

2019

*Moving to Work*

# ANNUAL PLAN

Housing Authority of the County of San Bernardino



*Building Communities  
Changing Lives*

MTW DESIGNATED AGENCY

Amendment 2

Submitted to HUD May 28, 2019



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## OUR MISSION

HACSB empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

## OUR VISION

HACSB is committed to creating a world in which all people have a stable and enriched quality of life.

## OUR CORE VALUES

**RESPECT** | We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.

**SAFETY** | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.

**INTEGRITY** | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity building within our organization is key toward fulfilling our mission statement.

**SERVICE** | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.



# Housing Authority of the County of San Bernardino

## EXECUTIVE MANAGEMENT TEAM



**Maria Razo**  
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**Gustav Joslin**  
Deputy Executive Director



**Jennifer Dawson**  
Director of Human Resources



**Ana Gamiz**  
Director of Policy and Public Relations



**Rishad Mitha**  
Director of Operations

## FOR MORE INFORMATION

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# Section I: Introduction

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For over 70 years, the Housing Authority of the County of San Bernardino (HACSB) has been one of the leading providers of affordable housing in the County of San Bernardino. The County of San Bernardino is the largest county in the contiguous United States consisting of 24 cities and covering over 20,000<sup>1</sup> square miles of land, and with a population of more than 2.1 million individuals. The population of San Bernardino County is estimated to have grown by 6<sup>2</sup> percent between 2010 and 2017 and is expected to rise by 28%<sup>1</sup> between 2020 and 2045. HACSB proudly serves more than 30,000 people, most of whom are seniors, disabled individuals and children.

Our agency's success is a result of our business approach to strategic planning and delivery of services. We strive to design our program as a stepping stone, providing housing stability to our families on their path to economic independence. In alliance with an extensive list of community partners, government agencies, employment service providers, and institutions of higher education, we provide family/individual case management and counseling, assist with career training and job placement, and ensure program integrity. These efforts are building blocks to achieve our mission and vision while upholding our core values of respect, safety, integrity and service.

**HACSB Mission Statement** - *Empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.*

**HACSB Vision** – *HACSB is committed to creating a world in which all people have a stable and enriched quality of life.*

**HACSB Values** - *HACSB strives to be a key participant in supporting and improving the community it serves. HACSB seeks to streamline its programs and establish a higher standard of services to the community. Our core values of respect, safety, integrity and service will guide us in accomplishing our Mission and Vision.*

<sup>1</sup> San Bernardino County 2017 Community Indicators Report

<sup>2</sup> Census Quick Facts 2017

## What is in this plan?

This Fiscal Year 2019 Moving to Work Annual Plan complies with the format required by the U.S. Department of Housing and Urban Development (HUD) as outlined in the 2008 Amended and Restated Moving to Work (MTW) Agreement between HUD and HACSB, and also complies with the requirements set forth by HUD in Form 50900. This Plan is separated into the sections described below. Outside of the changes described below, this FY 2019 Annual MTW Plan, 2<sup>nd</sup> amendment, is the same as our previously submitted FY 2019 Annual MTW Plan, 1<sup>st</sup> amendment.

- *Section I: Introduction* provides an overview of the layout of the document and HACSB's short term and long term goals. **Updates are made to this section to specify the changes included in this FY 2019 Annual MTW Plan, 2<sup>nd</sup> amendment.**
- *Section II: General Housing Authority Operating Information* provides an overview of the agency's housing portfolio, leasing rates, and wait list information. **No changes have been made to this section through this amendment.**
- *Section III: Proposed MTW Activities* describes the new MTW activities and proposed changes to currently active MTW activities that we plan to pursue in FY 2019. **This amendment includes in this section the newly proposed MTW Activity 27: Local Rent and HACSB Subsidy Calculation for Project-Based Vouchers.**
- *Section IV: Approved MTW Activities* provides information on previously approved uses of MTW authority. **Activity 11: Local Project-Based Voucher Program, and MTW Activity 23: No Child Left Unsheltered, are both ongoing activities that were included in Section III as re-proposed in our FY 2019 Annual MTW Plan, 1<sup>st</sup> amendment. The activities have been moved to this section in this second amendment.**
- *Section V: Sources and Uses of Funds* describes the agency's projected revenues and expenditures for FY 2017, local asset management program and use of MTW Block Grant fungibility. **No changes have been made to this section through this amendment.**
- *Section VI: Administrative* provides required administrative information. **No changes have been made to this section through this amendment.**

## What is "Moving to Work"?

Moving to Work (MTW) is a U.S. Department of Housing and Urban Development (HUD) demonstration program for housing authorities to design and test innovative housing and self-sufficiency initiatives targeted to address local needs. The MTW designation allows participating agencies to waive certain statutes and HUD regulations in order to increase housing choice for low-income families, encourage households to pursue self-sufficiency, and improve administrative and operational cost effectiveness.



As a high-performing, innovative and progressive agency, HACSB received its MTW designation in 2008. In April 2016 the MTW agreement was extended for an additional ten years through 2028. HACSB has completed nine years of participation, and during that time we have developed 26 MTW initiatives. Through the MTW designation HACSB continues to test new methods to improve housing services and to better meet local needs.

A brief timeline of our MTW Plans and Reports follows.

MTW Plan	Approved by HUD
FY 2009 MTW Plan	September 25, 2008
• Amendment 1	• June 29, 2009
FY 2010 MTW Plan	September 30, 2009
• Amendment 1	• November 18, 2009
• Amendment 2	• February 22, 2010
• Amendment 3	• September 15, 2010
FY 2011 MTW Plan	October 18, 2010
FY 2012 MTW Plan	October 5, 2011
• Amendment 1	• November 4, 2011
FY 2013 MTW Plan	September 27, 2012
FY 2014 MTW Plan	May 14, 2014
FY 2015 MTW Plan	February 13, 2015
• Amendment 1A	• May 11, 2015
• Amendment 1B	• N/A. Proposed changes moved to 2017 MTW Plan.
• Amendment 2	• N/A. Proposed changes moved to 2017 MTW Plan.
FY 2016 MTW Plan	November 4, 2015
FY 2017 MTW Plan	February 2, 2017
• Amendment 1	• April 3, 2017
• Amendment 2	• September 27, 2017
FY 2018 MTW Plan	October 25, 2017
FY 2019 MTW Plan	October 1, 2018
• Amendment 1	• Submitted January 28, 2019; pending HUD approval
• Amendment 2	• This Plan.

MTW Report	Accepted by HUD
FY 2009 MTW Report	April 22, 2010
FY 2010 MTW Report	March 21, 2011
FY 2011 MTW Report	March 20, 2012
FY 2012 MTW Report	July 19, 2013
FY 2013 MTW Report	December 31, 2013
FY 2014 MTW Report	December 31, 2014
FY 2015 MTW Report	December 22, 2015
FY 2016 MTW Report	August 16, 2018
FY 2017 MTW Report	October 4, 2018
<b>FY 2018 MTW Report</b>	December 21, 2018

## Overview of Agency's Goals and Objectives

### Long-Term Goals

Prior to our MTW designation in 2008, HACSB completed a 30-year strategic planning process to develop the agency's long-term goals. These goals serve to guide us toward achieving our mission and vision. Our short-term milestones and annual accomplishments mark our progress toward realizing the 30-year strategic goals.

Our strategic 30 years goals are:

HACSB 30-Year Strategic Goals	
<b>Strategic Goal 1:</b>	No eligible family waits longer than 10 days for housing
<b>Strategic Goal 2:</b>	Clients have achieved their own personal level of stability and economic independence
<b>Strategic Goal 3:</b>	For those whom a transition is appropriate, the maximum stay in assisted living is 5 years
<b>Strategic Goal 4:</b>	HACSB leaders and supporters are innovative policy makers and influencers of legislation
<b>Strategic Goal 5:</b>	HACSB has secured the resources needed for accomplishing its mission
<b>Strategic Goal 6:</b>	HACSB is a leading developer and provider of affordable housing in the County of San Bernardino
<b>Strategic Goal 7:</b>	HACSB is adequately staffed with well trained and fully developed employees
<b>Strategic Goal 8:</b>	HACSB communication is open, honest and consistent
<b>Strategic Goal 9:</b>	HACSB employees have a high level of morale
<b>Strategic Goal 10:</b>	HACSB clients, programs and properties are embraced by all communities
<b>Strategic Goal 11:</b>	HACSB clients live in safe and desirable homes and communities where they can develop and prosper

The flexibilities provided through our MTW designation assist in our efforts to achieve our long term goals, and our long-term vision aligns with the statutory objectives of the MTW program. HACSB currently has 26 approved MTW activities. Twelve activities address the objective of operational efficiency, nine assist families with their economic independence efforts, and five help expand housing opportunities. As good stewards of taxpayers' dollars, we ensure optimal use of funds to provide the best quality services to our families. We continually seek to implement innovative solutions that streamline processes, increase efficiency, and help families achieve economic independence. Proactive planning has helped us face the consecutive budget reductions while increasing the number of families served and services provided.



## Short-Term Goals

Our long-term goals align with the MTW statutory objectives and our vision of creating a world in which all people have a stable and enriched quality of life. We achieve MTW objectives by aligning our agency's short-term strategic goals with our MTW goals/objectives-

- **Goal 1 - Operational efficiency through innovation** – *Maximizing HACSB's economic viability and sustainability through the following strategies:*
  - Ensure excellent and efficient stewardship of resources and programs
  - Maintain a workplace environment that attracts and retains capable employees who feel they are making a difference
  - Have an increasingly diverse number of funding sources to provide the programs and services described in the strategic plan
  - Develop a communication program that effectively disseminates information inside and outside the Agency
  - Provide world class customer service

In addition to implementing non-MTW activities to address this goal, we have implemented twelve MTW activities that address this goal (listed in the following table with a statutory objective of "cost effectiveness").

- **Goal 2 – Develop economically independent clients** – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy through the following strategies:*
  - Develop and maintain policies programs, and services that foster accountability, responsibility and economic independence
  - Transform client mindset from entitlement to empowerment
  - Partner with external organizations to support clients in acquiring life skills, education and training
  - Assist families in strengthening personal accountability and in transitioning to Home Ownership/Market rentals

In addition to implementing non-MTW activities to address this goal, we have implemented nine MTW activities that address this goal (listed under the self-sufficiency statutory objective in the following table).

- **Goal 3 – Ensure freedom of housing choice** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life through the following strategies:*
  - Improve and expand HACSB's real estate assets
  - Partner with external organizations to leverage funding and development opportunities
  - Develop innovative programs to expand housing opportunities for under-served populations such as homeless veterans and homeless families with children

In addition to implementing the above non-MTW activities to address this goal, we have developed or implemented four MTW activities that address this goal (listed under the housing choice statutory objective on the following table).

The following table shows a list of activities that were included in our MTW Annual Plans.

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
Activity 1	Single Fund Budget	Cost Effectiveness	FY 2009	Implemented
Activity 2	Strategic Investment Policies	Cost Effectiveness	FY 2009	Implemented
Activity 3	Alternate Assessment Program	Cost Effectiveness	FY 2009	On Hold
Activity 4	Biennial Recertifications	Cost Effectiveness	FY 2009	Implemented
Activity 5	Local Verification Policies	Cost Effectiveness	FY 2009	Implemented
Activity 6	Elimination of Assets	Cost Effectiveness	FY 2009	Implemented
Activity 7	Controlled Program Moves	Cost Effectiveness	FY 2009	Implemented
Activity 8	Local Policies for Portability	Self-Sufficiency	FY 2009	Implemented
Activity 9	Elimination of Earned Income Disallowance	Self-Sufficiency	FY 2009	Implemented
Activity 10	Minimum Rent	Self-Sufficiency	FY 2009	Implemented
Activity 11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Implemented
Activity 12	Local Payment Standards	Expanding Housing Opportunities	FY 2009	Implemented
Activity 13	Local Inspection Standards	Cost Effectiveness	FY 2010	Implemented
Activity 14	Local Asset Management Program	Cost Effectiveness	FY 2010	Implemented
Activity 15	Pilot Work Requirement	Self-Sufficiency	FY 2010	Implemented
Activity 16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Closed Out
Activity 17	Local Income Inclusion	Self-Sufficiency	FY 2011	Implemented
Activity 18	Property Management Innovation	Cost Effectiveness	FY 2011	Implemented
Activity 19	Local FSS program	Self-Sufficiency	FY 2011	Implemented
Activity 20	Term-Limited Lease Assistance Program	Self-Sufficiency	FY 2011	Implemented
Activity 21	Utility Allowance Reform	Cost Effectiveness	FY 2012	Closed Out
Activity 22	Streamlined Lease Assistance Program	Cost Effectiveness	FY 2013	Implemented
Activity 23	No Child Left Unsheltered	Self-Sufficiency	FY 2014	Implemented
Activity 24	Transition for Over-Income Families	Self-Sufficiency	FY 2014	Implemented



ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
Activity 25	Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing	Expanding Housing Opportunities	FY 2016	Implemented
Activity 26	Local Disaster Short-Term Rental Assistance	Expanding Housing Opportunities	FY 2017	Not Yet Implemented
Activity 27	Local Rent and HACSB Subsidy Calculation for Project-Based Vouchers	Expanding Housing Opportunities	FY 2019	Newly Proposed – Not Implemented

## Accomplishments

HACSB has made progress toward our long-term strategic goals in the following ways:

- **Goal 1 - Operational efficiency through innovation** – *Maximizing HACSB's economic viability and sustainability:*
  - In FY 2017 the HACSB team finalized a contract with a client database software for upgrade in FY 2018.
  - Implemented a new on-line training system for employees.
  - Created and enhanced a comprehensive asset performance and quality control program for all HACSB properties.
- **Goal 2 – Develop economically independent clients** – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy:*
  - Enhanced economic opportunities for youth and young adults by implementing a Youth Employment Program which provides program participants between the ages of 16-24 with 6 months of subsidized employment. Twenty-five youth and young adults committed to the program, during the fiscal year, to gain employment experience, improve work skills, and become self-sufficient. Launched a new Employment, Training, and Resource page on the agency's website where participant families can conveniently gain access to local opportunities that meet the specific needs of their households. Expanded scholarship application submission period from once a year to quarterly to accommodate lifetime learners who often have non-traditional terms. Participated in several collaborative employment resource and opportunity events for participants to connect with local employers and resource organizations.
- **Goal 3 – Ensure freedom of housing choice** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life:*
  - Phase I of on-site construction at the Waterman Gardens Public Housing site was completed, (62-units), and a groundbreaking was held on September 28, 2017.

- Phase I of construction for Horizons at Yucaipa Senior Housing Community was completed and a groundbreaking was held on June 6, 2017. All 50 units are Project-Based Voucher units.
- Acquired Golden Apartments, 21 units expected to be converted to 38 units post-rehabilitation work. Purpose is to provide permanent supportive housing for chronically homeless.
- Acquired Queens Motel, 61 units expected to be converted to 31 units post rehabilitation work. Purpose is to provide permanent supportive housing for chronically homeless.
- Completed Phase 1 of RAD conversion (552 units) – this conversion has allowed us to address deferred capital improvements.
- Our full\* Public Housing portfolio was approved for the Rental Assistance Demonstration Program, and conversion began in 2016. The program will convert the Public Housing subsidies into a long-term, Project-Based Section 8 rental assistance subsidy, which will provide stable and predictable revenues allowing HACSB to apply for Low-Income Housing Tax Credits and other sources of financing to fund Public Housing renovations. *\*With the exception of the 98 Public Housing units acquired through the Upland Housing Authority voluntary process. These units are on the current RAD waiting list.*
- Continued to support expansion of affordable housing through partnerships with developers. HACSB is currently involved with projects in Colton, Loma Linda, Redlands, San Bernardino, Victorville, and Yucaipa.

The HACSB affiliate non-profit, KEYS, has been restructured to focus on supporting rapid rehousing and stabilization services for special populations with a current focus on homeless families with children and homeless veterans and their families. Through its various programs, in 2017, KEYS housed 558 homeless families. Serving the needs of our residents and helping them on their path to economic independence is a priority at HACSB. The administrative efficiencies achieved through our activities helped create the Career Development Initiatives (CDI) Department that works closely with our families to further our strategic goal of transforming clients' mindsets from entitlement to empowerment. We have also repositioned assets and implemented innovative activities to create quality housing choices for our families.

We are confident that through our long term strategic planning and collaboration with community partners, we will reach our mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout the County of San Bernardino.

## Section II: General Operating Information

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This section provides an overview of the Housing Authority of the County of San Bernardino's (HACSB) housing portfolio, leasing, and waiting list information.

### Agency Overview

HACSB provides affordable housing assistance to more than 10,000 families throughout the County of San Bernardino through the Public Housing program, the Housing Choice Voucher Programs, and special programs such as Shelter Plus Care, Veterans Administration Supportive Housing (VASH) vouchers, Mainstream, and also through our authority-owned portfolio. We provide families a stepping stone through difficult economic times and, in conjunction with community partners, assist them on their path to economic independence.

