also being processed for all Rent Reform Study participants.

<sup>29</sup> Study group participants have rents set for five years based on voucher size rather than household income. Rents for this group will only change after the family has been on the program for two years or if the family size increases resulting in the requirement of a larger unit. Implementation of set rents for the study group renders the overall error rate for this activity as negligible. Interims and annuals are no longer being processed to determine rents, but rather tracked for reporting purposes only.



**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks, and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.



## **2014-04: Expand self-sufficiency activities**

### **MTW statutory objective(s):**

Provide incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

### **Description:**

In FY 2014, RHA created the FSS Lite Program which is similar to the traditional FSS Program, however the FSS Lite Program does not include an escrow account. The FSS Lite Program, designed to promote resident self-sufficiency through streamlined FSS service delivery, is mandatory for PH residents who are not completing their Community Service hours. These PH residents are required to meet with one of the FSS Coordinators on a quarterly basis until their hours are brought current. These residents meet with an FSS Coordinator to map out goals, get informed of various community resources and educational opportunities, and sign an FSS Lite agreement. During the initial assessment, the FSS Coordinator identifies barriers preventing the household member from working or participating in a self-sufficiency program and establishes ITSPs to assist the participant in meeting their goals.

In FY 2015, RHA expanded the FSS Lite Program further to include the use of single fund flexibility to create a \$50,000 Self-Sufficiency Fund. The fund was established to assist families in overcoming some of the most common barriers to becoming self-sufficient. The FSS Lite Program is also available to all Mobility Demonstration, Rent Reform Study and traditional FSS clients.

### **Implementation year:**

This activity was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

FSS staff continue to reach out to families who could benefit from participating in the FSS Lite Program. RHA's Family Self-Sufficiency Newsletter is mailed out on a monthly basis and covers topics that include the benefits of obtaining an education, tax return preparation, and upcoming career fairs. In addition, RHA has partnered with several local organizations such as Nevada JobConnect, Applied Staffing and Rise Academy for Adult Achievement to create an "Opportunity Seekers Job Club." The job club is open to all FSS participants and meets weekly to discuss topics that include local job fairs and hiring events, how to dress for success, finding employment with a criminal history.

At the end of FY 2016, 172 families have been assisted through the FSS Lite Program. Of these, 118 families are currently being assisted. This includes 93 Rent Reform Study participants, 16 Mobility Demonstration residents, and nine families who are delinquent on their community service hours. With signed FSS Lite Agreements in place, these families are able to take advantage of everything the FSS Lite Program has to offer, including the Self-Sufficiency Fund. To date, RHA has assisted 52 FSS Lite participants with some of the most common barriers hindering self-



sufficiency. These barriers include bus passes, testing and certification fees, job search assistance and gas vouchers. As of June 30, 2016, RHA has expended \$15,960 of this fund.

**Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To operate existing self-sufficiency and training programs exempt from certain HUD program requirements, section E. was cited and approved for this activity. This authorization allows RHA to establish mandatory self-sufficiency program requirements, provides the ability to change the size of the program, and whether to establish escrow accounts.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2014-04 SS #1: Increase in Household Income</b>				
<i>Average earned income of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average amount of earned income of households owing Community Service.	\$337 per month or \$4,404 annually	\$200 increase in household earned income per year	FY 2016 - \$561 per month or \$6,733 annually FY 2015 - \$612 per month or \$7,347 annually	No

<b>2014-04 SS #2: Increase in Household Savings</b>				
<i>Average amount of savings/escrow of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average amount of savings/escrow of households owing Community Service.	\$0	\$25 increase in household savings per year	FY 2016 - \$0 FY 2015 - \$0	No



<b>2014-04 SS #3: Increase in Positive Outcomes in Employment Status</b>				
<i>Data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Employed Full-Time	1 or 3% 1 of 29 head(s) of households are employed full-time.	7% 7% of head(s) of households with delinquent Community Service hours will become employed full-time.	2 or 4% 2 of 51 head(s) of households are employed full-time.	No
Employed Part-Time	0 or 0% 0 of 29 head(s) of households are employed part-time.	7% 7% of head(s) of households with delinquent Community Service hours become employed part-time.	4 or 8% 4 of 51 head(s) of households are employed part-time.	Yes
Enrolled in an Educational Program	0 or 0% 0 of 29 head(s) of households are enrolled in an educational program.	3% 3% of head(s) of households with delinquent Community Service hours will enroll in an educational program.	0 or 0% 0 of 51 head(s) of households are enrolled in an educational program.	No
Enrolled in Job Training Program	0 or 0% 0 of 29 head(s) of households are enrolled in a job training program.	3% 3% of head(s) of households with delinquent Community Service hours will enroll in a job training program.	0 or 0% 0 of 51 head(s) of households are enrolled in a job training program.	No
Unemployed	28 or 97% 28 of 29 head(s) of households are unemployed.	83% 83% of head(s) of households with delinquent Community Service hours will be unemployed.	29 or 57% 29 of 51 head(s) of households are unemployed.	Yes
Other	0 or 0%	0 or 0%	0 or 0%	N/A

**2014-04 SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)***Number of households receiving TANF assistance (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households with delinquent Community Service hours who are receiving TANF assistance.	1  One household was receiving TANF when they signed an FSS Lite Agreement due to delinquent Community Service Hours.	1	2	No

**2014-04 SS #5: Households Assisted by Services that Increase Self-Sufficiency***Number of households receiving services aimed to increase self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency.	0	51 families will take part in the FSS Lite Program during the first year.	172 families have signed FSS Lite agreements. <sup>30</sup>	Yes