In September 2016, the Housing Authority of the City of Upland (UHA) and HACSB submitted an application to the U.S. Department of Housing and Urban Development (HUD) for the voluntary transfer of UHA's Housing Choice Voucher (AKA "Section 8") and Public Housing programs to HACSB effective July 1, 2017. The application was approved by HUD for the Housing Choice Voucher program on June 16, 2017, and for the Public Housing program on June 29, 2017. The process resulted in the transfer of 98 Public Housing units and 624 Housing Choice Vouchers from UHA to HACSB on July 1, 2017. Thereafter, HACSB assumed responsibility for both programs and began providing all services to the families served through those programs. Information about the transferred units and families and how HACSB's moving to Work initiatives apply to those units and families is included in this Plan.

## A. Housing Stock Information

The majority of HACSB's funding from HUD comes in the form of a block grant that combines the Public Housing operating fund, Public Housing capital fund, and MTW Housing Choice Voucher funding into one funding source for HACSB. These funds are used to support the units described in the following tables.

### i. Planned New Public Housing Units

HACSB does not anticipate adding new Public Housing units in fiscal year 2018-2019.

ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER	BEDROOM SIZE					TOTAL UNITS	POPULATION TYPE	# OF UNIFORM FEDERAL ACCESSIBILITY STANDARDS (UFAS) UNITS	
	0/1	2	3	4	5			FULLY ACCESSIBLE	ADAPTABLE
N/A	-	-	-	-	-	0	N/A	0	0
TOTAL PUBLIC HOUSING UNITS TO BE ADDED IN THE PLAN YEAR						0		0	0

### ii. Planned Public Housing Units to be Removed

HACSB has received approval under HUD's Rental Assistance Demonstration (RAD) program to convert our entire Public Housing portfolio. All units have been or will be converted to either Project Based Rental Assistance or Project Based Vouchers, both of which are commonly referred to as "Section 8" units. As of FY 2019 this process will be complete for nearly all of HACSB's Public Housing portfolio. Only the Los Olivos development is projected to be removed from the Public Housing portfolio in FY 2019. More information about the RAD conversion is included in Exhibit 1 and Exhibit 2 to this Plan.

AMP NAME AND NUMBER	NUMBER OF UNITS TO BE REMOVED	EXPLANATION FOR REMOVAL
Los Olivos, CA019000210	98	RAD Conversion
	98	TOTAL PUBLIC HOUSING UNITS TO BE REMOVED IN THE PLAN YEAR



### iii. Planned New Project-Based Vouchers

In FY 2019, HACSB anticipates awarding 1706 project-based vouchers for developments owned by HACSB, our affiliate non-profit, Housing Partners I, Inc., and in cooperation with other local developers. The following table and narrative descriptions provide more information on planned project-based vouchers.

PROPERTY NAME	NUMBER OF VOUCHERS TO BE PROJECT-BASED	RAD?	DESCRIPTION OF PROJECT
Los Olivos, Upland	98	Yes	Family Community, Existing Public Housing Development
Veterans' Housing, Various Sites	60	No	Veterans' Housing, Existing Developments
Golden Apartments	38	No	Chronically Homeless, Existing Development
Queens Motel	27	No	Chronically Homeless, Existing Development
223		PLANNED TOTAL VOUCHERS TO BE NEWLY PROJECT-BASED	

#### Los Olivos - Upland

In July 2017 HACSB absorbed the Los Olivos Public Housing development from the Housing Authority of the City of Upland through a HUD-approved voluntary transfer process. Subsequently, HACSB submitted an application to convert the development to project-based vouchers through the RAD program, and we anticipate that conversion will take place in FY 2019.

#### Veterans' Housing – Various Sites

As part of the Housing Authority's commitment to end veteran's homelessness, we have set aside 60 Project-Based Vouchers for homeless veterans. HACSB intends to award these vouchers through a competitive process which is currently underway.

#### Golden Apartment and Queens Motel

The Housing Authority has purchased properties in San Bernardino (Golden Apartment – 38 units) and Victorville (Queens Motel -27 units), the two cities identified by the 2016 Point in Time Count as having the highest number of homeless individuals in the county. After rehabilitation, these combined sites are projected to provide 65 housing units for chronically homeless individuals.

#### iv. Planned Existing Project-Based Vouchers

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Redlands – Lugonia (Phase II)	104	Committed	Yes	Family Community, New Development
Waterman Gardens	252	Committed	Yes	Family Community, Existing Development
Waterman Phase 1 - (Val9)	44	Leased/Issued	Yes	Family Community, New Development
Waterman Phase 2	61	Leased/Issued	Yes	Family Community, New Development
Scattered Sites (AMP 2)	97	Committed	Yes	RAD Conversion, Existing Public Housing Community
Maplewood Homes	296	Committed	Yes	RAD Conversion, Existing Public Housing Community
Scattered Sites (AMP 3)	34	Committed	Yes	RAD Conversion, Existing Public Housing Community
Redlands (AMP 5)	140	Committed	Yes	RAD Conversion, Existing Public Housing Community
Colton/Chino (AMP 6)	179	Committed	Yes	RAD Conversion, Existing Public Housing Community
Barstow (AMP 7)	224	Committed	Yes	RAD Conversion, Existing Public Housing Community
Yucaipa Terrace	51	Leased/Issued	No	Senior Community, Existing Development
Arrowhead Woods	51	Leased/Issued	No	Senior Community, Existing Development
Robert O Townsend	48	Leased/Issued	No	Senior Community, Existing Development
Grandview Towers	40	Leased/Issued	No	Senior Community, Existing Development
Desert Village	46	Leased/Issued	No	Senior Community, Existing Development
Redwood Terrace	68	Leased/Issued	No	Senior Community, Existing Development
Yucaipa Crest	45	Leased/Issued	No	Senior Community, Existing Development
Sunrise Vista	108	Leased/Issued	No	Family Community, Existing Development

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Sunset Pointe	117	Leased/Issued	No	Family Community, Existing Development
Mentone Clusters	34	Leased/Issued	No	Family Community, Existing Development
Andalusia	17	Leased/Issued	No	Family Community, Existing Development
Valencia Vista (Val-9)	31	Leased/Issued	No	Family Community, New Development
Valencia Grove, Redlands (Phase I)	85	Leased/Issued	No	Family Community, New Development
Arrowhead Commons	42	Leased/Issued	No	Family Community, Existing Development
NCLU- Scattered Sites	26	Leased/Issued	No	Project-Based Voucher Program
Vista del Sol	53	Leased/Issued	No	Senior Community, Existing Development
Scattered Site Units	229	Leased/Issued	No	Family Community, Existing Development (HPI)
Scattered Site Units	79	Leased/Issued	No	Family Community, Existing Development (HPI)
Meadowbrook	47	Leased/Issued	No	Senior Community, Existing Development
NCLU- Scattered Sites	10	Leased/Issued	No	Project-Based Voucher Program
NCLU- Scattered Sites	4	Leased/Issued	No	Project-Based Voucher Program
Horizons at Yucaipa	50	Leased/Issued	No	Senior Community, New Development
Ivy at College Park, Chino	8	Leased/Issued	No	Family Community, New Development
Bloomington (Related Phase I)	11	Leased/Issued	No	Family & Senior Community, New Development
Bloomington (Related Phase II)	20	Leased/Issued	No	Family Community, New Development
Rosina Fountains (AKA Fontana Family Development Project), Fontana	8	Leased/Issued	No	Family Community, New Development

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Veterans Housing, Loma Linda	37	Leased/Issued	No	Veterans' Housing, New Development
Shelter Plus Care Scattered Site Units	27	Leased/Issued	No	Existing Development, Project-Based Voucher Program
	<b>2823</b>	<b>PLANNED TOTAL EXISTING PROJECT-BASED VOUCHERS</b>		

#### *v. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year*

##### **PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED DURING THE PLAN YEAR**

HACSB does not anticipate any other changes to the Housing Stock during the Fiscal Year.

#### *vi. General Description of All Planned Capital Fund Expenditures during the Plan Year*

##### **GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR**

We continue to aggressively pursue the RAD conversion strategy for future rehabilitation of the remainder of our Affordable (public) Housing portfolio. We received approval from HUD in December 2014 to convert our entire Public Housing portfolio under the RAD program, wherein existing Public Housing subsidies are converted to rental assistance (vouchers). The initial phase of the RAD portfolio conversion included rehabilitation work at the following sites:

- 97 scattered site units in AMP 120
- 330 units in AMP 130 (Maplewood Homes)
- 75 units in AMP 150 (Brockton site 19-05)
- 50 units in AMP 160 (Monte Vista site 19-06)

Capital fund was utilized to complete work identified under the RAD Physical Needs Assessments, and was 100% complete as of early 2018.

The second phase of the RAD portfolio transaction included conversion of the following sites:



## GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR

- 12 scattered site units in AMP 150 (E. 9th Street)
- 125 units in AMP 160 (Colton sites 19-04 & 19-10)
- 217 units in AMP 170 (Barstow sites 19-07, 19-12, 19-13 and Deseret)

Although delayed, RAD Conversion Commitments for each of these sites had finally been executed by HUD as of February 2018, and closing was expected by summer 2018, whereupon rehab work identified under the RAD Physical Needs Assessments will commence.

Construction of the initial on-site phase (62 units) of the Waterman Gardens revitalization project (the second RAD conversion project) broke ground in May, 2016 and was completed and occupied as of September, 2017. The new development will eventually include over 400 mixed-income housing units as well as commercial/community facilities intended to provide employment and training opportunities supporting HACSB's MTW initiatives. Housing affordability remains the primary focus for the development as well as revitalization of the broader neighborhood, as evidenced by the initial RAD application which supported the development of the 75-unit Valencia Vista (aka Val9) Apartments on an adjacent site (completed and occupied in 2016). HACSB and its developer partner have planned a mix of RAD and project-based voucher units with substantial funding secured through Low Income Housing Tax Credits. The existing 252 ACC units will be replaced on a one-for-one basis (transitioned to RAD project-based vouchers) over the course of the multiple-phase redevelopment.

In 2018 we continued pre-development and development work associated with subsequent construction phases of the Waterman Gardens redevelopment project, as well as the second phase of construction at the Redlands-Lugonia site (AMP 150, sites 01, 8, & 9).

### ***FY 2019:***

The Capital Fund Program 5-Year Plan and Budget is included as part of Appendix C. Capital Fund available for physical improvements at Public Housing sites has been substantially reduced due to the conversion of subsidy for the majority of the portfolio to vouchers under the RAD program. It is anticipated that all Public Housing units will have been converted under RAD by the end of 2018. Utilizing Capital Fund, in 2019 HACSB will complete capital improvements identified under the RAD physical needs assessments to ensure that the RAD converted units will continue to meet the needs of residents over the long term. Such work will include interior kitchen and bathroom renovations, Section 504 unit accessibility, exterior xeriscaping, and miscellaneous dwelling interior and exterior improvements. HACSB will also continue to implement additional energy improvements agency-wide to augment work completed previously under an Energy Performance contract.

## GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR

HACSB's major Public Housing redevelopment efforts will continue in Redlands (AMP 150, sites 19-01, 8 & 9) where the second phase of new construction will commence to add 104 units of affordable family rental housing to the site to compliment the 85 units completed in 2016. We are utilizing accumulated (first 5-year increment) Replacement Housing Factor (RHF) funds in excess of \$3 million to begin construction. Likewise, the third and final RAD conversion phase at the Waterman Gardens site in San Bernardino (AMP 120, site 19-02) is expected to be under construction in 2019, adding approximately 182 affordable family rental units to complete the one-for-one replacement of Public Housing units formerly located there while also adding market rate units to create a mixed-income community. We will utilize Demolition/Disposition Transition Fund (DDTF) leveraged with state and local funding and Low Income Housing Tax Credits (LIHTC) to support this effort.

HACSB will strive to implement new resident employment programs under Section 3 to support the variety of Moving-To-Work initiatives described in this plan. Where possible, Capital Funds will be utilized (and leveraged with outside funding) for employment training anchored within the large Public Housing revitalization projects already underway (Redlands-Lugonia and Waterman Gardens). These programs will prioritize training centered around sustainable development and green building practices, property management and maintenance of the newly constructed rental housing, as well as pre-apprenticeship construction training. These efforts are intended to also extend into the neighborhoods surrounding the existing site to promote community-wide revitalization.

## B. Leasing Information

### *i. Planned Number of Households Served*

In FY 2019, HACSB anticipates continued strong rates of leasing for both Public Housing and vouchers. The remaining Public Housing units will be converted to project-based voucher units through HACSB's RAD conversion process, and this change is reflected in the number of Public Housing units anticipated to be leased during the fiscal year.

The following table represents projected utilization for MTW vouchers and occupancy for the Public Housing units at the end of FY 2019.

HACSB does not have any local non-traditional MTW funded programs.

PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH:	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED
MTW Public Housing Units Leased	1,176	98
MTW Housing Choice Vouchers (HCV) Leased	110,520	9,210
Local, Non-Traditional: Tenant-Based	0	0
Local, Non-Traditional: Property-Based	0	0
Local, Non-Traditional: Homeownership	0	0
<b>Planned Total Households Served</b>	<b>111,696</b>	<b>9,308</b>

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED
Tenant-Based	N/A	N/A	N/A
Property-Based	N/A	N/A	N/A
Homeownership	N/A	N/A	N/A

## *ii. Description of any Anticipated Issues/Possible Solutions Related to Leasing*

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	None.
MTW Housing Choice Voucher	Voucher holders are experiencing difficulty locating units due to current rental market conditions. Search times of 120 days are not uncommon. HACSB is providing families with the maximum possible search times and beginning the wait list selection process earlier than is typical in anticipation of the longer search times.
Local, Non-Traditional	None.

## C. Waiting List Information

### *i. Waiting List Information Anticipated*

HACSB's wait list strategies vary to match the needs of different communities and housing programs. Applicants may be, and often are, on multiple wait lists at the same time. This duplication is described in the following tables.

HACSB anticipates that community need for affordable housing will remain high in FY 2019. The following table shows the projected number of households on wait lists for Public Housing units and vouchers as of the beginning of FY 2019. HACSB does not currently envision organizational or policy changes to wait lists.

As part of the voluntary transfer of the Public Housing and Housing Choice Voucher programs from the Upland Housing Authority (UHA) to HACSB effective July 1, 2017, the applicants that were on the UHA wait lists have been transferred to HACSB's wait lists. The wait list totals shown in the following tables include these applicants.

#### **Housing Choice Vouchers**

HACSB maintains a single tenant-based voucher wait list. The list was most recently opened for 19 days in early 2015. We will continue to monitor the number of applications on this wait list in order to determine if it will be necessary to open the wait list in FY 2019.

Separate site-specific wait lists are maintained for each project-based voucher property.

#### **Public Housing and Rental Assistance Demonstration Units**

Site-specific waiting lists are offered by bedroom size for all of HACSB's Public Housing/RAD communities. All wait lists under this program are maintained centrally to maximize efficiencies and housing choice.

HACSB's application for conversion of its entire Public Housing portfolio under the Rental Assistance Demonstration (RAD) program was approved in December 2014, and the process of converting all sites is ongoing. As a result, HACSB has moved all applications currently on the wait lists for the converted Public Housing sites to new site-based RAD PBV wait lists. The remaining applications will be moved to similar lists upon conversion of the remaining sites. The applications will retain their original date and time of application and will be subject to the preferences that apply to the PBV wait list. Applicants will be notified of the change and will be offered the opportunity to opt out of placement on the HACSB PBV wait lists.



WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN, OR CLOSED	PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR?
Public Housing	Centrally managed, site-specific, by bedroom size	6,153	Partially open	Yes, by bedroom size as needed
Rental Assistance Demonstration Sites - PBV	Centrally managed, site-specific, by bedroom size	11,090	Partially open	Yes, by bedroom size as needed
Housing Choice Voucher – Project-Based	Centrally managed, site/region-specific, by bedroom size	23,008	Partially open	Yes, by bedroom size as needed
Housing Choice Voucher – Tenant-Based	Community-wide	6,011	Closed	No

#### DESCRIPTION OF DUPLICATION OF APPLICANTS ACROSS WAITING LISTS

39.3% of applications are duplicates, representing families who have applied to two or more waiting lists. There are 33,021 unduplicated families on HACSB's waiting lists.

#### *ii. Planned Changes to Waiting Lists in the Plan Year*

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
Rental Assistance Demonstration Sites – PBV	Will be reviewed and purged in FY 2019
Housing Choice Voucher – Project-Based	Will be reviewed and purged in FY 2019

## Section III: Proposed MTW Activities

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This section provides information detailing proposed new uses of MTW authority, including evaluation criteria and specific waivers to be used.

This Amendment includes the newly proposed MTW Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments.

## Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments

### A. Activity Description

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

Through this activity, HACSB will make changes to the TTP calculation to create one that is based upon income bands, applying a flat TTP within each income band instead of basing the calculation of TTP on gross or adjusted income. This proposed activity is similar to the “Income Bands” activity described in the “MTW Waivers” appendix of the draft *Operations Notice for the Expansion of the Moving to Work Demonstration Program* published by HUD in the *Federal Register* on October 11, 2018. Additionally, HACSB will modify the housing authority subsidy calculation to provide a fixed flat subsidy. The activity will apply to 116 RAD-PBV units at the Waterman Gardens Phase III development. The activity will not apply to any RAD household exercising right of first return to these units.

### Current Development Status

This third and final RAD conversion phase at the Waterman Gardens site in San Bernardino (AMP 120, site 19-02) is expected to be under construction in CY 2019, adding approximately 182 family rental units to complete the one-for-one replacement of Public Housing units formerly located there while also adding market rate units to create a mixed-income community. We will utilize Demolition/Disposition Transition Fund (DDTF) leveraged with City and County of San Bernardino HOME funds, state of California Affordable Housing and Sustainable Communities funds, private healthcare organization (Dignity Health) funds and 4% Low Income Housing Tax Credits (LIHTC) coupled with tax-exempt private activity bonds to support this effort. Currently, the unit breakdown is:

- 116 units will be RAD project-based voucher (PBV) with tax credits.
- 31 units will be tax credit affordable units.
- 35 units will be market rate with no RAD, PBV, or tax credits.

The following table contains the breakdown of the 147 affordable units by size and tax-credit income bracket:

30% AMI Target		50% AMI Target		60% AMI Target		Total
Unit Size	Number of Units	Unit Size	Number of Units	Unit Size	Number of Units	
1 Bedroom	6	1 Bedroom	6	1 Bedroom	10	22
2 Bedroom	21	2 Bedroom	21	2 Bedroom	39	81
3 Bedroom	9	3 Bedroom	9	3 Bedroom	14	32
4 Bedroom	1	4 Bedroom	2	4 Bedroom	7	10
5 Bedroom	2	5 Bedroom	0	5 Bedroom	0	2
<b>Total</b>	<b>39</b>	<b>Total</b>	<b>38</b>	<b>Total</b>	<b>70</b>	<b>147</b>

### Modifications: Flat Subsidy and Income Band TTP Calculation

Through this activity, MTW flexibility will be used to set the total tenant portion (TTP) and contract rents for the for the 116 RAD-PBV tax credit units as follows:

- TTP (tenant rent) will be set at the applicable tax credit rent based on the unit size and target AMI for the unit.
- Contract rents will be set below 110% of the HUD-published Fair Market Rent (FMR) based on bedroom size. At this time, the contract rents are anticipated to be set at 91.247% of 110% of the FMR.
- The Housing Assistance Payment (HAP) subsidy will be the difference between the contract rent and the TTP. Payment of the HAP subsidy shall be subject to the availability of federal funding. The HAP contract will otherwise be the same as a standard RAD-PBV HAP contract.
- Contract rents may be increased through:
  - An increase to the TCAC-published Tax Credit rents; and/or
  - An increase to the HAP subsidy

Any proposed rent increase will be subject to determination of rent reasonableness by HACSB and availability of funding. The contract rent will not be permitted to exceed 110% of the FMR.

Through these modifications, HACSB is able to apply a simplified rent and subsidy structure without changing the total amount of subsidy provided to support the development.

### **B. Activity Metrics Information**

In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

<b>Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments</b> <b>HC #1: Additional Units of Housing Made Available</b>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.	Housing units of this type prior to implementation of the activity (number). This number may be zero.	Expected housing units of this type after implementation of the activity (number).	Actual housing units of this type after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.



Number of new housing units made available for households at or below 80% AMI as a result of this activity (increase).	Zero (0). No housing units of this type and with the tenant rent and HACSB subsidy calculations exist at the time of this proposal.	116 RAD-PBV tax credit units will be developed and subject to this activity.	<i>This information will be included with the first MTW report after implementation of the activity.</i>	<i>This information will be included with the first MTW report after implementation of the activity.</i>
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### C. Cost Implications

This activity will help to regulate the cost of housing subsidies for project-based voucher units by fixing the subsidy amount at the amount received from HUD for RAD PBV units. In a traditional project-based voucher unit, the contract rent is established based on the rental price of comparable market-rate units, and the housing assistance payment (HAP) is the difference between the contract rent amount and 30% of the tenant's adjusted monthly income. Through this activity, the TTP is set at the applicable tax credit affordable rent and the HACSB subsidy is a fixed amount based upon the RAD CHAP.

### D. Need/Justification for MTW Flexibility

This activity is necessary to complete Phases II and III of the RAD conversion at the Waterman Gardens site in San Bernardino. Establishment of the fixed flat subsidy will result in the ability to increase the size of the permanent loan for the new construction project because it simplifies and reassures the bank underwriter's analysis of consistent rent revenues available to service the debt. This is critical to solving the final financial "gap" remaining to be filled before the project can proceed to construction. Without additional loan proceeds the project might not otherwise be built. The subsidy for the 116 RAD units will thereby assist in creation of an additional 31 affordable, unsubsidized LIHTC units as well as 35 units for moderate to market rate tenants for a total of 182 new family units (66 units more than the original 116 RAD conversion project).

HACSB requests authority to waive the following statutes and regulations to undertake this proposed activity:

- Sections 8(o)(2)(A)-(C) of the 1937 Housing Act
- 24 CFR §5.628.

This authorization will permit HACSB to apply the alternative TTP and HAP subsidy determination methods described in section A of this activity.

### E. Rent Reform/Term Limit Information

#### i. Impact Analysis

(1) How the activity will impact household rent/tenant rent share.

This activity will apply only to households newly occupying the 116 affordable units. These households will be selected from the site-based PBV wait list. There is no impact to existing households.

Households residing in the affordable units will have their TTP set at the applicable tax credit rent based upon the unit size and the income band for the unit. Households will be selected from the waiting list based upon family size and income level to ensure that households are placed into an appropriately sized unit and have sufficient income for the tax credit rent level. The tax credit rents are set at affordable levels equal to 30% of monthly AMI based on the size of the family expected to lease the unit.

For example, the tax credit rent for a 2-bedroom unit in the 60% AMI target is set at 30% of the monthly AMI for a 3-person family earning 60% of the AMI:

<b>60% AMI for 3-Person Family:</b>	\$36,420 annually; \$3,035 monthly
<b>TCAC 2-Bedroom Rent:</b>	\$910 (30% of monthly AMI)
<b>Family Rent Burden:</b>	30%

The tax credit rents are designed to be affordable. Households should pay no more than 30% of their income toward rent. However, the rent burden will be greater if the household's income level is below the income limit for the unit. At admission, households will be selected based upon their income level in order to ensure affordability. HACSB recognizes that a household's income may decrease after admission and result in increased rent burden. An analysis of the potential impact is included in Appendix I of this plan. Hardship case criteria have been developed for rent burdened households and are described in section ii below.

**(2) How HACSB will implement and track the activity & identify any unintended consequences/impacts.**

This activity will be implemented when construction of the Phase III development is completed and new households begin to lease at the site. Implementation is anticipated to take place in summer 2020.

In addition to the HUD Standard Metrics required for this activity, HACSB will internally monitor a variety of performance indicators, including but not limited to: HAP costs, leasing rates, and particularly the number of hardship exemptions requested and the value of any approved hardship exemptions. This information will be reviewed to determine whether the activity is meeting its objective of stabilizing HAP costs while ensuring that the rents are affordable to low-income households. Based on that review, the activity will be modified as necessary to meet its objectives.

**(3) Numerical analysis (intended/possible impacts of the activity – rent burden, households affected, etc.)**

The activity will apply to 116 RAD-PBV units at the Waterman Gardens Phase III development. Please see Appendix I of this Plan for more information.

**(4) How HACSB will weigh consequences/benefits of the activity to determine whether it should be adjusted/terminated/reduced/ continued/expanded.**

**ii. Hardship Case Criteria**

HACSB recognizes that under some circumstances, households may experience a hardship that makes it challenging to pay the applicable rent under this activity. Hardship exemption criteria have been developed for households whose rent burden exceeds 40% while participating in this program.

To be eligible for a hardship exemption, the household must:

- Have a rent burden greater than 40%. Rent burden is calculated as the household's monthly rent portion (the applicable tax credit rent) divided by the household's gross monthly income; and
- Request a hardship exemption in writing in accordance with HACSB's policies; and
- Be in compliance with HACSB's policies, program rules, and regulations.

A hardship exemption may be approved for the following reasons:

- The family experiences a death of a household member with income;
- Any income-earning member of the assisted family no longer remains in the unit;
- An elderly or disabled household experiences a permanent loss of income;
- Unforeseen and involuntary permanent loss of income for a family member under the age of 18.
- Unforeseen involuntary loss of employment or unforeseen loss of income due to major illness as determined by a medical professional.
- Unforeseen involuntary permanent loss of income for an adult family member who is attending high school.

If a hardship exemption has been approved, HACSB will reduce the household's TTP to 40% of gross income for a period of six months. During the hardship exemption period, HACSB will continue to pay the flat subsidy of \$564 per month plus the difference between the household's reduced TTP and the tax credit rent ("Hardship HAP" – the difference between 40% of the household's gross income and the applicable tax credit rent). At the end of the hardship exemption period, the household's TTP will return to the tax credit rent and the HACSB subsidy will return to the flat subsidy of \$564. For example:

A 3-person household is residing in a 2-bedroom 50% tax credit unit. They pay the tax credit rent of \$758 per month. Their income is \$27,315 per year and their rent burden is 33.3%.

A 17 year-old member of the household experiences an unforeseen and involuntary permanent loss of income. The household's new income is \$21,000 per year. Their rent burden is now 43.3%.

HACSB approves a hardship exemption for the household based upon the unforeseen and involuntary permanent loss of income for a family member under the age of 18. For six months, the household's TTP will be set at 40% of their gross income, or \$700. During this time, HACSB will continue to pay the flat subsidy of \$564 per month, plus the difference between the TTP and the tax credit rent, or \$58. The total HACSB subsidy to the owner during the hardship exemption period will be \$632.

At the end of the hardship exemption period, the household's TTP will return to the tax credit rent. The HACSB subsidy will return to the flat subsidy of \$574.

No more than one hardship exemption per household may be approved within a 12-month period. Approval will be subject to the availability of funds.

HACSB will apply MTW funding flexibility to create a "Tenant Rent Burden Protection Fund" from which the Hardship HAP will be paid. HACSB and its developer partner will both contribute to this fund to ensure the availability of hardship exemptions for rent-burdened households.

### **iii. Description of Annual Reevaluation**

HACSB will annually review this activity's performance to determine whether the activity is meeting its objective of stabilizing HAP costs while ensuring that the rents are affordable to low-income households. Based on that review, the activity will be modified as necessary to meet its objectives.

### **iv. Transition Period**

Not applicable. This activity will apply only to newly developed units; therefore there is no impact to existing customers.

## Section IV: Approved MTW Activities

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This section provides HUD-required information detailing previously approved uses of MTW authority. In the following pages, we provide an overview of each of our ongoing MTW activities, with an update on any changes anticipated for FY 2019. In accordance with the HUD Form 50900, activities are organized in separate sections based on whether they are active, not yet implemented, or closed out.

### A. Implemented Activities

#### Activity 1: Single Fund Budget

The flexibility granted under this activity is included in the statutory authorizations granted to MTW agencies. In accordance with HUD guidance, information related to this activity is included in Section V: Administrative.



## Activity 4: Biennial and Triennial Recertifications

This activity was initially approved in our FY 2009 Annual MTW Plan as a pilot program for elderly and disabled households in the Public Housing and Housing Choice Voucher programs with no other adult members and no earned income. A modification to expand the scope of the activity to apply to all families in both programs was approved via our FY 2012 Annual MTW Plan. The expanded initiative was implemented in 2012 with approximately half the households assigned to a biennial schedule. The remaining households were assigned to the biennial schedule in 2013. Triennial recertifications for elderly-only fixed-income families were added through our FY 2019 Annual MTW Plan. That plan also included authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program.

### 1. Activity Description

Current regulation requires annual income recertifications for most participants of the Public Housing and Housing Choice Voucher programs. This activity allows HACSB to conduct recertifications of MTW and VASH households biennially or triennially. Elderly-only fixed-income families are recertified triennially; all other families are recertified biennially.

#### Triennial Recertification Process

- HACSB will perform a full recertification to examine family income and composition of elderly-only fixed-income families once every three years. No PHA-initiated updates will take place during the years between full recertifications.
  - An elderly-only family is defined as having no members under the age of 57.
  - A fixed-income family is defined as having at least 90 percent of its income from fixed income sources.
- This activity modifies the recertification schedule only. Elderly-only fixed-income families will continue to be subject to the interim reporting requirements, calculation of income and rent, and other components of their assigned program type (Term-Limited Lease Assistance, Streamlined Lease Assistance, etc.)

### 2. Activity Status

The first complete cycle of biennial certifications was completed in 2014. HACSB continues to perform income recertifications for all MTW households biennially. Triennial recertifications for elderly-only fixed-income families will begin in FY 2019.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #5: Increase in Tenant Rent Share
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS# 4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics CE #5, SS #1, SS #3, SS #4, and SS #8 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost and staff time savings. As a result, HACSB does not anticipate that these metrics will reflect an increase in tenant rent share, household income, positive outcomes in employment status, households removed from TANF, or households transitioned to self-sufficiency as a direct result of this activity.

## **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plans for this activity.

## **6. Statutory Objective**

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

## Activity 5: Simplified Income Determination

This activity was approved as “Local Verification Policies” in our FY 2009 Annual MTW Plan and was implemented on October 1, 2009. Our FY 2019 Annual MTW Plan included a modification that retitled this activity and merged the functions of the following activities:

- Activity 5 – Local Verification Policies (this activity)
- Activity 6 – Elimination of Assets (originally approved in our FY 2009 Annual MTW Plan and implemented on October 1, 2009)
- Activity 9 – Elimination of Earned Income Disallowance (originally approved in our FY 2009 Initial Annual MTW Plan and effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs)
- Activity 17 – Local Income Inclusions (originally approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. The activity was modified through HACSB’s FY 2015 MTW Plan)

As a result of the merge, activities 6, 9, and 17 have been closed out as separate activities and the HUD-approved flexibilities of those activities are hereafter included in this activity.

Our FY 2019 Annual MTW Plan also included authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program. All aspects of this activity except the elimination of the Earned Income Disallowance apply to VASH households.

### 1. Activity Description

This activity includes four components: local verification policies, elimination of assets, elimination of the Earned Income Disallowance, and local policies for income inclusions and exclusions. The activity applies to MTW and VASH households. The elimination of the Earned Income Disallowance does not apply to VASH households.

#### Verification Policies

The verification standard used by HACSB was modified in FY 2011 to establish the following local verification hierarchy:

1. Upfront Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) is the highest standard of verification.
2. Documents provided by the household and observed to be satisfactory to verify income are the second tier of verification.
3. Third-party written verification is requested as the third tier of verification if additional verification is necessary.
4. Third-party oral verification is permitted as the lowest ranking type of income verification.

Applicant verifications may not be more than 120 days old (from the date received) at the time of orientation. For participants, verifications remain valid for six months (180 days) from the date received.

#### Elimination of Assets

Assets are fully excluded from the calculation of annual income for the purpose of determining the tenant rent portion. Asset information is verified at initial eligibility for the purpose of determining income eligibility for assistance. Thereafter, information related to assets is not collected and income from assets is not considered as part of the income/rent calculation formula.

#### Elimination of Earned Income Disallowance

HACSB has eliminated the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment.

#### Local Income Inclusions and Exclusions

HACSB has established local policies to include or exclude certain income sources that are currently excluded or included, respectively, under regulation. The modifications to the rent calculation are:

- Foster care income is fully included;
- Sanctioned Temporary Assistance to Needy Families (TANF) income, whether due to non-compliance with self-sufficiency requirements, fraud or any other sanction reasons authorized by CALWORKS, except term limits, is fully included;
- Adoption assistance payment income is fully included (effective at each family's first biennial recertification effective on or after October 1, 2015);
- The earned income of full-time students other than the Head of Household, spouse, and co-head of household is fully excluded (effective at each family's first biennial recertification effective on or after October 1, 2015).

## **2. Activity Status**

This activity has simplified the process for our families and the housing staff, reducing staff time spent on verifications and related agency costs. As a result of this activity, staff time spent on verifications has decreased significantly from the baseline time reported. The benchmarks for this activity have been partially met each year from 2010 to 2013, and were fully met in FY 2014 and FY 2015. During FY 2015, the total time spent on verifications decreased by 79% compared to the baseline year.

## **3. Proposed Modifications**

None.

## **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #3: Decrease in Error Rate of Task Execution

- CE #5: Increase in Tenant Rent Share

### **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

### **6. Statutory Objective**

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.



## Activity 8: Local Policies for Portability

This activity was initially approved in our FY 2009 Annual MTW Plan and was modified through our FY 2010 Plan. The initial implementation of this activity began on October 1, 2009 and the work requirement for portability was implemented on August 1, 2010.

### 1. Activity Description

Through this activity, HACSB applies the requirements of its ongoing MTW activities to inbound portability participants.

### 2. Activity Status

This activity has resulted in significant staff time savings. In FY 2015, staff hours spent on inbound portability participants were reduced by 68% from the baseline year. All benchmarks for this activity have been fully or partially met since FY 2010.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings

### 5. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plans for this activity.

### 6. Statutory Objectives

This activity addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures.

## Activity 10: Minimum Rent

This activity was approved in our FY 2009 Annual MTW Plan and implemented on October 1, 2009, for recertifications and on January 1, 2010, for all new families. Our FY 2019 Annual MTW Plan included authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program, and to require minimum rent families to participate in supportive services.

### 1. Activity Description

This activity allowed HACSB to increase the minimum rent to \$125 from the current regulatory maximum of \$50 per month for all households in both the Public Housing and Housing Choice Voucher Programs. The activity applies to MTW and VASH households.