**2014-04 SS #8: Households Transitioned to Self-Sufficiency<sup>31</sup>***Number of households transitioned to self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households with delinquent Community Service hours who have transitioned to self-sufficiency.	0	4	3  3 of 51 families who are/were delinquent in their community service hours have transitioned to self-sufficiency.	No

**Changes to Baselines, Benchmarks and/or Metrics:**

In the FY 2014 MTW Annual Report and FY 2015 MTW Annual Plan, RHA revised its MTW Baselines, Benchmarks and Metrics for consistency with the established HUD Standard Metrics and revised MTW reporting requirements. As a result of this requirement, several Baselines and Benchmarks were not set. The tables above provide revised Baselines and Benchmarks for this

<sup>30</sup> This number includes 102 Rent Reform Study participants, 19 Mobility Demonstration residents, and 51 families who are/were delinquent on their community service hours.

<sup>31</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.



MTW activity based on all participating households when they signed a contract for participation in the FSS Lite Program.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Comparison of Outcomes to Baselines and Benchmarks:**

The Metrics for this activity were based on PH residents who owed Community Service hours only. Since its inception in FY 2014, RHA has expanded this activity to include Rent Reform Controlled Study participants, Mobility Demonstration households, traditional FSS clients, and future HCV participants who will be issued a five-year time-limited voucher. Beginning in with the FY 2017 MTW Annual Report, these households will be included in the outcomes for each metric identified. Therefore, RHA expects that most of the identified Benchmarks will be met in the future.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.





## **2014-05: Simplify rent calculations and increase the minimum rent**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

### **Description:**

In order to reduce costs and achieve greater cost effectiveness, RHA began excluding all educational financial aid from income calculations and allowing self-certification of assets under \$10,000.

The full amount of student financial assistance paid directly to the student or to the educational institution is now excluded from income calculations for HCV participants. RHA's HCV participants can now benefit from being able to attend an institution of higher education without being penalized with an increase in rent due to any financial assistance that they may secure. Furthermore, households with assets less than \$10,000 can now submit a self-certification as to the value of the asset and the amount of expected income. At the time of application, applicants are asked to provide a well-documented baseline asset value. RHA staff only calculate income on assets if the value of the assets total more than \$10,000.

In FY 2014, RHA also raised the minimum rent from \$50 to \$75 to not only save significant HCV and PH operating subsidy, but provide an incentive to participants to seek employment due to the higher participant contribution to rent.

### **Implementation year:**

This policy was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

Throughout FY 2016, a total of 107 PH residents and 292 HCV participants paid minimum rent. Of these, 54 PH residents and 189 HCV participants continue to pay the minimum rent amount as of June 30, 2016. In contrast, 41 HCV participants and 40 PH residents who had previously paid minimum rent in FY 2015 paid more than RHA's minimum rent throughout FY 2016.

It is important to note that the number of HCV participants paying minimum rent in FY 2016 does not include VASH clients.

### **Hardship policy:**

Although the change in student status verification is technically a rent reform activity, the benefit of the activity is going directly to the HCV household. As a result, no hardship policy was established or required.

RHA's standard hardship policy for an exception to minimum rent will be in place and can be requested if the family experiences one or more of the following qualifying events:



- a. The household has lost eligibility or is awaiting an eligibility determination for Federal, State or local assistance, including a household with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
- b. The household would be evicted as a result of the imposition of the minimum rent requirement.
- c. The income of the household has decreased because of changed circumstances, including loss of employment or death of a household member. "Loss of employment" is defined as being laid off or terminated through no fault of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment. "Death in the family", for the purposes of exemption to minimum rent, includes head of household or spouse, or any household member.
- d. Other circumstances as determined by RHA or HUD.

RHA will review all household requests for exception from the minimum rent due to financial hardships. If RHA determines that the hardship is temporary (defined as a duration of less than 90 consecutive days), a minimum rent will not be imposed for a period of up to ninety days from the date of the household's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

If RHA determines that there is a qualifying long-term financial hardship, RHA must exempt the household from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the household's request for exemption.

**Hardship requests:**

During FY 2016, three PH residents and 23 HCV participants paid less than the minimum rent due to a hardship. While each of these participants had an approved hardship, it is not known whether or not the hardship was directly related to RHA's implementation of this activity.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To restructure the initial, annual and interim review process and determine rent policies in both the PH and HCV programs, sections C.4., C.11, D.2.a., and D.3.b. were cited and approved for this activity. These authorizations allows RHA to adopt a local system of Public Housing resident income verification in lieu of the current HUD system, to adopt reasonable policies to set Public Housing rents, to adopt reasonable policies to calculate HCV tenant rents, and to adopt and implement a reasonable policy for verifying HCV family income.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

<b>2014-05 SS #1: Increase in Household Income</b>				
<i>Average earned income of households affected by this policy in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Average earned income of households affected by increasing the minimum rent.	<p>\$7,450</p> <p>\$7,450 is the average earned income for all 379 HCV and PH participants paying minimum rent in FY 2013. It is important to note that this number also includes the average earned income of families on EID who are paying the minimum rent.</p> <p>Average earned income of 270 HCV participants paying minimum rent is \$5,014; average earned income of 109 PH residents is \$9,886.</p>	<p>\$500 annual increase</p> <p>In FY 2014, RHA raised the minimum rent by \$25. This \$500 expected increase in average earned income is set to reflect half of the annual amount of income needed to compensate for the \$25/month increase.</p>	<p>\$1,837</p> <p>\$1,837 is the average earned income for all 243 HCV and PH participants who are currently paying minimum rent.</p> <p>Average earned income of 189 HCV participants who are currently paying minimum rent is \$1,630; average earned income of 54 PH residents is \$2,562.</p>	No