### 2. Activity Status

This activity has resulted in positive outcomes for households paying the minimum rent of \$125. In FY 2016 HACSB analyzed the current income and tenant rent values for families that were paying the minimum rent at the time of HACSB's FY 2014 Annual MTW Report. Of the 1,205 families paying the minimum rent in FY 2014, 1,077 were still actively participating in HACSB MTW programs subject to the minimum rent. 42% of those families increased their income and were no longer paying the minimum rent. This analysis will be updated with HACSB's FY 2018 Annual MTW Report.

Non-elderly and non-disabled families paying the minimum rent will be required to participate in services offered through HACSB's Career Development Initiatives (CDI) team. The Head of Household will be required to sign an individual training and services plan (ITSP) with the primary objective of increasing the family's earned income. This component was approved in HACSB's FY 2019 Annual MTW Plan, and we are working to make the necessary policy and procedure changes. We anticipate that this component will be implemented in mid-FY 2019.

The activity will also apply to VASH families beginning in FY 2019.

There have been no requests for hardship exemption from the minimum rent.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #5: Increase in Tenant Rent Share
- SS #1: Increase in Household Income

- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics SS #3, SS #4, and SS #8 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost and staff time savings. HACSB does not anticipate that these metrics will reflect an increase in positive outcomes in employment status, households removed from TANF, or households transitioned to self-sufficiency as a direct result of this activity.

#### **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

#### **6. Statutory Objective**

This activity addresses the MTW statutory objectives to reduce costs and achieve greater effectiveness in federal expenditures and to assist families to become self-sufficient.

## Activity 11: Local Project-Based Voucher Program

This activity was approved in our FY 2009 Initial Annual MTW Plan. Our third amendment to the FY 2010 Annual MTW Plan helped to clarify the components of our local Project-Based Voucher (PBV) program and this activity was implemented in September 2010. A modification was proposed via our Amendment 1B to our FY 2015 Plan but not approved by HUD. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 MTW Plan. A work and/or supportive services requirement was added through our FY 2018 Plan. Our FY 2019 Annual MTW Plan included authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program.

### 1. Activity Description

HACSB has implemented a local Project-Based Voucher (PBV) program to increase the availability of quality housing units. The expansion of our housing authority and/or our affiliate nonprofit owned housing stock will allow us to continue to reinvest net income into the acquisition of additional affordable housing units. The flexibilities included under this activity are:

- Up to 100% percent of units in any development may be project-based;
- Up to 25% of the funding committed to vouchers may be allocated for PBV;
- PBV will be allocated to all of the Public Housing units approved for disposition other than 27 Shelter Plus Care units to be rehabilitated in conjunction with the County Department of Behavioral Health (308 PBV units);
- Households residing in PBV units will not have automatic priority to receive tenant-based vouchers after one year, but instead will have such a priority after two years (this component does not apply to RAD PBV households);
- A local PBV HAP contract which modifies the terms and conditions of the HAP contract, including the ability to execute PBV HAP contracts for groupings of non-contiguous scattered-site properties and to contract for a total number of units by bedroom size within a development rather than for specific units;
- An over-housed household residing in a Public Housing unit that is disposed of and converted to a Project-Based Voucher may remain in its unit and HACSB will subsidize the household based on the size of the unit, not the qualifying voucher size;
- HACSB may require an under-housed household residing in a Public Housing unit that is disposed of and converted to a Project-Based Voucher to move with a voucher for the number of bedrooms for which the household qualifies;
- For a unit other than former Public Housing units, HACSB may designate the unit as a PBV unit and allow an in-place household for which the unit is wrong-sized to remain in occupancy for up to one year, if the owner agrees to accept a PBV contract rent that does not exceed the HACSB subsidy standard for the household for the initial term of the lease.

- Initial contract rent for units owned by HACSB as defined in the PBV regulations may be determined using an HACSB market study that will consider local rental submarkets, in lieu of the requirement to use an independent entity with rents based on an appraisal by a state-certified appraiser.
- The rents for Rental Assistance Demonstration (RAD) units will equal the maximum specified under the RAD Notice.
- HACSB may project-base vouchers for unit types which are not allowable under traditional regulatory PBV. The types of housing which may be assisted through PBV include the following:
  - Shared housing (up to one person per bedroom);
  - Units on the grounds of a penal, reformatory, medical, mental health, or similar public or private institution;
  - Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care;
  - Manufactured homes;
  - Transitional housing;
  - Single-room occupancy;
  - Congregate housing;
  - Other housing types as needed.
- Where appropriate, HACSB will partner with universities, state and local government, and other stakeholders to develop housing and service delivery programs which leverage HACSB and partner resources. Where appropriate and feasible, programs will include both housing and related health care, education, job preparedness, and/or other necessary supportive services for individuals assisted through the programs.
  - To ensure that assisted families receiving on-site supportive services through an HACSB partner continue to reside at the location where the services are provided, HACSB may not provide a tenant-based voucher upon completion of the initial two-year term of assistance. Assisted families will be notified at move-in whether or not they will be eligible to receive a tenant-based voucher.

#### Rent Reasonableness, HAP, and Vacancy Payments (Shared Housing Units)

HACSB will use its Local Payment Standard (LPS) to determine rent reasonableness and maximum HAP. If a shared housing unit is not fully occupied, HACSB will pay the full HAP for the unit for up to sixty days. After sixty days, the HAP will be prorated to reflect the percentage of occupied bedrooms

#### **Additional Requirements**

Our approved FY 2018 MTW Plan included the addition of a requirement for the PBV project developer/manager to administer a work requirement and/or supportive services program for some project-based voucher (PBV) contract awards. This component has not yet been implemented.



The requirement will apply only if the number of PBV units exceeds a reasonable number or percentage of the total units in the development. The requirement will not apply to developments where conflicting regulation or law exists. HACSB intends to apply this proposed modification only to new PBV awards. A work requirement and/or supportive services requirement would not be applied to existing PBV contracts unless agreed upon by the owner.

When a PBV award includes a work requirement, the work requirement will apply only to non-elderly and non-disabled families residing in PBV units. Adult family members will be required to participate in work-related activities for a minimum of fifteen hours per week. Work-related activities shall include activities removing barriers to gainful employment, activities leading to gainful employment, and employment. HACSB will require the developer/manager to provide supportive services to these families. Supportive services may include, but are not limited to, job skills/employment coaching and job search services, life skills classes, and other services designed to help families meet the work requirement.

For some PBV awards, HACSB may include a supportive services requirement only. Supportive services may include, but are not limited to, educational and employment services, life skills classes, assistance accessing community resources, and other services.

## **2. Activity Status**

At the commencement of this activity in FY2009, HACSB had 349 PBV units. HACSB has increased its PBV units to 2,823 available units, including RAD PBV units.

## **3. Proposed Modifications**

HACSB proposes to utilize flexibility in applying occupancy standards for existing and/or new project-based voucher developments. The flexibility will be applied at HACSB's discretion based on a determination of need and circumstances related to a specific development, and will include the following components:

- **Alternative Occupancy Standards:** Project-based voucher units are subject to HACSB's traditional occupancy standards, which are currently set at a minimum of two persons per bedroom. However, in certain circumstances, HACSB will permit certain project-based units to be occupied using an alternative occupancy standard of up to two persons per bedroom. This flexibility will allow a family to be over-housed by occupying a larger unit than would normally be permitted under the occupancy standards. (Example: a two-person family may lease a two-bedroom unit.)
  - **Written Agreement:** Prior to exercising this flexibility, HACSB and the PBV owner/manager will enter into a written agreement which specifies the circumstances under which the alternative occupancy standards may be used, including a requirement for the owner/manager to first undertake and demonstrate a reasonable effort, as defined by HACSB, to lease the subject unit to a family using the traditional occupancy standards.

- Alternative Subsidy Standards: in the event that the alternative occupancy standards are applied, the HAP for the subject project-based unit will be based on the actual unit size.

This modification is needed to prevent under-utilization of project-based vouchers in certain circumstances. For example, HACSB envisions that the flexibility offered by this modification would be used at the Loma Linda Veterans Village apartment development to provide housing to low-income veteran families. The development is comprised of 87 units of which 18 are three-bedroom project-based voucher (PBV) units for veteran families. Under the current traditional occupancy standards, the three-bedroom units may only be occupied by five- or six-person families. The development began leasing in fall of 2018, and management has had great difficulty in identifying large veteran families to occupy the three-bedroom units under the current traditional occupancy standards. As a result, the units are being held vacant while the owner/manager attempts to recruit a five- or six-person family. The proposed modification to this activity would permit the three-bedroom units to be leased to smaller low-income veteran families who are in dire need of housing, and aligns with HACSB's strategic goal to ensure that no eligible family waits longer than ten days for assistance.

#### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- HC #4: Displacement Prevention
- Local Metric: Units of Project-Based Voucher Assistance Added to the HACSB Portfolio

#### **5. Changes to Authorizations**

HACSB is authorized to undertake this proposed modification through Attachment C (D) 2(a) which waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10), and 8(o)(13)(H)- (I) of the 1937 Act and 24 C.F.R 982.508, 982.503, and 982.518. This authorization permits HACSB to apply alternate subsidy levels.

#### **6. Statutory Objectives**

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

## Activity 12: Local Payment Standards and Alternative Flat Rents

This activity was approved in our FY 2009 Annual MTW Plan and was modified in our FY 2012 Annual MTW Plan. The activity was implemented on July 1, 2011 for all new lease ups and recertifications. A modification was proposed but not approved via Amendment 1B to our FY 2015 Plan. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 MTW Plan. Our FY 2019 Annual MTW Plan included authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program.

### 1. Activity Description

This MTW activity allows HACSB to conduct a market assessment to identify submarket areas and develop Local Payment Standards for those submarket areas in lieu of the HUD-prescribed Fair Market Rents. The Local Payment Standards accurately reflect the diverse rental submarkets that exist across the vast San Bernardino County.

Our FY 2017 MTW Plan expanded the use of Local Payment Standards to replace the HUD-published Fair Market Rents as the indicator for establishing flat rents in the HACSB public housing portfolio. The annually established Local Payment Standards by submarket and bedroom size are used to determine the maximum flat rent that can be charged to public housing residents. The actual flat rent may fall below the Local Payment Standard based on a comparison of like units in the same area consistent with standard industry rent comparable practices. If an annual review of the Local Payment Standards indicates an increase or decrease of more than 10% from the current rate, the public housing flat rent will be re-assessed. The new flat rents will be applied in accordance with the rent increase process as detailed in our Admissions and Continued Occupancy Policy and related Codes of Federal regulation that govern our public housing program.

The activity applies to MTW and VASH households.

### 2. Activity Status

Since implementation, this activity has shown a significant improvement in the number of families able to move to areas of opportunity. We have nearly met or exceeded the benchmarks for our local metric, which measures the number of households residing in the two submarkets with the highest poverty and minority concentration. Overall, the number of households residing in these two submarkets has decreased by 9% since implementation. This change reflects an increase in the number of families that have relocated out of these submarkets into other areas of greater opportunity. HACSB anticipates that this trend will continue, and that the number of families relocating out of these submarkets will hold steady or increase slightly.

### 3. Proposed Modifications

None.

#### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #8: Households Transitioned to Self-Sufficiency
- HC #5: Increase in Resident Mobility
- Local Metric: Average HAP Cost
- Local Metric: Households Able to Move from Areas of Poverty and/or Minority Concentration

#### **5. Changes to Authorizations**

None.

#### **6. Statutory Objective**

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

## Activity 13: Local Inspection Policies

This activity was approved in our FY 2010 Annual MTW Plan and was implemented on May 1, 2011. A modification to expand biennial inspections to all MTW units was approved via our 2015 Annual MTW Plan and was implemented in FY 2016 and FY 2017.

### 1. Activity Description

This activity allowed HACSB to develop and implement local inspection standards for the Housing Choice Voucher (HCV) program that have increased operational efficiencies and ensured better housing options for low-income families. A modification to this activity was approved via our FY 2015 Annual MTW Plan. Biennial inspections are conducted for all units, and the property rating system currently used to determine the frequency of inspections for each unit was eliminated. Assisted units that were previously inspected annually were moved to a biennial inspection schedule, with 50% of those units inspected in FY 2016 and the remaining 50% inspected in FY 2017. No change was made to HACSB's enhanced local inspection standards.

### 2. Activity Status

In FY 2013, HACSB completely outsourced our HCV inspections. This change resulted in additional staff time and cost savings. We continue to perform quality checks of our portfolio for accuracy, inspection standards, and customer satisfaction. The percentage of inspections that have met our quality standards and qualified for biennial inspections has been well above the expected outcome. In FY 2017, HACSB met and exceeded our benchmark savings with a total savings of \$205,740. Additionally, the total staff time has decreased by over 90%, in spite of the additional time spent per inspection as a result of our local enhanced standards, largely due to the outsourcing of inspections. We anticipate that the cost and time savings will continue in future years.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #3: Decrease in Error Rate of Task Execution

Standard metrics CE #2 and CE #3 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost savings. As a result, HACSB does not anticipate that these metrics will reflect a decrease in error rates related to this task or an increase in staff time savings as a direct result of this activity.

**5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

**6. Statutory Objective**

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.



## Activity 14: Local Asset Management Program

### 1. Activity Description

The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. As per our FY 2012 MTW Annual Plan and in accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elected to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. Detailed information is provided in Appendix G.

### 2. Activity Status

None.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None.

### 5. Changes to Authorizations

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

### 6. Statutory Objective

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

## Activity 18: Property Management Innovation

This activity was approved in our FY 2011 Annual MTW Plan and implemented on January 1, 2012.

### 1. Activity Description

This activity allowed HACSB to develop a property management innovation program that reflects private sector property management principles. The activity has the objective of implementing policies that are used in the private sector to decrease management costs, improve the quality of our units, and assist our tenants in becoming familiar with private sector property management principles. All residents signed a new lease which incorporated all the changes proposed in the activity. The lease reflected the following changes approved by HUD in our FY 2011 plan:

- a. 3-Day Notice to Pay or Quit (previous policy was 14 days).
- b. NSF fees of \$25.00 for first and \$35 for additional items (previous policy was \$25.00).
- c. Late fees increased from \$20 to \$50.
- d. Security deposits equal to one month's market rent (current security deposit charged is \$500.00)
- e. Implement a holding deposit of \$200.00
- f. Agency will choose lower of flat rent or 30% income rent for residents.
- g. Grievance Process – Previous two step process was replaced with a single on site settlement conference with staff for timely and effective resolutions to issues.

### 2. Activity Status

As reported in our FY 2015 Annual MTW Report, the activity has resulted in cost savings and administrative efficiencies gained from the streamlined grievance process as well as the reduction in arbitration and unit turnaround costs. As a result of HACSB's ongoing conversion of our entire Public Housing portfolio through the Rental Assistance Demonstration (RAD) program, the following components of this activity were eliminated in FY 2016 and FY 2017:

- a. 3-Day Notice to Pay or Quit
- g. Modified grievance process

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings

## **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

## **6. Statutory Objectives**

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

## Activity 19: Local FSS Program

This activity was approved in our FY 2011 Annual MTW Plan and was implemented on July 1, 2012.

### 1. Activity Description

HACSB has developed a pilot local FSS (Family Self-sufficiency) program to help families in their self-sufficiency efforts. Through our local FSS program, program participants are eligible to receive the balance of their escrow savings account at the end of their FSS contract if they voluntarily terminate their assistance from the Housing Choice Voucher or Public Housing program due to self-sufficiency efforts.

### 2. Activity Status

Since implementation, 147 families have enrolled in the local FSS program. Seven families have successfully completed the program and seventeen have voluntarily terminated from the program leaving a total of 123 families actively enrolled. 66 families are enrolled in the program under the guidelines of this activity and 57 are enrolled under the traditional FSS program guidelines as a control group to compare and contrast with our local program participants. We intend to follow both sets of families throughout their five-year term to identify which families have the greatest success in completing the FSS Contract of Participation. All of the families who successfully graduated from the program were enrolled in the program under the guidelines of this activity.

### 3. Proposed Modifications

None.

### 4. Measurement Revisions

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- SS #1: Increase in Household Income
- SS #2: Increase in Household Savings
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #5: Households Assisted by Services that Increase Self-Sufficiency
- SS #6: Reducing Per Unit Subsidy Costs for Participating Households
- SS #7: Increase in Tenant Rent Share
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics SS #2, SS #4, SS #5, SS #6, and SS #7 were added in HACSB's 2015 Annual Plan per HUD's request.

## **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

## **6. Statutory Objective**

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

## Activity 20: Term-Limited Lease Assistance – (formerly “Five-Year Lease Assistance Program” and “Term Limits”)

This activity was approved in our FY 2011 Annual MTW Plan and was implemented on January 1, 2012. Since then it has been modified as the result of our ongoing analysis of the activity and its outcomes, and to address administrative challenges. A brief summary of the modifications is included in the activity description.

### 1. Activity Description

The goal of this activity is to enable the families we serve to focus on self-sufficiency efforts while we assist them with their housing needs for a limited term. This activity applies to new non-elderly and non-disabled households admitted to the Housing Choice Voucher program from HACSB’s waiting list, porting in from another jurisdiction, or exercising mobility from HACSB project-based voucher sites<sup>1</sup>. Families served through this activity are provided with up to five years of housing assistance and supportive services, with the possibility for extension through a hardship exception that may provide up to two years of additional assistance.