<b>2014-05 SS #3: Increase in Positive Outcomes in Employment Status</b>				
<i>Data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Employed Full-Time	<p>20 or 5%</p> <p>20 of 379 head(s) of households paying minimum rent are employed full-time.</p> <p>(10 HCV participants and 10 PH residents)</p>	<p>7% of head(s) of households paying the minimum rent will be employed full-time.</p>	<p>1 or 0%</p> <p>1 of 243 head(s) of households currently paying minimum rent is employed full-time.</p> <p>(1 PH resident)</p>	No



Employed Part-Time	37 or 10% 37 of 379 head(s) of households paying minimum rent are employed part-time. (16 HCV participants and 21 PH residents)	7% of head(s) of households paying the minimum rent will be employed part-time.	18 or 7% 18 of 243 head(s) of households currently paying minimum rent are employed part-time. (12 HCV participants and 6 PH residents)	Yes
Enrolled in an Educational Program	13 or 3% 13 of 379 head(s) of households paying minimum rent are enrolled in an educational program. (7 HCV participants and 6 PH residents)	3% of head(s) of households paying the minimum rent will enroll in an educational program.	0 or 0% 0 of 243 head(s) of households currently paying minimum rent are enrolled in an educational program.	No
Enrolled in Job Training Program	0 or 0%	0 or 0%	0 or 0%	Yes
Unemployed	309 or 82% 309 of 379 head(s) of households paying minimum rent are unemployed. (237 HCV participants and 72 PH residents)	No change.	224 or 92% 224 of 243 head(s) of households currently paying minimum rent are unemployed. (177 HCV participants and 47 PH residents)	No
Other	0	0	0 or 0%	N/A

**2014-05 SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)**
*Number of households receiving TANF assistance (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households paying minimum rent who are receiving TANF assistance.	25 or 7% 25 of 379 households paying minimum rent are receiving TANF assistance. (18 HCV participants and 7 PH residents)	No change.	13 or 5% 13 of 243 households currently paying minimum rent are receiving TANF assistance. (9 HCV participants and 4 PH residents)	Yes

**2014-05 SS #8: Households Transitioned to Self-Sufficiency<sup>32</sup>***Number of households transitioned to self-sufficiency (increase).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households paying minimum rent who have transitioned to self-sufficiency.	0	4	14 households who were paying minimum rent transitioned to self-sufficiency.  (4 HCV participants and 10 PH residents)	Yes

**2014-05 CE #1: Agency Cost Savings***Total cost of task in dollars (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of rent simplification tasks (student status verifications).	\$2,997  On average 370 student status verifications were sent for 336 individuals; a total cost to the agency of \$8.10 per HCV participant.  (8.10*370 = 2997)	\$875  Student status verifications will be sent out for dependents only; approximately 108 households.  (8.10*108 = 874.80)	\$1,717  Student status verifications were sent out for 212 dependents of HCV participants.  (8.10*212 = 1717.20)	No
Total cost of rent simplification tasks (self-certification of assets).	\$28,265  Verification/processing of assets cost RHA approximately \$20,044.80 for 1,440 HCV households and \$8,220 for 750 PH households.  (13.92*1,440 = 20,044.80) (10.96*750 = 8,220)	\$1,076  Total cost to verify/process approximately 60 HCV households and 22 PH households with assets over \$10,000.  (13.92*60 = 835.20) (10.96*22 = 241.12)	\$899  Total cost to verify/process 52 HCV participants and 16 PH residents with assets over \$10,000.  (13.92*52 = 723.84) (10.96*16 = 175.36)	Yes

<sup>32</sup> RHA's definition of self-sufficiency is that the family will be employed and will earn 50% of the Area Median Income (AMI) based on family size. The family may be receiving other state benefits such as childcare subsidies, medical assistance and/or food stamps and be considered self-sufficient.

**2014-05 CE #2: Staff Time Savings***Total time to complete the task in staff hours (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total staff hours to complete the rent simplification tasks.	134.4 hours  On average staff spend 0.4 hours per student status verification.  (0.4*336 = 134.4)	43.2 hours  Student status verifications sent for dependents only.  (0.4*108 = 43.2)	84.8 hours  Student status verifications were sent for 212 dependents of HCV participants.  (0.4*212 = 84.8)	No
	1,323.3 hours  On average staff spend 0.695 hours to process and verify assets in the HCV Program and 0.43 hours in the PH Program.  (0.695*1,440 = 1,000.8) (0.43*750 = 322.50)	51.16 hours  Verifications will need to be sent to 60 HCV participants and 22 PH residents with assets over \$10,000.  (0.695*60 = 41.7) (0.43*22 = 9.46)	43.02 hours  Verifications were sent to 52 HCV participants and 16 PH residents with assets over \$10,000.  (0.695*52 = 36.14) (0.43*16 = 6.88)	Yes

**2014-05 CE #3: Decrease in Error Rate of Task Execution***Average error rate in completing a task as a percentage (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing rent simplification tasks.	6% - HCV 3% - PH  On average 4 of 72 HCV files audited contained errors related to the processing of files.  Furthermore, 7 of 217 or 3% of audited PH resident files contained problems related to the processing of assets.	0.5%	0%	Yes



2014-05 CE #5: Increase in Agency Rental Revenue				
<i>Rental revenue in dollars (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Increase in rental revenue in dollars due to excluding financial aid from income calculations and increasing the minimum rent.	\$0	(\$7,274)	The estimate of (\$7,274) is reasonable. <sup>33</sup>	Yes
	\$0	\$154,200	\$327,708 HCV: \$21,363 per month (TTP for 189 HCV participants who are currently paying minimum rent). PH: \$5,946 per month (TTP for 54 PH residents who are currently paying minimum rent.)	Yes