#### Summary of Modifications:

- FY 2015 Annual MTW Plan: included potential termination from the program for noncompliance with the household’s Supportive Services Agreement.
- FY 2016 Annual MTW Plan: included an intake hardship exemption for extremely low-income and Triage Step 3 households and to expand the end-of-term hardship exemption. This modification was not implemented.
- FY 2017 Annual MTW Plan: added income-based subsidy calculation for new families joining the program, requirement for families to lease a unit with no more than one bedroom more or less than their voucher size, a post-assistance tracking survey process, and approval to implement incentives for families to move to areas of opportunity.
- FY 2018 Annual MTW Plan: added right-size unit restriction, limitation on the approvable amount of rent increases, and a limitation on the amount of subsidy paid on behalf of over-housed families.

#### Subsidy Calculation:

Families participating in the activity before November 1, 2017: the housing subsidy is set at 50% of the applicable payment standard for the unit selected by the family.

Families joining the activity on or after November 1, 2017: the subsidy calculation mirrors the Streamlined Fixed Assistance Program for New Non-Elderly/Non-Disabled Households. Under that calculation, the family’s rent share (TTP) is the greatest of 30% of their gross income, the minimum rent, or baseline rent, for the duration of assistance.

<sup>1</sup>Excludes legacy families exercising mobility from an HACSB Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV) site.

A subsidy limitation also applies to these families. To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB will apply a subsidy limitation to over-housed families. Over-housed families are those who have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher may choose to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the applicable HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount. Through this activity, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

### **Supportive Services:**

During the term of assistance, HACSB also provides supportive services to the family through its Career Development Initiatives (CDI) department. Services include:

- Needs assessment at intake to determine whether families have the prerequisite resources needed to be successful in this program;
- Development of an individualized action plan for success;
- Access to three on-site Workforce Development Specialists through our contract with the County Workforce Development Department;
- Onsite access to a Family Stabilization Specialist and Employment Services Specialist through HACSB's contract with the San Bernardino County Transitional Assistance (welfare) Department;
- Access to other resources designed to provide the family with meaningful support and tools to enhance the family's chances for success.

### **Mobility:**

For families who initially leased under this activity prior to September 21, 2015, and who port to another jurisdiction during the term of assistance, the term limit will continue to apply unless the household is absorbed by the receiving agency. For families who initially lease under this program on or after September 21, 2015, the administration of the voucher will be in accordance with the receiving PHA's policies in accordance with the Federal Register notice published September 21, 2015.

### **Hardship Exemptions:**

HACSB recognizes that the expiration of assistance may present a hardship for some families, and has developed hardship exemptions in four categories:



1. Completion of Self-Sufficiency Activity: to allow the family to complete an educational, job training, or other approved self-sufficiency activity.
2. Unforeseen and Involuntary Loss of Income
3. Near-Elderly Family: if the head of household will reach age 62 no later than six (6) months after the end of term or any applicable extension, the household may request a transfer to HACSB's Streamlined Lease Assistance for Elderly/Disabled Families.
4. Other Reasons: this category allows HACSB to approve an extension of assistance for rare or unusual circumstances, such as PHA error.

To be eligible for a hardship exemption, the family must have complied with all requirements of the program, including the Supportive Services Agreement. Any approved extension shall not exceed two years, and shall be approved in increments of six or twelve months as determined by HACSB. Total Term:

The total term of assistance under the program, including any approved hardship exemption, shall not exceed seven years.

**Unit Size Limitation:**

Households assisted under the Term-Limited Assistance Program must select a unit whose number of bedrooms is within one bedroom of the voucher size. For example, a family with a two-bedroom voucher may select a one-, two-, or three-bedroom unit. The intent of this component is to ensure that households choose a unit that is appropriately sized and affordable for their income situation. Over-housed families are also more costly to house than families in right-sized units. As a result, HACSB requested and received approval through its 2018 MTW Plan to require participant families to lease a unit that is the same size as their voucher. This modification has not been implemented as of the time of this writing, but HACSB may implement the change if other modifications do not result in families choosing to lease appropriately sized units.

**Incentive to Move to Areas of High Opportunity:**

HACSB may provide incentive to families in the term-limited lease assistance program to move to areas of high opportunity, as identified by HACSB.

**Post-Assistance Tracking Incentive:**

HACSB has partnered with Loma Linda University (LLU) to implement a survey system collecting information from Term-Limited Lease Assistance families at exit and annually for two years after assistance has concluded. Although participation in the survey is voluntary, a monetary incentive is provided for families completing the survey. Families receive the incentive payment only upon completion of each survey.

**Rent Increase Limitation:**

Through its 2018 MTW Plan HACSB was granted authorization to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. This modification would permit HACSB to cap the rent increase at a value less than 10% of the previous contract rent. This modification will provide HACSB with a mechanism to slow the HAP cost increases resulting from continued rent increases. However, HACSB intends to implement this flexibility only if internal analysis demonstrates that it is necessary to ensure financial viability of the program.

**2. Activity Status**

The activity is now in its sixth year. HACSB has partnered with Loma Linda University to conduct a longitudinal study to monitor the families served through this activity, tracking their goals and accomplishments. We have seen positive outcomes since implementation, including:

- The average earned income for families in the program has increased by 60.5%;
- Full-time employment increased by 20.3%;
- Unemployment decreased by 20.6%

As families progress through the program, we have learned more about the impacts of the activity. Our Career Development Initiatives team worked with families to assist them with the goals identified on their Individual Training and Services Plan (ITSP), and the families in their fourth and fifth years of participation are showing promising momentum. We will continue to work with our Loma Linda University partners to evaluate the families' progress and challenges. We are also very interested in learning what residual impacts the program has on families after they leave the program. In FY 2017 we began implementation of an expansion to the evaluation of the program, which includes a review of family information for up to two years after they leave the program. More information on the study will be provided in future MTW Plans and Reports.

**3. Proposed Modifications**

None.

**4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

- SS #5: Households Assisted by Services that Increase Self-Sufficiency
- SS #8: Households Transitioned to Self-Sufficiency

No changes to benchmarks are anticipated as a result of the proposed changes. HACSB will use data from its tenant database to supply data related to this activity.

### **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our originally approved Annual MTW Plan for this activity.

### **6. Statutory Objectives**

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

## Activity 22: Streamlined Lease Assistance Program

This activity was approved in our FY 2013 Annual MTW Plan and was implemented beginning February 1, 2015. Modifications to the activity were approved via our FY 2016, FY 2017, and FY 2018 Annual MTW Plans.

### 1. Activity Description

Through this activity, HACSB has implemented an alternative subsidy/rent schedule for households participating in the Housing Choice Voucher and Public Housing programs. The activity applies to:

- Public Housing: all current and new households;
- Housing Choice Voucher: all current and new households not currently participating in or admitted to the Term-Limited Lease Assistance Program.

The rent for families in the Streamlined Lease Assistance program is calculated based on a percentage of gross annual income. A minimum rent and baseline rent also apply. The rent percentages were established based on analysis that included deductions and allowances permitted under traditional program regulations, and therefore no deductions or allowances are applied to the calculated rent amount calculated. Households participate in either fixed assistance or tiered assistance, based upon family type.

#### **Fixed Assistance Program for Elderly/Disabled Households:**

Families admitted prior to January 1, 2019: The family's rent share (TTP) is the greatest of 24% of their gross income, the minimum rent, or baseline rent for the duration of assistance.

Families admitted on or after January 1, 2019: The family's rent share (TTP) is the greatest of 30% of their gross income, the minimum rent, or baseline rent for the duration of assistance. This component is pending implementation, with an anticipated start date of January 1, 2019, or as soon as feasible thereafter.

#### **Tiered Assistance Program for Non-Elderly/Non-Disabled Households:**

The family's rent share (TTP) begins at the greatest of 30% of their gross income, the minimum rent, or baseline rent. The income percentage may increase by 3% at each subsequent biennial recertification to a maximum of 36%. HACSB intends to implement the additional rent tiers of 33% and 36% only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families. The rent tier structure was changed through our FY 2018 MTW Plan, and is being implemented beginning February 1, 2018. All families receive an automatic six-month hardship exemption which delays any change in tenant portion.

HACSB's minimum rent activity also applies for both Fixed and Tiered assistance. Additionally, a baseline rent for the family is established at each biennial recertification, and future rent amounts may never fall below the baseline rent. If the calculated rent

amount exceeds the ceiling rent for Public Housing or the contract rent for Housing Choice Voucher families, the lesser of the calculated TTP or rent amount is applied as the family's rent share.

**Unit Size Limitation (Tenant-Based Voucher Programs Only):**

In order to ensure that households choose a unit that is appropriately sized and affordable for their income situation, households assisted under the Streamlined Lease Assistance Program must select a unit whose number of bedrooms is within one bedroom of the voucher size. For example, a family with a two-bedroom voucher may select a one-, two-, or three-bedroom unit.

Our FY 2018 MTW Plan included approval to require families to select a unit that is the same size as their voucher. Families would not be permitted to lease an over-sized unit. This modification will be implemented only if the subsidy limitation modification described previously does not result in families selecting appropriately sized units.

**Subsidy Limitation:**

To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB intends to implement a subsidy limitation for over-housed families. These are families that have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher may choose to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount of HACSB's Local Payment Standard. Through this activity, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

**Rent Increase Limitation (voucher programs only):**

HACSB's FY 2018 MTW Plan included approval to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. HACSB is permitted to cap the rent increase at a value less than 10% of the previous contract rent. HACSB intends to implement this flexibility only if internal analysis demonstrates that it is necessary to ensure financial viability of the program. At the time of this writing, this flexibility has not been implemented.

**2. Activity Status**

At the time of this writing, all existing households have been converted to Streamlined Lease Assistance at their biennial recertification. 152 implementation hardship exemptions have been approved for households for whom the transition to Streamlined Lease Assistance would have caused a substantial increase in the family's share of rent.

### **3. Proposed Modifications**

None.

### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #3: Decrease in Error Rate of Task Execution
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #6: Reducing Per Unit Subsidy Costs for Participating Households
- SS #7: Increase in Tenant Rent Share
- SS #8: Households Transitioned to Self-Sufficiency

### **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

### **6. Statutory Objective**

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

## Activity 23: No Child Left Unsheltered

This activity was proposed and approved via HACSB's FY 2014 Annual MTW Plan and implemented on April 1, 2015.

### 1. Activity Description

The No Child Left Unsheltered program aims to end homelessness of any unsheltered family with children in San Bernardino County, with special attention to the education and well-being of the children and the economic advancement of the parents. No Child Left Unsheltered (NCLU) will help address extremely critical needs of unsheltered families in the county by offering Housing Choice Voucher rental subsidies to families who are identified as eligible unsheltered homeless families with children. The program will also provide families with supportive services and resources such as emergency relief, school connections with community support, and job training for parents.

Through this activity, HACSB has set aside forty (40) Housing Choice Vouchers to be made available to eligible families. The rental subsidy is calculated using the Streamlined Lease Assistance program methodology. HACSB has partnered with a variety of local community service providers, including the school system, to identify families, particularly those with school-age children, who are unsheltered. Each identified family will be encouraged to apply for assistance, and if eligible, will receive assistance after being selected from the waiting list using a preference specifically for this program.

### Foster Care Component

Through our FY 2018 MTW Plan, we modified this activity to add twenty (20) units to allow participation by young adults participating in the Department of Children and Family Services Foster Care Aftercare program. Services will target low-income young adults age 18-21 in the Aftercare program who are in need of housing support to transition to stable independent living. Individuals in the Aftercare program receive only limited services through the Foster Care program and are ineligible for housing support through the Foster Care program. Assistance under this component will be subject to the availability of funds. To be eligible for housing support through this component of the NCLU program, the household must:

- Be referred by the San Bernardino County department of Children and Family Services; and
- Be a low-income family as defined by HUD; and
- Meet HACSB's criminal history background screening requirements; and
- Be an active participant in the Aftercare program.

HACSB anticipates that the individuals served through this program will be primarily single individuals, but may also include families with one or more dependent children.



Through this component, HACSB will provide each eligible family up to three years of housing support through the Housing Choice Voucher program. The term of support will coincide with the family's enrollment in the Aftercare program, and the subsidy will be calculated using HACSB's Streamlined Lease Assistance program (MTW Activity 22) methodology. Additionally, the family will be required to engage in supportive services through HACSB's Career Development Initiatives (CDI) department and to complete an Individual Training and Services Plan. To ensure that services provided by the Foster Care program and HACSB's CDI department continue to be accessed during the term of assistance, the family may not exercise portability or mobility.

The family may request an extension of assistance of up to one year beyond their participation in the Foster Care Aftercare program. HACSB will apply the same hardship eligibility criteria and approval procedures as established for the Term-Limited Lease Assistance Program (MTW Activity 20).

## 2. Activity Status

This activity was implemented on April 1, 2015.

In March 2015, the HACSB Housing Commission and Board of Governors approved the award of the 40 project-based voucher units reserved for this activity to units within the HACSB-owned and HACSB-affiliated non-profit housing stock. HACSB is authorized to award these contracts through a non-competitive process under its Local Project-Based Voucher MTW Activity (activity 11), approved by HUD through HACSB's 2009 Annual MTW Plan. Families housed through this activity typically have significant challenges in locating housing through the traditional tenant-based voucher program. This award gives HACSB, as the property owner, the ability to house the families more quickly and with more flexibility than in the traditional tenant-based voucher program, thus reducing the wait for housing from upwards of 60 days to only a few days within this non-traditional program.

HACSB selected the locations of the 40 project-based voucher units using data from the most recent homeless point-in-time survey. The units will be distributed throughout the county as follows:

Property Owner	Number of Units	Communities
HACSB	26	Kingsley Patio Homes, Montclair Stone Creek Apartments, Loma Linda Sunset Gardens, Yucaipa Hampton Court Apartments, Redlands Andalusia, Victorville Mesa Gardens, Hesperia
HPI Property Acquisitions LLC	10	Kendall Drive Apartments, San Bernardino Kendall Park Apartments, San Bernardino
Summit Place LLC	4	Summit Place, Ontario

This activity served 18 families in FY 2017, and an estimated \$77,430 in funds were leveraged through the San Bernardino County Department of Behavioral Health for two part-time employees to serve NCLU customers. The second component for young adults participating in the Department of Children and Family Services Foster Care Aftercare program has not yet been fully implemented.

### **3. Proposed Modifications**

Through this Amendment HACSB proposes to modify the No Child Left Unsheltered (NCLU) activity to automatically transition eligible families to another HACSB housing program after two years of participation in NCLU. This modification will apply to new NCLU families only.

Since 2015, HACSB has partnered with Loma Linda University for third-party research and evaluation of the NCLU program. LLU's research has found that, while the program has resulted in positive outcomes for parents and children, the first two years of housing assistance for these formerly homeless families is a critical time for them to distance themselves from the trauma of homelessness. In this initial period of assistance families to begin to recover, obtain support, and create stability within the family. During this time most families have a very limited capacity for working toward the goal of economic independence. Their ability to focus on long-term goals is stronger after the first two years. LLU also found that intensive supportive services are needed during this initial period, and that additional financial support beyond housing assistance would help families on their path to rehabilitation. In particular, financial assistance with motels while waiting for housing, furniture, utility and security deposits, application fees, and other items would benefit families during their initial two years of participation. Thereafter, families can begin working toward financial stability.

To address the needs identified through the research, HACSB will leverage assistance from external partners to provide additional intensive supportive services during the initial two years of participation in NCLU. The County's Department of Behavioral Health (DBH) currently provides mental health supportive services to NCLU families, and this partnership will be enhanced to provide more rapid and comprehensive services. Additionally, new NCLU families who are eligible for assistance through The California Work Opportunities and Responsibility to Kids (CalWORKS) Housing Support Program (HSP) will be dually enrolled into both programs. HSP provides financial support beyond housing assistance for up to 24 months, including assistance with security deposits, application fees, utility arrears and deposits, furnishings, motel vouchers, credit repair, and other items which can be financial barriers for recently homeless families who are working to become stable in housing. In San Bernardino County, HSP is administered by HACSB's affiliate non-profit, Knowledge and Education for Your Success (KEYS).

The LLU research indicated that, after two years of participation in NCLU, families are ready to begin working toward economic independence. Therefore, HACSB intends to implement an automatic transition from NCLU to another HACSB housing program at that time. Families may participate in the NCLU activity for up to two years (24 months). At the conclusion of the two-year period,

families eligible for continued assistance will automatically transition to the Streamlined Lease Assistance Program (elderly/disabled families) or the Term-Limited Lease Assistance Program (career-able families). Families will be given advance notice of the transition and will be required to attend a program briefing for the Streamlined Lease Assistance (SLA) or Term-Limited Lease Assistance (TLA) program, whichever is applicable. The two-year term of participation is supported by the LLU research and aligns with the maximum duration of participation in HSP. Dually-enrolled families will benefit from support provided by the five partnering agencies:

- HACSB – provides housing assistance in the form of a project-based or tenant-based voucher;
- KEYS – administers the Housing Support Program and serve as the primary connection point between HACSB, KEYS, and DBH;
- TAD – as the HSP grant recipient, funds the Housing Support Program;
- DBH – provides mental health-related services, including psychiatric assessments and crisis stabilization, counseling, and referrals;
- LLU – conducts third-party evaluation of the NCLU program and HSP.

HACSB will continue to work with LLU to evaluate the NCLU program, including the dual enrollment of families with HSP as well as the proposed modification to automatically transition families to a either TLA or SLA after two years of participation in NCLU. The research will use data from HACSB, KEYS, DBH, the County Transitional Assistance Department (TAD), and the families to provide a robust evaluation of the programs and its effects. Because a special focus of the NCLU program is on the educational outcomes for participant children, we hope to collect information from the family about the children’s school attendance and performance. If authorized through this modification, HACSB may provide a monetary incentive to NCLU families for their participation in the research process. The incentive would be supported through MTW funds using single-fund flexibility.

#### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #4: Increase in Resources Leveraged
- SS #8: Households Transitioned to Self-Sufficiency
- HC #3: Decrease in Wait List Time
- HC #7: Households Assisted by Services that Increase Housing Choice
- Local Metric: Households Housed through This Activity

## **5. Changes to Authorizations**

HACSB is authorized to undertake this proposed modification through Attachment C (D) 2(d) which waives certain provisions of Section 8(o)(7) and 8(o)(13)(F)- (G) of the 1937 Act and 24 C.F.R 982 Subpart L and 983 Subpart E. This authorization permits HACSB to limit a family's participation in NCLU to two years before transitioning the family to either TLA or SLA.

## **6. Statutory Objective**

This activity addresses the statutory objective to provide incentives to families to achieve self-sufficiency.

## Activity 24: Transition for Over-Income Public Housing/Housing Choice Voucher Families

This activity was submitted and approved via our FY2014 Annual MTW Plan. It was implemented on April 1, 2015, and modified via our FY 2015 MTW Plan to exclude current participants of our Family Self-Sufficiency program.

### 1. Activity Description

In an effort to create more housing opportunities for families on our Public Housing and Housing Choice Voucher waiting lists, and in recognition of certain families attaining self-sufficiency, HACSB has implemented this activity to transition families who have an annual income which exceeds 80% of area median income (“over-income”) off of housing assistance. This activity applies to the Public Housing program, Tenant-Based Housing Choice Voucher program, and Project-Based Voucher program.

Through this activity, over-income families will be given a six-month transition period. After the six-month transition period, families will transition to receiving no housing assistance from HACSB. Public Housing and Project-Based Voucher families will be required to move and HCV families will have the option of remaining with their current landlord with no assistance or locating alternate housing.

Elderly/disabled families and participants of the Family Self-Sufficiency and Homeownership programs are exempt from this activity. The transition period begins for existing families identified as over-income on April 1, 2015, and at interim or recertification for families that become over-income after April 1, 2015.

If, during the six-month transition period, an over-income family’s income falls below 80% of the AMI, then the family will no longer be considered over-income and will not transition off of the program.

Families in the six-month transition period may also qualify for a hardship exemption from this activity for no-fault loss of income and/or death of a family member with income if the change in income results in the family’s income falling below 80% of AMI. If a hardship exemption is approved for such situations, the family will be removed from the six-month transition period and will not transition off the program.

### 2. Activity Status

This activity was implemented effective April 1, 2015. At implementation, 89 currently-assisted households were identified as “over-income” and given notice of the six-month transition period. Ultimately, 49 of those families were removed from the transition either due to a hardship or because they were determined to be no longer over-income. This activity is ongoing and we will report further outcomes via our FY 2018 Annual MTW Report.

### 3. Proposed Modifications

None.

#### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metric:

- SS #8: Households Transitioned to Self-Sufficiency

#### **5. Changes to Authorizations**

There has been no change in the Attachment C authorizations that were waived under our originally approved Annual MTW Plan for this activity.

#### **6. Statutory Objective**

This activity addresses the statutory objective to provide incentives to families to achieve self-sufficiency.

## Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing

### 1. Description of the MTW Activity

This activity allows HACSB to apply an amended definition of elderly for the project-based vouchers at the Horizons at Yucaipa Affordable Senior Housing development in order to meet both the City of Yucaipa's requirements for affordable senior housing as well as the age requirement for the special needs population to be served by units financed under the Mental Health Stabilization Act (MHSA). For purposes of this property, there are two definitions of an elderly (senior) individual.

The Horizons at Yucaipa Affordable Senior Housing development is a two-phase, 77-unit new construction development in the City of Yucaipa. Phase I of the development is 50 units on approximately 4.2 acres of vacant land, and includes 49 Project-Based Vouchers and one manager's unit. Phase II will include 27 units and will also be developed for seniors at least 55 years of age. The Phase II building will incorporate into the Phase I building so amenities can be shared and costs reduced. The development will be 100% affordable housing financed through a combination of the following funding sources:

- 4% Low Income Housing Tax Credits
- Tax Exempt Bond funding
- County HOME
- County Mental Health Services Act funding (MHSA)
- Fee deferrals from the City of Yucaipa
- Permanent debt

Phase I contains 50 units. 10 of the 50 units in Phase I are reserved as MHSA units and carry an age restriction of 60 years old. The property will operate as affordable housing for seniors. For the 10 MHSA units, an elderly (senior) individual shall be defined as one who is 60 years of age or older in order to meet the MHSA requirements. For the remaining PBV units, an elderly (senior) individual shall be defined as one who is 55 years of age or older in order to meet the City of Yucaipa's senior housing requirements.

### 2. Activity Status

In 2015 HPI broke ground on the Horizons at Yucaipa development, and construction of Phase I was completed in February 2017. The phase achieved full lease-up and full occupancy in March 2017. HPI is currently looking at financing options to begin construction of phase II, 27 additional senior units, in the summer of 2018.

### 3. Proposed Modifications

None.



#### **4. Measurement Revisions**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metric:

- HC #4: Displacement Prevention
- HC #5: Increase in Resident Mobility
- Local Metric: Additional Units of Housing Made Available (same as Standard Metric HC #1)
- Local Metric: Seniors 55 to 60 Years of Age Housed through This Activity

#### **5. Changes to Authorizations**

None.

#### **6. Statutory Objective**

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

## Activity 26: Local Disaster Short-Term Rental Assistance Program

In August 2016 the massive Blue Cut Fire burned more than 36,000 acres in the Cajon pass area of San Bernardino County. The fire caused the complete shutdown of the Interstate 15 freeway and railroad lines, mandatory evacuations of an estimated 82,000 persons in at least six cities, and destroyed 105 homes and 216 minor structures<sup>2</sup>. In the immediate aftermath, approximately seventy families displaced by the fire were in need of temporary assistance to stabilize their housing situation.

The Blue Cut Fire illustrated the need for HACSB to have in place a mechanism to provide temporary housing assistance to families in the event of certain local disasters. This proposed activity is designed to meet that need.

### 1. Description of the MTW Activity

Through this activity HACSB will implement a short-term rental assistance program to provide temporary housing choice voucher assistance to families displaced as the result of a local disaster. Except as noted below, HACSB's policies for the Housing Choice Voucher Program shall apply to the Local Disaster Short-Term Rental Assistance Program.

**Determination of Local Disaster:** Assistance in this program will be limited to families displaced as the direct result of a local disaster. A local disaster is an event that occurs within the County of San Bernardino and may include a natural disaster such as an earthquake, fire, flood, or storm, an act of terrorism, or other event as determined by HACSB. The qualification of a local disaster would be declared by HACSB through a resolution of its governing board.

**Wait List:** HACSB will maintain a separate wait list for this activity. The wait list will be opened only when a local disaster is declared through a resolution of HACSB's governing board and only to individuals displaced as a direct result of the local disaster.

This program is not a set-aside. No vouchers will be reserved for this activity. Rather, the funding source will be the MTW Block Grant. Assistance provided through this activity may be offset by a decrease in the number of families served through the Housing Choice Voucher Program. However, because this activity will provide short-term assistance to families, any potential offset would be minimal and take place through normal attrition within the program. As an example, if ten families receive one year of assistance through this activity, the offset to the Housing Choice Voucher Program would not be ten families. Because the average length of stay for current non-elderly and non-disabled families in the Housing Choice Voucher Program is nearly 10 ½ years, serving ten families through one year of short-term assistance is roughly equivalent to serving one family through our Housing Choice Voucher Program.

<sup>2</sup> "CalFire Incident Information – Blue Cut Fire," fire.ca.gov, August 23, 2016.  
[http://www.fire.ca.gov/current\\_incidents/incidentdetails/Index/1391](http://www.fire.ca.gov/current_incidents/incidentdetails/Index/1391)

**Eligibility:** Families assisted through this activity will be subject to eligibility screening. At a minimum, each family must qualify as low-income (having gross annual income at or below the HUD-published Area Median Income adjusted for family size) and pass HACSB's criminal history background screening.

**Term of Assistance:** The term of assistance shall be determined by HACSB based upon the nature of the disaster at the time the local disaster is declared. In general, HACSB anticipates the term of assistance shall be six (6) to twelve (12) months. If appropriate, HACSB may provide a hardship extension. In any case, the total term of assistance shall not exceed twenty-four (24) months.

**Subsidy Calculation and Reexamination:** The rental subsidy and tenant rent portions shall be determined using the formulas established through HACSB's MTW Activity 22: Streamlined Lease Assistance Program. Please refer to the detailed description of the Streamlined Lease Assistance Program in Section IV of this plan for additional information. No reexamination of income will be conducted during the term of assistance, regardless of the length of the term. The table below summarizes the subsidy calculation formula.

Household Type	Tenant Rent Portion	HACSB Subsidy
Elderly and/or Disabled Households	The greater of: <ul style="list-style-type: none"><li>• 24% of gross income</li><li>• HACSB's minimum rent (currently \$125)</li><li>• The baseline rent</li></ul>	Contract rent less tenant rent portion
Non-Elderly and Non-Disabled Households	The greater of: <ul style="list-style-type: none"><li>• 30% of gross income</li><li>• HACSB's minimum rent (currently \$125)</li><li>• The baseline rent</li></ul>	Contract rent less tenant rent portion

**Leveraging of Resources:** In order to maximize the benefit to assisted families, whenever possible HACSB will engage community partners to provide additional funding, housing stabilization services, and related supportive services to the families assisted through this activity.

**HAP Contract and Lease:** The terms of the lease and HAP Contract shall be the same as the term of the Local Disaster Short-Term Rental Assistance.

**Portability:** Families assisted through this activity may not exercise portability to another jurisdiction unless the receiving PHA will absorb the family.

**Subject to Availability:** Assistance provided through this activity shall be subject to the availability of funding as determined by HACSB.

## **2. Implementation Update**

Please refer to the timeline for implementation below.

## **3. Timeline for Implementation**

HACSB received approval of this activity via its 2017 Annual MTW Plan, Amendment 2, in April 2017. We are now working to incorporate policy revisions to facilitate implementation of the activity. We anticipate that this activity will be operational in 2018. However, HACSB will only house families through this activity in the event of a locally declared disaster.

## **4. Changes or Modifications**

None.

## **B. Not Yet Implemented Activities**

HACSB does not currently have any activities that are approved and not yet implemented.

## C. Activities on Hold

### Activity 3: Alternate Assessment Programs

This activity was approved in our FY 2009 Annual MTW Plan and was placed on hold in FY 2011.

#### 1. Activity Description

This activity was approved through HACSB's FY09 Annual MTW Plan and has not been implemented. The activity was placed on hold via HACSB's FY10 Annual MTW Plan.

The activity allows HACSB to opt out of the HUD SEMAP and PHAS scoring systems and establish its own program assessment systems designed to measure the quality and timeliness of work performed under the MTW Agreement.

HACSB formally opted out of the PHAS and SEMAP on December 8, 2010, and will continue to retain its high performer status until a new MTW-wide successor system is adopted, at which time HACSB can be fully scored under that system.

#### 2. Reason(s) for On-Hold Status

At HUD's 2009 Annual MTW Conference we learned that there was an effort to establish an MTW-wide successor to the Section Eight Management Assessment Program (SEMAP) and Public Housing Assessment Program (PHAS) systems currently in place. Rather than develop its own assessment system, HACSB determined that it would instead place this activity on hold until the MTW-wide assessment system is implemented. The MTW-wide assessment system is still in development, and this activity remains on hold pending approval and implementation of that system.

#### 3. Plan for Reactivation

HACSB continues to participate in a working group consisting of team members from various MTW agencies nationwide in an effort to develop a replacement assessment. A final recommendation will be made pending consensus from the current active MTW agencies.

#### 4. Reimplementation Timeline

The exact date for implementation of the MTW-wide assessment system is not yet known. The system will need to be approved by HUD prior to implementation, and a target date has not yet been set.

#### 5. Non-Significant Changes or Modifications

No modifications are proposed for this activity.

## D. Closed Out Activities

### Activity 2: Strategic Investment Policies

#### 1. Approval, Implementation, and Close-Out Years

This activity was approved through our FY 2009 Initial Annual MTW Plan and implemented in November 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

#### 2. Reason(s) for Close-Out

This activity was closed out in response to HUD's comments regarding the HACSB FY 2019 Annual MTW Plan, wherein HUD stated that Notice PIH 2011-67 (Implementation of New Cash Management Requirements for the Housing Choice Voucher Program) effectively nullifies the activity and requested that the activity be moved to the Closed Out Activities section of HACSB's Annual MTW Plan.

### Activity 6: Elimination of Assets

#### 1. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and was implemented on October 1, 2009. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

#### 2. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (this activity), 9 (Elimination of Earned Income Disallowance), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.



## Activity 7: Controlled Program Moves

### 1. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and implemented on February 1, 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### 2. Reason(s) for Close-Out

This activity resulted in a significant decrease in agency costs and staff time spent related to processing voluntary moves. In FY 2017, both costs and time spent reflected approximately a 64% decrease over the baselines. The staff time spent per move was 42% lower in FY 2017 than the baseline value. However, because the total number of moves did not decrease as much as was anticipated, the benchmarks for staff time and cost savings were not reached.

As with all of our MTW activities, HACSB performed internal monitoring of aspects of the Controlled Program Moves activity beyond what was reported through our annual MTW reports. We found that, while this activity resulted in cost and time savings related directly to a reduction in the number of moves processed annually, it also resulted in additional administrative burden in other areas. For example, we identified an increase in the number of moves requested as a reasonable accommodation and/or under the provisions of the Violence Against Women Act (VAWA) after implementation of this activity. Additionally, the two-year lease requirement caused other challenges, especially for families nearing the end of their participation in the Term-Limited Lease Assistance Program. As a result, we eliminated the two-year lease requirement and closed out this activity through our FY 2019 Annual MTW Report.

## Activity 9: Elimination of Earned Income Disallowance

### 1. Approval, Implementation, and Close-Out Years

This activity was initially included in HACSB's FY 2009 Initial Annual MTW Plan and became effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### 2. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (this activity), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

## Activity 15: Pilot Work Requirement

### 1. Approval, Implementation, and Close-Out Years

This activity was approved in the FY 2010 Annual MTW Plan. The work requirement was implemented on January 1, 2013, for the Maplewood Homes Public Housing community, and expanded to include all inbound portability families effective August 1, 2010. The work requirement at Maplewood Homes was ended in FY 2016 as a result of the RAD conversion of that site. The work requirement for portability families was ended and this activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### 2. Reason(s) for Close-Out

This activity was closed out as a result of internal analysis which identified certain challenges in administering the work requirement, as well as advantages of ending the requirement. Ending the work requirement will reduce administrative burden, streamline HACSB's processes, and increase housing choice for families who desire to exercise portability to San Bernardino County. Additionally, ending the work requirement will empower families to make decisions about their housing and employment that are best for their unique family circumstances.

## Activity 16: Operating Subsidy for Vista del Sol

### 1. Approval, Implementation, and Close-Out Years

This activity was approved through the second amendment to our FY 2010 Annual MTW Plan and implemented on April 23, 2010. This activity was closed out via HACSB's FY12 Annual MTW Plan.

### 2. Reason(s) For Close-Out

On September 15, 2010, HACSB executed a Project-based Voucher contract, and no longer needs the operating subsidy.

## Activity 17: Local Income Inclusions

### 1. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. This activity was modified through HACSB's FY 2015 MTW Plan. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### 2. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (Elimination of Earned Income Disallowance), and 17 (this activity) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

## Activity 21: Utility Allowance Reform

### 1. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2012 Annual MTW Plan; it was never implemented. This activity was never implemented.

### 2. Reason(s) For Close-Out

This activity allowed HACSB to develop a flat utility allowance schedule for the Housing Choice Voucher Program based on the consumption methodology versus the traditional engineering methodology. However, subsequent development of other programs—namely, our Term-Limited Lease Assistance Program and the Streamlined Lease Assistance Programs—eliminate the need for a utility allowance. These programs are designed to incorporate the cost of utilities into the subsidy amount without the need to apply a utility allowance separately. As a result, the utility allowance schedule is no longer necessary.

HACSB will continue to monitor the success of the Streamlined Lease Assistance and Term-Limited Lease Assistance programs but at this time, the Agency has postponed utility allowance reform indefinitely.

# Section V: Sources and Uses of MTW Funds

## A. MTW Plan: Sources and Uses of MTW Funds

The following tables reflect anticipated MTW funding and expenses based upon information available to HACSB at the time of this writing. Some information is currently unavailable. As a result, the values reported at the time this Plan is posted for public comment may change when this Plan is presented to the HACSB Housing Commission for approval, and/or when the Plan is submitted to HUD for approval.