#### Changes to Baselines, Benchmarks and/or Metrics:

In the FY 2014 MTW Annual Report and the FY 2015 MTW Annual Plan, RHA revised its MTW Baselines, Benchmarks and Metrics for consistency with the established HUD Standard Metrics and revised MTW reporting requirements. As a result of this requirement, several Baselines and Benchmarks were not set. Furthermore, the Baselines and Benchmarks for 2014-05 CE#1 and 2014-05 CE#2 have been revised to include both methods of simplifying rent calculations (exclusion of all educational financial aid from income calculations and self-certification of assets under \$10,000) implemented under the activity. The tables above provide revised Baselines and Benchmarks for this MTW activity.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

#### Comparison of Outcomes to Baselines and Benchmarks:

On June 30, 2016, RHA had 243 PH residents and HCV participants paying the established \$75 minimum rent. Of these only 19 HCV participants and nine PH residents had earned income within the household. Although the benchmark for increasing earned income was not met across all households (2014-05 SS#1), the average earned income for those 28 families who had earned income and were paying minimum rent was \$5,136.

It is important to note that at the end of FY 2016, 164 HCV participants and 93 PH residents, who had previously paid minimum rent following implementation of this activity, had either moved off of assistance or were still housed paying more than the minimum rent. Of these 257 households, 94 HCV participants and 77 PH residents reported an average earned income of \$18,070. Based on the

<sup>33</sup> RHA's software system cannot calculate the exact cost amount due to student status income being excluded. Therefore, each file would have to be tracked and calculated outside of the system on a case by case basis. In FY 2015, RHA began an upgrade to its software system and once it is fully functional, it should be able to calculate the amount of tenant contribution to rent that is being excluded based on this activity.



data from households who, while no longer paying the minimum rent had paid minimum rent following implementation of this activity, the benchmark (*2014-05 SS#1*) would have been met for this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.





## **2014-06: Triennial recertifications for elderly/disabled participants on fixed incomes**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

### **Description:**

Elderly and disabled PH residents and HCV participants on fixed incomes now have recertifications on a triennial schedule rather than annually as the amount of rent RHA receives from these households on stable income is completely negligible. Cost of Living (COLA) increases for certain programs are automatically applied.

An elderly household is defined by HUD as a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides. A disabled family is defined as a family whose head (including co-head), spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Stable income sources include and are limited to: Social Security benefits, Supplemental Security Income (SSI), Social Security Disability (SSD), and pensions. There can be no earned income in the household.

If a participant meets both the elderly or disabled definition and the stable income definition, RHA performs a triennial recertification rather than an annual recertification; if not, the participant remains under the regular recertification process. For those years when a triennial recertification is not processed, RHA will automatically increase tenant rent based on the COLA.

Any elderly/disabled household with additional income sources other than the above-defined stable income sources, or households with minors (even if the head of household is elderly or disabled), will not be considered to have only stable income; these households will be required to have annual recertifications.

### **Implementation year:**

This policy was approved and implemented as a biennial activity in FY 2014; it was expanded as a triennial activity in FY 2015.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

RHA realized staff time savings and cost savings as the number of recertifications decreased. These savings are even more significant as elderly/disabled households with stable income transitioned to a triennial recertification schedule.

### **Hardship policy:**

RHA proposed no hardship policy as no additional burden was being placed on residents, however,



residents can request an interim recertification if they experience a decrease in income. This activity has been extremely positive for all affected residents.

**Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

**Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To restructure the initial, annual and interim review process in both the PH and HCV programs, sections C.4. and D.1.c. were cited and approved for this activity. These authorizations allow RHA to adopt a local system of Public Housing resident income verification in lieu of the current HUD system and define, adopt, and implement a new Housing Choice Voucher Program reexamination schedule.

No changes to the authorizations were made in FY 2016.

**Activity Metrics:**

The following metrics were identified and tracked for this activity.

2014-06 CE #1: Agency Cost Savings				
<i>Total cost of task in dollars (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost for recertification of elderly/disabled participants on fixed incomes.	\$140,933 HCV: \$112,291 PH: \$28,642	\$113,887 HCV: \$91,989 PH: \$21,898 Total savings: \$27,046 annually	\$104,419 HCV: \$84,789 PH: \$19,630 Total savings: \$36,515 annually	Yes



<b>2014-06 CE #2: Staff Time Savings</b>				
<i>Total time to complete the task in staff hours (decrease).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Total amount of staff time to complete recertification of elderly/disabled participants on fixed incomes.	6,726.23 hours HCV: 468.02 hours per month or 5,616.23 hours annually PH: 92.5 hours per month or 1,110 hours annually	5,625.94 hours HCV: 401.49 hours per month or 4,817.86 hours annually PH: 67.34 hours per month or 808.08 hours annually Total savings of 91.69 hours per month or 1,100.28 hours annually	3,202.27 hours HCV: 202.90 hours per month or 2434.77 hours annually PH: 63.96 hours per month or 767.5 hours annually Total savings of 293.66 hours per month or 3523.96 hours annually	Yes

<b>2014-06 CE #5: Increase in Agency Rental Revenue</b>				
<i>Rental revenue in dollars (increase).</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Rental revenue in dollars (increase).	\$0	No change	No Change	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

In the FY 2014 MTW Annual Report, RHA revised its MTW Baselines, Benchmarks and Metrics for consistency with the established HUD Standard Metrics and revised MTW reporting requirements. As a result of this requirement, several Baselines and Benchmarks were not set. Furthermore, in the FY 2015 Annual MTW Plan, the Baseline and Benchmark for 2014-06 CE#2 was erroneously set. The tables above provide revised Baselines and Benchmarks for this MTW activity.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.