### i. Estimated Sources of MTW Funds

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
70500 (70300+70400)	Total Tenant Revenue	582,739
70600	HUD PHA Operating Grants	85,130,866
70610	Capital Grants	8,423,450
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	6,281,649
71100+72000	Interest Income	37,859
71600	Gain or Loss on Sale of Capital Assets	-
71200+71300+71310+71400+71500	Other Income	291,732
70000	TOTAL REVENUE	100,748,295

## ii. Estimated Uses of MTW Funds

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	8,303,879
91300+91310+92000	Management Fee Expense	2,285,387
91810	Allocated Overhead	-
92500 (92100+92200+92300+92400)	Total Tenant Services	284,600
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	307,663
93500+93700	Labor	187,951
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	1,365,473
95000 (95100+95200+95300+95500)	Total Protective Services	-
96100 (96110+96120+96130+96140)	Total insurance Premiums	111,740
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	710
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	-
97100+97200	Total Extraordinary Maintenance	6,110,937
97300+97350	Housing Assistance Payments + HAP Portability-In	81,789,954
97400	Depreciation Expense	-
97500+97600+97700+97800	All Other Expenses	-
<b>90000</b>	<b>TOTAL EXPENSES</b>	<b>100,748,295</b>

### DESCRIPTION OF VARIANCE BETWEEN ESTIMATED TOTAL REVENUE AND ESTIMATED TOTAL EXPENSES

None.

### *iii. Description of Planned Use of MTW Single Fund Flexibility*

In December 2014 HACSB was approved for conversion of its entire Public Housing portfolio under the Rental Assistance Demonstration (RAD) program. As units are converted the existing Public Housing funding will be converted to voucher funding. The converted funding is subject to the single-fund flexibility authorized under the second amended MTW Agreement between HACSB and HUD, which allows HACSB to combine Public Housing Operating Funds, Public Housing Capital Funds, and voucher program funds, for the purposes specified in the MTW Agreement.

Single-fund flexibility is crucial to HACSB's affordable housing development efforts. By leveraging multiple internal sources (Capital Fund, RHF, Voucher funding), HACSB is able to maximize funding from private sources and therefore is able to develop a greater number of housing units. For example, within the Waterman Gardens public housing revitalization project, single-fund flexibility is utilized to increase RAD contract rents to match local market rent levels, thereby allowing us to generate more private debt and equity necessary for new construction.

#### **PLANNED USE OF SINGLE FUND FLEXIBILITY**

1. HACSB's Local FSS activity (#19) is funded using single fund flexibility with savings achieved through other MTW activities.
2. HACSB's Career Development Initiatives (CDI) department and its services, which are not a separate MTW activity, are funded using single fund flexibility.
3. HACSB's post-assistance tracking survey for Term-Limited Lease Assistance families, implemented in FY 2018, includes a financial incentive for survey participants which is funded through the single fund flexibility.

## **B. MTW Plan: Local Asset Management Plan**

*i. Is the MTW PHA allocating costs within statute?*

No.

*ii. Is the MTW PHA implementing a local asset management plan (LAMP)?*

Yes.

*iii. Has the MTW PHA provided a LAMP in the appendix?*

Yes. Please see Appendix E.

*iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.*

No changes to the LAMP are anticipated during the Plan Year.



## C. Rental Assistance Demonstration (RAD) Participation

### *i. Description of RAD Participation*

#### RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

HACSB has received HUD approval to convert our entire Public Housing portfolio under the RAD program, and is currently in the process of doing so. We anticipate that, by the beginning of FY 2019, the only remaining unconverted units will be 98 Public Housing units at the Los Olivos community in Upland. All units will be converted through the project-based rental assistance (PBRA) or project-based voucher (PBV) program.

### *ii. Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.*

No. RAD Significant Amendments were previously included with prior year MTW Plans.

### *iii. If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment.*

HACSB is not submitting a RAD Significant Amendment through this MTW Plan.

## Section VI: Administrative

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- A. **Board Resolution and Certifications of Compliance** –The resolution of the Housing Commission of the County of San Bernardino adopting this FY 2019 Annual MTW Plan, Amendment 2, along with the Certificate of Compliance prescribed by HUD in Exhibit B of the MTW agreement will be included in Appendix A to this Plan.
- B. **Documentation of Public Process** – A detailed timeline and related documentation of the public process for this MTW Plan are included in Appendix B to this Plan.
- C. **Planned and Ongoing Evaluations** – In FY 2019, HACSB plans to continue working with Loma Linda University (LLU) for third-party evaluation of certain MTW activities. Please refer to Appendix C for more information.
- D. **Lobbying Disclosures** – copies of the Disclosure of Lobbying Activities (SF-LLL) and the related Certification of Payments (HUD-50071) are included in Appendix D to this Plan.

# Appendix A: Board Resolution

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The following documents are or will be attached in this appendix:

1. The Resolution of the San Bernardino County Housing Commission approving this FY 2019 Annual Moving to Work Plan, Amendment 2.
2. Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan.

**RESOLUTION NO. 73**

**A RESOLUTION OF THE SAN BERNARDINO COUNTY HOUSING COMMISSION ADOPTING THE  
2018-19 ANNUAL MOVING TO WORK PLAN, AMENDMENT 2**

**WHEREAS**, the Housing Authority of the County of San Bernardino (HACSB) entered into a Moving to Work (MTW) contract with the U.S. Department of Housing and Urban Development (HUD) effective March 14, 2008, which governs the regulations of the administration of the Housing Choice Voucher and Public Housing programs; and

**WHEREAS**, as a MTW agency the HACSB is required to and has prepared an Annual MTW Plan which describes its operations and activities as an MTW agency; and

**WHEREAS**, the HACSB desires to implement a new MTW activity; and

**WHEREAS**, the HACSB has developed its Fiscal Year 2018-19 Annual MTW Plan, Amendment 2, to include the proposed new activity;

**NOW, THEREFORE, THE SAN BERNARDINO COUNTY HOUSING COMMISSION DOES  
RESOLVE AS FOLLOWS:**

Section 1. The San Bernardino County Housing Commission (Housing Commission) finds that all of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

Section 2. The Housing Commission hereby approves the proposed Fiscal Year 2018-19 HACSB Annual MTW Plan, Amendment 2, a copy of which is attached hereto and incorporated by reference herein.

Section 3. This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Housing Commission of the Housing Authority of the County of San Bernardino, by the following vote:

**AYES:** Commissioner Johnson, Cooper, Munoz, Miller and MacDuff

**NOES:** None

**ABSENT:**

STATE OF CALIFORNIA            )  
  )  
COUNTY OF SAN BERNARDINO    )     ss.

By Mania Rong  
Date May 14, 2019

**CERTIFICATIONS OF COMPLIANCE****U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF PUBLIC AND INDIAN HOUSING****Certifications of Compliance with Regulations:  
Board Resolution to Accompany the Annual Moving to Work Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning 10/01/2018, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

- (1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.
- (2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
- (3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
- (5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
- (6) The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.
- (7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.
- (21) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
- (22) All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

### Housing Authority of the County of San Bernardino

**MTW PHA NAME**

**MTW PHA NUMBER/HA CODE**

*I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).*

Tim Johnson

Chairman

**NAME OF AUTHORIZED OFFICIAL**

**TITLE**

  
**SIGNATURE**

6/21/18  
**DATE**

- Must be signed by either the Chairman or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.*

## Appendix B: Public Process

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The following steps have been or will be taken by HACSB to ensure a thorough public process in the development and adoption of this FY 2019 Annual MTW Plan, Amendment 2:

April 10, 2019	Amendment to Plan posted on HACSB website; Public comment period opened. Plan available at all HACSB offices throughout the county.
April 10-12, 2019	Public notices published in local newspapers - San Bernardino County Sun, Black Voice, El Chicano, Inland Valley Daily Bulletin, Precinct Reporter, Daily Press, and The Press Enterprise, announcing the public hearing. Text of Public Hearing notice included in this Appendix.
April 12, 2019	Amendment to Plan presented to Resident Advisory Board (RAB). Comments included in this Appendix.
April 16 and 18, 2019	Public Hearings held. Minutes included in this Appendix.
May 10, 2019	Public comment period closed.
May 14, 2019	Amendment to Plan presented to HACSB Housing Commission for approval. Resolution included in Appendix A.



## NOTICE OF PUBLIC HEARING

On March 14, 2008, the U.S. Department of Housing and Urban Development (HUD) executed a ten-year Moving to Work (MTW) Agreement with the Housing Authority of the County of San Bernardino (HACSB) and in April 2016 that agreement was extended through 2028. As an MTW agency, HACSB is provided with more flexibility and authorization to develop policies that are outside the limitations of certain HUD regulations in order to more successfully achieve its mission and program goals, and to enhance its ability to serve the needs of low-income families in San Bernardino County.

In continuing to develop its MTW program and address community and client needs, HACSB has prepared Amendment 2 to its Fiscal Year (FY) 2018-19 Annual MTW Plan. The Plan will be made available to the public for review for 30 days starting Wednesday, April 10, 2019, at the following location:

Housing Authority of the  
County of San Bernardino  
715 E. Brier Drive  
San Bernardino, CA 92408

The Plan is available on HACSB's website at [www.hacsb.com](http://www.hacsb.com) under the "MTW Plans, Reports, and Factsheets" section and at any HACSB satellite office.

Notice is hereby given that HACSB will conduct a public hearing regarding the proposed Plan on Tuesday, April 16, 2019 at 10:00 a.m. and Thursday, April 18, 2019, at 2:00 p.m. at 715 E. Brier Drive, San Bernardino, CA 92408. If a citizen wishes to challenge the nature of the above action(s) in court he/she may be limited to raising only those issues he/she or someone else raised at the public hearing described in this notice, or in written correspondence delivered Monday through Friday to the HACSB office located at 715 E. Brier Drive, San Bernardino, CA 92408 prior to the hearing.

In accordance with the Rehabilitation Act of 1973, HACSB will make reasonable efforts to accommodate persons with disabilities. Please call (909) 890-0644 at least three days in advance if you require special accommodations.

*HACSB offers language assistance free of charge. For assistance with this document, please contact our office at (909) 890-0644.*

*HACSB ofrece asistencia idiomática gratis. Para ayuda con este documento, por favor llámenos al (909) 890-0644.*

Equal Housing Opportunity.

**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**  
**PUBLIC HEARINGS**  
**APRIL 16, 2019, AND APRIL 18, 2019**

The Housing Authority of the County of San Bernardino (HACSB), California held public hearings for the Fiscal Year 2018-2019 Annual Moving to Work (MTW) Plan Amendment 2 at the Housing Authority's Administration Office at 715 East Brier Drive, San Bernardino, CA 92408 on Tuesday, April 16, 2019, at 10:00 a.m. and Thursday, April 18, at 2:00 p.m.

**Housing Authority Attendees:**

Renee Kangas, Management Analyst (April 16, 2019, only)

Nicole Beydler, Senior Management Analyst (April 16, 2019, only)

Ria Pavia, Management Analyst (April 18, 2019, only)

**Other Attendees:**

None.

**I. Purpose of the Public Hearing**

The purpose of the hearing was to provide interested parties with an opportunity to present questions and/or comments regarding the Housing Authority of the County of San Bernardino's Fiscal Year 2018-2019 Annual Moving to Work Plan Amendment 2 before submission to the Housing Authority's Housing Commission and HUD for approval.

The proposed Plan was made available for public viewing for 30 days beginning April 10, 2019. The plan was advertised in seven local newspapers, on the HACSB website, and copies were available at all HACSB offices located throughout the county.

**II. Call for Public Comments**

Tuesday, April 16, 2019, the public hearing convened at 10:00 a.m., with Renee Kangas, Management Analyst, presiding. Copies of the Plan were made available for review. No members of the public attended and no public comments were received. The public hearing ended at 10:20 a.m.

On Thursday, April 18, 2019, the public hearing convened at 2:00 p.m., with Ria Pavia, Management Analyst, presiding. Copies of the Plan were made available for review. No members of the public attended and no public comments were received. The public hearing ended at 2:20 p.m.

**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**  
**RESIDENT ADVISORY COUNCIL BOARD MEETING**  
**April 12, 2019**

The Resident Advisory Council Board was presented with a summary of the proposed FY 2018-2019 Annual Moving to Work Plan Amendment 2 at their regular meeting on Friday, April 12, 2019. A list of attendees and their comments follows.

**List of Attendees:**

**Resident Advisory Board Members:**

1. Valerie Bennett
2. Cassie Ford
3. Marchaina Greely
4. Brigita Miller
5. Connie Partida
6. Christopher Williams

**HACSB Staff:**

1. Darlene McIntosh
2. Nicole Beydler
3. Ria Pavia
4. Janice Simmons

**Summary of Proposed 2018-2019 Annual MTW Plan Amendment 2**

A presentation explaining the Moving to Work program, annual plan process, and details of the proposed change to the FY 2018-2019 MTW Plan to include modifications to the newly proposed MTW activity #27, “Local Project-Based Voucher Subsidy for Tax Credit Developments” was made by Nicole Beydler, Senior Management Analyst, at the meeting. Nicole Beydler also explained how feedback from the Resident Advisory Board and the public would be incorporated into the final Plan amendment that will be submitted to HUD for approval.

**Comments**

The following questions and comments were made by the RAB and HACSB staff present at the meeting:

- A RAB member asked if any of the 116 new units will be reserved for veterans. HACSB staff answered that no units are specifically targeted for veterans, but low-income veterans are eligible for HACSB’s veteran wait list preference.
- A HACSB staff member asked if the tax credit rents increase. Nicole Beydler answered that she would research the answer to this question and provide a response through HACSB’s RAB liaison, Darlene McIntosh.

- Answer: Yes, tax credit rents can increase. Because they are calculated based upon the median income amounts published by HUD each year, if the median income values increase the maximum tax credit rent will also increase.
- A RAB member asked if the designs and blueprints for the new units were already complete, or if there was still an opportunity to comment on the proposed design. The RAB member also wanted to know if the new buildings would be three-story or if the units would be townhome style units. Nicole Beydler answered that the designs are already completed, and that she would research the design and provide a response through HACSB's RAB liaison, Darlene McIntosh. Copies of the design presentation were shared with Darlene McIntosh on May 9, 2019.
- A RAB member asked what happens to a family who is still rent-burdened after the six-month hardship exemption expires. The RAB member asked if the family must move out, or if the family's assistance will be terminated, or if there is any other assistance that the family can receive. Nicole Beydler answered that, although the family's rent portion would return to the tax credit rent amount, the family would not be required to move out and the Housing Authority would not terminate the family's assistance. The hardship exemption criteria was designed to provide families experiencing an unforeseen and involuntary loss of income a temporary period of relief during which time the family has the opportunity to regain the lost income or otherwise prepare for the tax credit rent. Additionally, families in the 116 units subject to the new activity will, after one year of residence, have the right to apply for a tenant-based voucher. Should they exercise that right, families would transfer to either the Term-Limited Lease Assistance Program (career able, non-legacy RAD families) or the Streamlined Lease Assistance Program (elderly/disabled families and legacy RAD families). The RAB member asked how much time a family has to locate a new unit with a tenant-based voucher. Ria Pavia answered that vouchers are issued for 90 days, with two 30-day extensions available. In extenuating circumstances, the voucher may be extended for up to a total of 270 days.

# Appendix C: Planned and Ongoing Evaluations

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HACSB has contracted with Loma Linda University (LLU) for third-party evaluation of several MTW initiatives. A brief summary of those evaluations is included in this section.

1. **Term-Limited Lease Assistance Program (Activity 20):** LLU is performing a longitudinal study of this activity. The study follows participating families through their progress from initial lease-up through their end of term, tracking their goals and accomplishments. In FY 2017, HACSB implemented an additional tracking component to monitor the self-sufficiency related progress of families for up to two years after commencement of housing assistance through a voluntary survey process. The evaluation will continue in FY 2019, and information gained through the study will continue to be used to adapt and develop the activity.
2. **No Child Left Unsheltered (Activity 23):** Since 2015 LLU has also conducted a longitudinal study of his activity to identify its effects on participating families. The evaluation focuses on family safety and stability, school attendance of children, employment, income, education advancement, self-sufficiency activities, financial choices, use of resources, and other effects on children. The evaluation will continue in FY 2019.
3. **Other Activities:** HACSB has also contracted with LLU for future evaluations of HACSB's MTW activities, permanent supportive housing developments such as Golden Apartments and Desert Haven Apartments, and other future programs and services. Evaluations will be developed and conducted as requested by HACSB. The evaluations will assess the impact on program participants and determine if program and service delivery methods should be modified. More information about these evaluations will be included as they are developed.

# Appendix D: Lobbying Disclosures

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Signed copies of the following forms are included in this appendix:

1. Disclosure of Lobbying Activities (SF-LLL)
2. Certification of Payments (HUD-50071)

# DISCLOSURE OF LOBBYING ACTIVITIES

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

Approved by OMB  
0348-0046

(See reverse for public burden disclosure.)