## **2014-07: Alternate HQS verification policy**

### **MTW statutory objective(s):**

Reduce costs and achieve greater cost effectiveness in Federal expenditures.

### **Description:**

HCV units that pass the HQS inspection on the first visit will not be inspected until two years following the passed inspection, as long as both the landlord and HCV participant sign a certification that the unit is in good repair. If the landlord and HCV participant do not each certify or agree on the condition of the unit, an annual HQS inspection is conducted. The year following a successful self-certification, RHA will conduct a standard HQS inspection.

### **Implementation year:**

This policy was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

As the number of HQS inspections decreased, RHA realized staff time savings and cost savings. Overall, 53.44% of eligible HCV participants and landlords chose to sign a certification that the unit was in good shape and opt-out of their annual HQS inspection.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

As HUD is now allowing for Biennial HQS Inspections through Section 220 of the 2014 Appropriations Act, RHA requested in the FY 2017 MTW Annual Plan that this activity be closed out. This will be last time the activity is reported on.

### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To establish an alternative HQS schedule within the HCV program, section D.5. was cited and approved for this activity. This authorization allows RHA to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD.

No changes to the authorizations were made in FY 2016.

### **Activity Metrics:**

The following metrics were identified and tracked for this activity.

**2014-07 CE #1: Agency Cost Savings***Total cost of task in dollars (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of completing HQS inspections.	\$169,213.76 annually  2,656 (# of annual inspections) * \$63.71 (RHA's cost to complete an inspection)	\$80,019.76 annually  1,256 annual inspections will be completed at a cost of \$63.71 per inspection  $1,256 * 63.71 = 80,019.76$	\$104,420.69 annually  1,639 annual inspections were completed at a cost of \$63.71 per inspection.  $1,639 * 63.71 = 104,420.69$	No

**2014-07 CE #2: Staff Time Savings***Total time to complete the task in staff hours (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total amount of staff time to complete HQS inspections.	2,656 hours	1,256 hours	1,639 hours	No

**2014-07 CE #3: Decrease in Error Rate of Task Execution***Average error rate in completing a task as a percentage (decrease).*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in conducting an HQS inspection as a percentage.	0%	No change	No change	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

There are no changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.



## **2014-08: Partner with local nonprofits to provide housing to at risk families**

### **MTW statutory objective(s):**

Increase housing choices for low-income families *and* provide incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

### **Description:**

RHA is providing PBV units to clients of its nonprofit partners including CAAW, Casa de Vida, Washoe County Department of Social Services, Northern Nevada Hopes and Safe Embrace. These PBVs are for two years and each of the nonprofit partners provide supportive services.

RHA also worked with Silver Sage Manor, Inc. to assign 5 PBVs for units at their NSP3 property located at 435 Moran Street. This property was completely rehabilitated using NSP3 funds provided by the City of Reno. Although Silver Sage Manor, Inc. does not provide any supportive services, their property houses elderly individuals in the Reno, Sparks, and Washoe County community who are, or may soon become, homeless.

### **Implementation year:**

This policy was approved and implemented in FY 2014.

### **Status/schedule update:**

The activity is on schedule and remains ongoing.

### **Impact:**

At the end of FY 2015, the impact of this activity was minimal. One family, who had been referred by CAAW, was removed from the program after the household failed to pay rent and remain in compliance with the program by meeting with their case manager on a monthly basis.

RHA remained committed to each of the existing partnerships and continued outreach efforts to implement the activity. As of June 30, 2016, six properties were leased to clients of its nonprofit partners including four from Washoe County Department of Social Services, one from Casa de Vida and one from Northern Nevada HOPES.

### **Hardship policy:**

As this activity is not considered a rent reform activity, no hardship policy was established or required.

### **Challenges and/or potential new strategies:**

No challenges or new strategies have been identified for this activity.

### **Previously approved authorization(s):**

*All references to authorizations are to the section and paragraph citation of Attachment C of the Standard MTW Agreement.*

To provide PBVs to clients of one of RHA's nonprofit partnering agencies, sections B.4., D.1.b. and



D.7.a. were cited and approved for this activity. These authorizations allow RHA to operate transitional or conditional housing programs with supportive services in collaboration with local community-based organizations, to determine the length of the lease period, and the establishment of an Agency MTW Section 8 Project-Based Voucher Program, including commitment of project-based vouchers to Agency-owned units without a local competition.

No changes to the authorizations were made in FY 2016.

#### Activity Metrics:

The following metrics were identified and tracked for this activity.

2014-08 CE #4: Increase in Resources Leveraged				
<i>Amount of funds leveraged in dollars (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars by partnering with local non-profits.	\$0	\$13,260 <sup>34</sup>	\$2,602	No

2014-08 HC #4: Displacement Prevention				
<i>Number of households at or below 80% AMI that would lose assistance or need to move (decrease).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move.	0	0	0	Yes

2014-08 HC #5: Increase in Resident Mobility				
<i># of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of partnership.	0	2	1	No

<sup>34</sup> Benchmark is set assuming full lease up of five units with CAAW, RHA's longest partnership. CAAW has estimated approximately \$221 per month per client in additional resources.



2014-08 HC #7: Households Assisted by Services that Increase Housing Choice				
<i>Number of households receiving services aimed to increase housing choice (increase).</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice due to partnership.	0	2	6	Yes

**Changes to Baselines, Benchmarks and/or Metrics:**

In the FY 2014 MTW Annual Report and the FY 2015 MTW Annual Plan, RHA revised its MTW Baselines, Benchmarks and Metrics for consistency with the established HUD Standard Metrics and revised MTW reporting requirements. As a result of this new requirement, several Baselines and Benchmarks were not set. The tables above provide revised Baselines and Benchmarks for this MTW activity.

There are no additional changes to the Baselines, Benchmarks and/or Metrics related to this activity.

**Comparison of Outcomes to Baselines and Benchmarks:**

At the time of this writing, Washoe County Department of Social Services was unable to provide a dollar amount that represents the total amount of funds leveraged for their four clients who were served under this activity. As a result, the outcome reported for metric 2014-08 CE#4 only includes an estimated amount of resources leveraged for the two clients of Casa de Vida and Northern Nevada HOPES. As both of these clients leased up after February 1, 2016, the amount leveraged only represents a partial year for these two partnerships.

Through ongoing outreach and communication with each of the community partners, RHA anticipates meeting this benchmark in the future.

**Changes to data collection methodology:**

There are no changes to the data collection methodology related to this activity.





## B. Not Yet Implemented Activities

The activities discussed in this section have been previously approved by HUD, but not yet implemented by RHA. The following table provides an overview of each activity including the year it was approved, the primary statutory objective(s) the activity is intended to impact and the authorization(s) cited.

Not Yet Implemented MTW Activities				
Activity #	Fiscal Year Approved	Activity Name	Statutory Objective(s)	Authorization(s)
2016-03	2016	Time limited vouchers and redesign of traditional FSS Program	Create incentives for families to work, seek work or prepare for work <u>and</u> reduce costs and achieve greater cost effectiveness <u>and</u> increase housing choice for low-income families	Attachment C Sections D.1.b., D.1.c., D.2.d., E <u>and</u> Attachment D Use of MTW Funds

### 2016-03: Time limited vouchers and redesign of traditional FSS Program

#### **Description:**

In FY 2016, RHA proposed and received approval to establish a five-year time limit for all new non-elderly/non-disabled applicants participating in the HCV program with the goal of promoting self-sufficiency and increasing housing opportunities. Furthermore, to better serve existing HCV and PH FSS participants and all new non-elderly/non-disabled HCV participants with time limited vouchers, RHA received approval to redesign the traditional HCV and PH FSS Program.

#### Time limited vouchers:

In an effort to assist more families in need and promote self-sufficiency, work-able non-elderly/non-disabled households receiving subsidies will be given an impetus to become self-sufficient and cycle off of the program through the implementation of five-year time limited vouchers. Prior to being issued a time limited voucher, all new non-elderly/non-disabled applicants will be required to attend an in depth, eight hours financial literacy class conducted by the FGC. Should a family choose not to participate in the class, they will be removed from the HCV wait list entirely and will need to reapply.

In addition to the mandatory financial literacy class, all new non-elderly/non-disabled HCV participants will meet with an FSS Coordinator within three months of lease up to create an ITSP. The ITSP will outline the family's goals to achieve self-sufficiency within five years. All time limited voucher holders will also be required to meet annually, at minimum, with an FSS Coordinator to review the ITSP and track their progress.

#### Redesign of traditional FSS Program:

In order to better serve existing HCV and PH FSS participants and all new non-elderly/non-disabled HCV participants with time limited vouchers, the traditional HCV and PH FSS Program will be redesigned. The redesign will eliminate the escrow accrual for all new HCV participants while



allowing PH FSS participants to continue to participate in FSS with the traditional escrow accrual; however, upon successful completion of the FSS Program, the PH resident will only receive their escrow balance upon forfeiture of their housing assistance. Should the family choose to forfeit the balance of the accrued escrow, they will be allowed to maintain their PH unit. All current/existing HCV and PH FSS participants will be allowed to continue their escrow accrual through the expiration of their FSS contracts and maintain housing assistance under current FSS Program guidelines.

**Actions taken toward implementation:**

In FY 2014, RHA began issuing vouchers limited to five years as part of a Rent Reform Controlled Study (Activity 2014-03) within the HCV program. RHA continues to work with UNR to evaluate the continuing effects and changing statuses of families participating in the Rent Reform Controlled Study. Several of the participants leased up under the Study Group will be transitioning into their third year on the program, at which time, they will experience their first rent increase. To properly gauge whether increases in income that do not affect a household's rent and whether or not limiting vouchers to five years is incentive enough for families to become self-sufficient, implementation of this activity on all non-elderly/non-disabled HCV participants has been postponed.

An exact date for implementation of this activity is not known at this time.



**C. Activities on Hold**

RHA does not have any MTW activities on hold.

**D. Closed Activities**

RHA has not closed out any MTW activities.

In the FY 2017 MTW Annual Plan, RHA will close out Alternate HQS verification policy (Activity 2014-07) as HUD is now allowing for Biennial HQS Inspections through Section 220 of the 2014 Appropriations Act. In future years, RHA will also close the Required Savings Plan for Earned Income Disallowance (EID) PH clients (Activity 2015-04) as RHA has eliminated the HUD-mandated EID from the calculation of rent.



## V. Sources and Uses of Funds

### A. Sources and Uses of MTW Funds

#### Actual Sources and Uses of MTW Funding for the Fiscal Year

PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system.

#### Describe the Activities that Used Only MTW Single Fund Flexibility

On May 2, 2016, RHA began to replace 900 aluminum frame windows throughout the Mineral Manor complex. The total obligated expenditure for this energy improvement project was \$398,671. As of June 30, 2016, the project was approximately 55% complete.

### B. Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?

**YES**

or

No

Has the PHA implemented a local asset management plan (LAMP)?

Yes

or

**NO**

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

Yes

or

**NO**

RHA is not implementing a LAMP so the narrative is not required.

**C. Commitment of Unspent Funds**

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

<b>Account</b>	<b>Planned Expenditure</b>	<b>Obligated Funds</b>	<b>Committed Funds</b>
MTW PH Improvement	Window replacement at Mineral Manor	\$186,388	\$186,388
Personnel	Salaries and benefits	\$15,000	\$15,000
MTW Self-Sufficiency	Self-Sufficiency program	\$32,607	\$32,607
MTW Evaluation	UNR study	\$12,000	\$12,000
MTW Agreement	Financial Literacy class through the FGC	\$32,000	\$32,000
<b>Total Obligated or Committed Funds:</b>		<b>\$277,995</b>	<b>\$277,995</b>

On May 2, 2016, RHA began to replace 900 aluminum frame windows throughout the Mineral Manor complex with energy star rated, highly efficient, thermal pane windows. The total obligated expenditure for this energy improvement project was \$398,671, of which \$212,283 had been spent.

In addition, RHA also obligated \$304,550 for various MTW related activities including Family Self-Sufficiency program, UNR's ongoing analysis of Rent Reform and Mobility Demonstration study participants, financial literacy classes through the FGC and personnel expenditures for administration. As of June 30, 2016, RHA has spent \$212,943 on these programs.

**Note:** Written notice of a definition of MTW reserves will be forthcoming. Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.



## VI. Administrative

- A. General description of any HUD reviews, audits or physical inspection issues that require the agency to take action to address the issue;

There are no actions required from any reviews, audits, or physical inspections.

- B. Results of latest PHA-directed evaluations of the demonstration, as applicable; and

RHA is working with UNR to administer and conduct an annual analysis for Rent Reform and Mobility Demonstration participants. This questionnaire began being administered annual to program participants in September 2014 and to date, UNR has compiled two years of data. Please refer to Attachments for UNR's profiles of clients participating in these programs based on second year data.

- C. Certification that the PHA has met the three statutory requirements of: 1) assuring that at least 75 percent of the families assisted by the Agency are very low-income families; 2) 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 3) 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.

- 1) At the end of FY 2016, 3,068 households out of a total of 3,245 households or 94.55% were very low-income (<50% AMI).
  - a) Public Housing: 671 out of 726 or 92.42%
  - b) Housing Choice Vouchers: 2,397 out of 2,519 or 95.16%
- 2) Baseline numbers show total households served were 3,127; as of June 30, 2016, 3,245 households were served or 104% of baseline.
- 3) RHA is maintaining a comparable mix of families by family size, as seen below.

### Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained	50.56%	20.34%	12.87%	8.52%	4.67%	3.05%	100%
Number of Households Served by Family Size this Fiscal Year	1,845	568	347	252	145	88	3,245
Percentages of Households Served by Household Size this Fiscal Year	56.86%	17.50%	10.69%	7.77%	4.47%	2.71%	100%
Percentage Change	6.30%	-2.83%	-2.18%	-0.75%	-0.20%	-0.34%	0



## VII. Attachments

### **Year 2 Update: Develop and apply metrics for assessing outcomes from Reno Housing Authority's (RHA) Moving to Work Mobility Demonstration and Rent Reform controlled study programs**

Prepared by Professor Kimberly Rollins, Department of Economics, University of Nevada, Reno  
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This sub-project is developing a set of metrics that can be used to help quantify how up to five years of experimental Rent Reform (RR) and Mobility (MOB) housing treatments might alter the outcomes / wellbeing of participating families. Households are being tracked in a total of four groups - a treatment / study group and a control group for each of the two experimental programs – to generate a time series/cross section data set which will provide the basis for the metrics to be structured to discern whether changes that occur over time can be attributable to the housing treatments.

The approach recognizes that outcomes may have different effects on different members of a household. One objective in developing metrics is to identify categories of members of households according to expectations of differences in effects from the study treatments. For example, a Mobility program that enhances the ability to move children from one school to another, or from one neighborhood to another would have impacts on children that are different from impacts on adult members of a household. Therefore a set of metrics will focus on welfare of children. And these metrics would be further categorized to focus on children of different ages – since impacts on children may be mitigated or enhanced depending on their ages.

The metrics will be created from data collected from two sources: first is the standard tracking information maintained by RHA on all clients (income, all sources of income, numbers of adults and children in household, head of household employment status, etc). Second, a questionnaire that was created by this project is administered to each participating household every year, starting with their admission to one of the programs or to the control groups for the programs. The content of the questionnaire and a summary of descriptive statistics from the in-coming households' responses to the questionnaire is described in detail in the 2015 Report.

While data from the four groups is to be collected over a period of five years – it is expected that many families – perhaps the majority of families – will not appear in all five years. Some that appeared in the first year have left the program by the second year due to a variety of reasons, which are described below, while other households appear for the first time in 2016. It is expected that this pattern will continue for the five years. The result is that while at any given time there are about 270 – 280 families in the four groups, over the five years, many times more families could be represented in the data set.

During these five years, other events driven by macro economic and other trends will also occur. The families that come and go will bring with them life events and histories and abilities that will provide great variation in the data. This variation in the data provides opportunities to study how these might mitigate or enhance effects from the experiments. On the other hand, these

variations also create problems for the statistical analysis, since there is no ability to incorporate systematic controls into the experimental design by including balance between treatment and control groups in terms of family size, structure, level of education, and other such variables that could affect outcomes. To the extent possible with a rather small sample of convenience (no more than 280 households at any given time, with 100 in each RR group and 40 in each MOB group) we will attempt to control for variations in household characteristics by including the questionnaires data that could control for such effects.

The previous report indicated that as of August 2015 a total of 197 participants had entered one of the four groups and completed the questionnaire. The breakdown of these initial 197 participants by group is: Mobility Study Group = 30; Mobility Control Group = 22. Rent Reform Study Group = 73; Rent Reform Control Group = 72. Table 1 summarizes the numbers of participants that started the program (completed the questionnaire as of August 2015), the number who have left the program since August 2015, and the total numbers of households that have participated since the start of the study.

**Table 1: Net change and activity in participation – numbers of households**

	Households that completed questionnaire as of August 2015	Active # households August 2016	Activity includes households leaving study and others being added...
Mobility Study group	30	28	9 left and 7 added – with a total of 37 participating households since start.
Mobility Control group	22	36	13 left and 27 added - with a total of 49 participating households since start.
Rent Reform Study Group	73	73	19 left and replaced - with a total of 92 participating households since start.
Rent Reform Control Group	72	71	23 left and 22 added – with a total of 94 participating households since start.
Total	197	208	Net increase of 11 households. Total number households participating since start: 272

Reasons logged to describe why families left the program are important for developing the metrics, as these can indicate the family no longer needed assistance because household income rose over time and became stable enough to support the family. Leaving the program under “positive” circumstances cannot, however, by itself be used to assume that participation in the program generated that outcome: only a comparison between control and treatment groups that is statistically significant can indicate a successful outcome was the result of being in a treatment group. At this time, there have not been enough observations across households, control and



treatment groups, and over time to be able to make any statements about program evaluation or about the particular metrics themselves.

However, we can summarize the reasons given for leaving the programs for the first two years as being in one of three categories: “positive”, “negative” and not applicable to the study design. Positive reasons are as the example above: The family no longer needed support. Negative reasons indicate that the family violated the terms of participating in housing support programs. And reasons that are not applicable to the study design include households that left due to transfers, leaving the home due to medical reasons, porting out to another locations, and similar issues that are not explicitly related to impacts from the study.

**Table 2: Reasons for leaving study or control group (month/year left)**

<b>Reason for leaving study</b>	<b>MOB Study (9 have left)</b>	<b>MOB Control (13 have left)</b>	<b>RR Study (19 have left)</b>	<b>RR Control (23 have left)</b>
<b>Paying full rent</b>	4/15, 4/16, 3/16, 7/15			4/15
<b>paying full rent for less than 6 months</b>	8/16			
<b>Purchased home</b>	4/15			
<b>Voluntary: no details provided</b>		5/15, 3/16, 3/16, 1/16, 10/14, 10/14, 7/15, 5/16	7/15, 11/14, 8/16, 3/15	8/16, 4/16, 6/16, 5/16, 1/16, 10/15, 5/16, 3/16, 3/15
<b>Voluntary: medical</b>			11/14	
<b>Transfer to VOO</b>	1/16, 6/16		8/15	
<b>“RA Port Out”</b>			6/16	
<b>Moved to MOB study group</b>		2/16, 2/16		
<b>Unknown</b>		7/16		
<b>Family or HQS violation</b>	7/15		3/15, 5/15, 3/16, 4/16	1/15, 3/15, 7/15, 3/16, 4/16, 7/16
<b>Fraud</b>	1/15			
<b>“Skipped out”</b>		11/14, 9/15	11/14, 12/14, 5/15, 9/15, 12/15	3/15, 3/16, 8/15
<b>Voucher expired</b>				1/16, 8/15, 10/15
<b>Eviction</b>			9/14, 3/16, 11/14	2/16

A year-by-year overview of activities leading up to the fifth year analysis is summarized below:



- Year 1: (a) Develop categories of outcomes for families that could be affected by the two experimental programs. These categories will consider outcomes relevant for adults and children of different age groups and will consider backgrounds that could influence likelihood of achieving outcomes. (b) Design a questionnaire that captures a variety of factors that could serve as metrics for quantitative measurement of change in these categories over time between the treatment and control groups. The questionnaire is to be implemented in person by RHA staff, one-on-one in a private setting with each resident. The questionnaire is to be developed using Qualtrics internet software (licensed through UNR). No identifying information is included in the data; a five-digit code is used to distinguish among households for annual repeated data entry. Data will be updated each year – with new families added to treatments and controls as families leave the programs. (c) Pretest a draft version of the questionnaire with a small sample of residents, review experience from the pretest, make necessary changes, final version is to be based on repeat of pretesting/reviews and changes. Pretesting is to include ease of data entry, wording, flow, etc. (d) The first year data will be entered into the final version of the questionnaire for all participating households.
- Year 2: Implement questionnaire for year two, adding new families as needed. Review academic literature of similar studies for development of the metrics and categories using questionnaire data.
- Year 3: Using data and review of literature, start to design range of metrics from combinations of variables collected in the questionnaire. Eventually, a final set will be chosen from this broad set. Graduate students in a social psychology class at UNR will be aiding in this task, as part of their training.
- Year 4: Using data and review of literature, continue to redesign range of metrics from combinations of variables collected in the questionnaire. Eventually, a final set will be chosen from this broad set. Graduate students in a social psychology class at UNR will be aiding in this task, as part of their training.
- Year 5: Analyze differences between treatment and controls for the two programs. Choose final set of metrics in consultation with RHA staff. Write report. Potentially write up manuscript for academic publication.