<b>1. Type of Federal Action:</b> <input checked="checked" type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance		<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award		<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____	
<b>4. Name and Address of Reporting Entity:</b> <input checked="checked" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____ if known:  Congressional District, if known: 8,27,31,35,39			<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  Congressional District, if known:		
<b>6. Federal Department/Agency:</b> U.S. Department of Housing and Urban Development			<b>7. Federal Program Name/Description:</b> Moving to Work CFDA Number, if applicable: _____		
<b>8. Federal Action Number, if known:</b>			<b>9. Award Amount, if known:</b> \$		
<b>10. a. Name and Address of Lobbying Registrant</b> (if individual, last name, first name, MI):  Potomac Partners DC 210 D Street, SE Washington DC 20003			<b>b. Individuals Performing Services</b> (including address if different from No. 10a) (last name, first name, MI): Alcalde, Rick; Feliz, Dan		
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.			Signature: <u>Maria Razo</u> Print Name: <u>Maria Razo</u> Title: <u>Executive Director</u> Telephone No.: <u>(909)332-6305</u> Date: <u>5/16/2018</u>		
<b>Federal Use Only:</b>					Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)



## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

# Certification of Payments to Influence Federal Transactions

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

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Applicant Name

Housing Authority of the County of San Bernardino

Program/Activity Receiving Federal Grant Funding

Moving to Work Program

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

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

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

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

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

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Maria Razo

Title

Executive Director

Signature



Date (mm/dd/yyyy)

5/16/2018

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

<b>AMP 202</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Waterman Gardens	San Bernardino	252	762,000	2016	Redevelopment Activity (phase 1)
Waterman Gardens	San Bernardino	252	500,000	2017	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2018	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2019	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2020	Redevelopment Activity

\* note: balance of units in AMP 202 have completed RAD conversion as of 4/2016

**Total- AMP 202** 2,762,000

<b>AMP 203</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>

\* note: balance of units in AMP 203 have completed RAD conversion as of 4/2016

**Total- AMP 203** -

<b>AMP 205</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-32 - E. 9th St.	Redlands	12	60,000	2016	Misc. dwelling Improvements
Redlands - Lugonia Site	Redlands	115	200,000	2016	Redevelopment Activities (demolition)
Redlands - Lugonia Site	Redlands	115	500,000	2017	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2018	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2019	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2020	Redevelopment Activities

\* note: balance of units in AMP 205 have completed RAD conversion as of 4/2016

**Total- AMP 205** 2,260,000

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

<b>AMP 206</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-10 - Colton	Colton	40	15,000	2016	Site Improvements
Cal 19-04 - Colton	Colton	85	85,000	2016	Site Improvements

\* note: balance of units in AMP 206 have completed RAD conversion as of 4/2016

**Total- AMP 206** 100,000

<b>AMP 207</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-07, 12 - Barstow	Barstow	114	128,339	2016	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	149,705	2017	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	100,634	2017	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	107,505	2018	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	142,834	2018	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	125,834	2019	Site Improvements
Cal 19-13, 34 - Barstow	Barstow	104	124,505	2019	Site Improvements
Cal 19-07, 12 - Barstow	Barstow	114	112,839	2020	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	137,500	2020	Misc. Dwelling Improvements

**Total- AMP 207** 1,129,695

<b>AMP 208</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-32, 19-42	High Desert	6	-		Section 32 homes being sold

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

**Total- AMP 208**

-

<b>AGENCY WIDE</b>					
<b>Development Account</b>			<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Operations			0	2016-2020	Operations
Development Activities			584,100	2016-2020	Replacement Housing Factor
Management Improvements			370,000	2016-2020	Self Sufficiency Programs
Administration			306,049	2016-2020	10% limit
Fees & Costs			400,000	2016-2020	A&E/Consultants, Inspection Costs
Audit			0	2016-2020	Audit Program
Non-Dwelling Equipment			0	2016-2020	Misc equipment
Relocation Costs			150,000	2016-2020	Misc Relocation Costs
Debt Service Pledge			0	2016-2020	CFFP repaid w/ 501-11
Subtotal Annual Agency Wide Activities			1,810,149		
<b>Total - Agency Wide</b>	<b>X5 years</b>		<b>9,050,745</b>		
<b>Grand Total- All AMP's</b>			<b>15,302,440</b>		
Annual Allocation (including RHF)			3,060,488		

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 06/30/2017

<b>Part I: Summary</b>					
<b>PHA Name: Housing Authority of the County of San Bernardino</b>		<b>Grant Type and Number</b> Capital Fund Program Grant No: CA16P019501-17 Replacement Housing Factor Grant No: CA16P019501-17 Date of CFFP:			<b>FFY of Grant: 2017</b> <b>FFY of Grant Approval: 2017</b>
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	1,982,321	1,571,917		
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 06/30/2017

**Part I: Summary**

<b>PHA Name:</b> Housing Authority of the County of San Bernardino	<b>Grant Type and Number</b> Capital Fund Program Grant No: CA16P019501-17 Replacement Housing Factor Grant No: CA16P019501-17 Date of CFFP:	<b>FFY of Grant:</b> 2017 <b>FFY of Grant Approval:</b> 2017
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**Type of Grant**

☐ Original Annual Statement
☐ Reserve for Disasters/Emergencies
☒ Revised Annual Statement (revision no: 2)
☐ Final Performance and Evaluation Report

☐ Performance and Evaluation Report for Period Ending:

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	<del>1502 Contingency (may not exceed 8% of line 20)</del> 1503 RAD HAP	0	410,404		
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,982,321	1,982,321		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
<i>[Signature]</i>	5/16/18		

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
**Expires 06/30/2017**

<sup>2</sup> To be completed for the Performance and Evaluation Report.



# Appendix G: Local Asset Management Plan (LAMP)

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The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. The program should include a description of how it is implementing property based management, budgeting, accounting and financial management and any deviations from HUD's asset management requirements. In our FY 2010 MTW Annual Plan, we first described our asset management program and amended it through our FY 2010 MTW Plan – Amendment 3 approved on September 15, 2010. Prior to our designation as an MTW agency, HACSB developed a comprehensive 30 year strategic plan in 2008 that serves as a guiding map in achieving our mission, vision and goals. Some of the goals of our plan include helping our participants achieve self-sufficiency, providing timely housing assistance to needy families, increasing housing options and strengthening our agency, our residents and our community. As good stewards of taxpayer's dollars, we pride ourselves in achieving administrative efficiency while providing the best quality service to the families that we serve. Upon closer examination, we feel that the indirect cost rate methodology will best serve our mission, versus our current fee-for-service methodology. In accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elect to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. The cost allocation plan along with the indirect cost rate is described in detail below and we agree to justify the indirect cost rate established.

HACSB did a detailed examination of our current agency structure including our Central Office Cost Center (COCC) structure and confirmed how intertwined our Central Office was to the agency as a whole. The work done by various departments has resulted in agency wide solutions and it is our combined efforts that will help us achieve our goals. This strengthens the need for an indirect cost rate methodology that allows the flexibility to combine resources and achieve inter-department solutions that are represented as a simple unified solution for the families that we serve and our agency. We wish to keep the funding and administrative processes indistinguishable in the eyes of our customers and hope that our collective efforts at various levels provide the best services, the best support, and the best housing choices for our families. This has led to a centralized effort in many services like information technology, community affairs, administrative services, waiting list and development. Details on some of our departments are provided below.

**Information Services (I.S.)** – Our centralized I.S. department is responsible for the network and server administration, database and software administration, telecommunications and software and report developments for the entire agency. This is done with a dedicated team of four individuals that support 154 agency computers in 10 locations throughout our county. They respond to an

average of 50 help desk tickets a week that result in around 20 site visits per week. In addition, in February 2010, we were awarded the competitive BTOP grant to provide high speed technology access to underserved communities. Post grant ending, HACSB has continued to fund these centers, which currently consist of four (4) computer centers that are served by three (3) computer technicians and host 24 personal computers and 16 Apple Mac's. Our IS team provides the necessary technical support and manages the computer centers. Our agency partnered with the Career Institute to provide free career, education and job counseling services at these centers.

**Community Affairs** – Our centralized community affairs department assists in making and strengthening partnerships throughout the County to leverage services and programs to assist our residents in achieving self-sufficiency. These partners include schools, non-profit community organizations, health and human service providers, financial institutions, elected officials, and so forth. Through these efforts, our housing sites are able to sustain services such as child care, financial literacy courses, health services, parenting courses, to name a few examples.

In an effort to outreach to services of greatest need among our residents, in 2010, we partnered with Loma Linda University (LLU) to conduct a detailed needs assessment for one of our Public Housing communities- Maplewood Homes Community (formerly known as Medical Center, 296 units) to determine the appropriate partners that could serve our residents based on resident input and professional analysis. As a result of that assessment, LLU staff and students assisted with follow-up by providing on-site case work management and varying topic workshops. The partnership with LLU has further expanded to include evaluations and assessments of other HACSB MTW initiatives, including Term-Limited Lease Assistance and No Child Left Unsheltered.

Specifically, in an effort to improve the quality of life for residents, HACSB acknowledged the serious health issues caused by second hand smoke and partnered with the County Department of Public Health to search for viable solutions. Though our vast efforts of educating our residents on the harmful effects of smoking, and surveying them for their feedback, we have transitioned several of our affordable housing sites to 100% smoke free developments. This was an effort achieved through the strength of our partnership and the educational health resources provided to our residents.

**Administrative Services** – The Administrative Services department assists other offices by providing oversight on matters pertaining to the agency's compliance with state and federal requirements. As an example, this department works to ensure compliance with annual filings of Statement of Economic Interests, the Brown Act, Public Records Requests, Fair Housing and Americans with Disabilities Act (ADA). An agency-wide Needs Assessment is currently being conducted to ensure compliance with current ADA requirements,

which will include input from outside agencies and a plan to address any deficiencies. This department also handles our legal issues and is our liaison between the agency and the legal team.

**Development** – Our centralized Office of Real Estate Development team is responsible for all Real Estate acquisition, rehabilitation, redevelopment and new construction projects. Our dedicated project managers often eliminate the costs associated with outside development and/or construction management consultants. The staff is continuously available to all AMPS as a technical, as well as planning and implementation resource for non-routine maintenance and emergency rehabilitation projects. The Department manages the completion of all Physical Needs Assessments and due diligence reports for the entire portfolio of HACSB residential developments. This department also oversees all of the Capital Fund improvement and rehabilitation projects within the public housing portfolio and administers all grant funding and debt financing that can be associated. Lately, the development team has been actively involved in implementing energy efficiency projects and in 2010 was awarded a \$1.84 million grant at our Maplewood Homes Community (leverage funds for the CFRC grant). This project is currently under construction. Finally, Development administers a very successful homeownership program that has helped 135 families overcome their barriers and achieve the American dream of owning a home. It is a program utilizing a variety of methods to achieve goals for our clients, including Section 32 (converted public housing), Section 8 Homeownership, and a Community Land Trust.

**Procurement** - Our centralized procurement department is responsible for agency wide contracts enable higher cost savings and fiscal prudence. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

#### **Local Asset Management Implementation**

**Leadership** - Our local asset management program will be led by a leadership team consisting of representatives from the following departments: housing programs, development, finance, administrative services, human resources, information technology, procurement and community affairs and policy. They will meet on a biweekly basis to review the combined efforts and ensure the agency is striving to achieve its long-term objectives. This team is also responsible for our Strategic Plan and charts the path annually while ensuring significant milestones are met.

**Project-based Management** - We expect that all of our programs, regardless of funding source, to be accountable for project-based management, budgeting, and financial reporting. We apply the same expectation of aligning responsibility and accountability to those services that are managed centrally.

HACSB has been operating under project-based budgeting and accounting practices since 2006. We have developed systems and reports to facilitate the onsite management and analysis of budgets, expenses, rent collection and receivables, and purchasing. In accordance with HUD Asset Management guidance, HACSB decentralized its maintenance program in 2008 and each AMP was assigned maintenance personnel, depending on the size and maintenance requirements of the properties in the AMP. HACSB has a decentralized purchasing model for the acquisition of goods. Sites staff use a simple purchasing system that enables them to be able to purchase goods directly from their pool of vendors while still enabling management staff to track spending habits. While the acquisition of goods is decentralized, the agency has adopted a hybrid approach to the acquisition of its services. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

**Cost Allocation Approach** - Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, HACSB has identified all of its direct costs and segregated all its costs into pools, as either a direct or an indirect cost pool.

**Direct Costs** - OMB Circular A-87 defines direct costs as follows: Direct costs are those that can be identified specifically with a particular final cost objective. HACSB's direct costs include, but are not limited to:

- Contract costs readily identifiable with delivering housing assistance to low-income families.
- Housing Assistance Payments, including utility allowances, for vouchers
- Utilities
- Insurance
- Property-based audits
- Staff training
- Interest expense

- Information technology fees
- Portability administrative fees
- Rental Assistance department costs for administering Housing Choice Vouchers including inspection activities
- Operating costs directly attributable to operating HACSB-owned properties
- Fleet management fees
- Maintenance services for unit or property repairs or maintenance
- Maintenance services include, but are not limited to, landscaping, pest control, decorating and unit turnover
- Community Services department costs directly attributable to tenants services
- Gap financing real estate transactions
- Acquisition costs
- Demolition, relocation and leasing incentive fees in repositioning HACSB-owned real estate
- Homeownership activities for low-income families
- Leasing incentive fees
- Certain legal expenses
- Professional services at or on behalf of properties or a portfolio, including security services
- Extraordinary site work
- Any other activities that can be readily identifiable with delivering housing assistance to low-income families
- Any cost identified for which a grant award is made. Such costs will be determined as HACSB receives grants

**Indirect Costs** - OMB Circular A-87 defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. HACSB's indirect costs include, but are not limited to:

- Executive
- Communications
- Certain legal expenses
- Development
- Finance
- Purchasing
- Human Resources

- Housing Finance and Asset Management
- Administration staff and related expenses of the Housing Operations and Rental Assistance Departments that cannot be identified to a specific cost objective.

**Indirect Services Fees** - HACSB has established Indirect Services Fees based on anticipated indirect costs for the fiscal year. Any indirect costs incurred by HACSB in support of its projects and programs will be incurred by the Central Office Cost Center (COCC) and charged out to the programs in the form of a fee. The four fees are:

- Asset Management Fees
- Management Fees
- Bookkeeping Fees

**Asset Management Fees** – This fee was described in Plan Year 2010 and was modified through our third amendment to the FY 2010 MTW Annual Plan. The Asset Management Fee uses our fungibility to transfer funds among AMPS and allows us to charge an asset management fee, regardless of whether a project has excess cash. The COCC will continue to charge the Asset Management to the AMPS at the HUD's determined rate of \$10 per ACC unit

**Management Fees** – The COCC will continue to charge the Management Fee at the HUD's determined rate of \$70.64 per units leased to the AMPS and 20% of Administrative Fees for Housing Choice Voucher program.

**Bookkeeping Fees** - The COCC will continue to charge the Bookkeeping Fee at the HUD's determined rate of \$7.50 per unit leased to the AMPS and the Housing Choice Voucher program.

Per the requirements of OMB Circular A-87, the indirect services fees are determined in a reasonable and consistent manner based on total units and/or leased vouchers. The fees are calculated as a per-housing-unit or per-leased-voucher per month charged to each program. HACSB will annually review all of its indirect service fees charges in relation to actual indirect costs and will incorporate appropriate adjustments in indirect service fees for the subsequent year, based on this analysis.

**Differences between HUD Asset Management and HACSB LAMP** - Under the First Amendment, HACSB is allowed to define costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of

24 CFR 990. HACSB is required to describe in this MTW Annual Plan differences between our Local Asset Management Program and HUD's asset management program. Below are the three key differences:

- HACSB determined to implement an indirect service fee that is much more comprehensive than HUD's asset management system. HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Low Income Public Housing (LIPH) property level. HACSB's LAMP is much broader and includes local housing and other activities not found in traditional HUD programs. HACSB's LAMP addresses the entire HACSB operation.
- HUD's rules are restrictive regarding cash flow between projects, programs, and business activities. HACSB intends to use its MTW resources and regulatory flexibility to move its MTW funds and project cash flow among projects without limitation and to ensure that our operations best serve our mission, our LAMP cost objectives, and ultimately the low-income people we serve.
- HACSB charges an Asset Management Fee to all AMPS regardless of excess cash by each AMP by the use of our fungibility.

**FDS Reporting** – HACSB will continue to report on the HUD's established deadlines following the same format as previous years using the Asset Management with COCC/ elimination.

# Appendix H: Non-MTW Related Information

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## Special Purpose Programs

In addition to the MTW Voucher Program, HACSB administers other voucher programs and special programs, such as Mainstream, Housing Opportunities for Persons with AIDS (HOPWA), Veteran's Affairs Supportive Housing (VASH), and Shelter Plus Care.

**Mainstream** – This program is designed to provide rental assistance to persons with disabilities to enable them to lease affordable private housing of their choice. At the end of FY 2017, we were providing assistance to 90 families through this program.

**Housing Opportunities for Persons with AIDS (HOPWA)** - HACSB has partnered with Foothill Aids Project to offer rental assistance and supportive services to persons diagnosed with HIV/AIDS. The Foothill AIDS Project assesses the applicant's duration of participation in their case management program and facilitates location of suitable housing to meet their clients' needs. At the end of FY 2017, we were providing assistance to 35 families through this program.

**Veteran's Affairs Supportive Housing (VASH)** - HACSB and Veterans Administration Medical Center have partnered to provide rental vouchers and supportive services to eligible homeless veterans with severe psychiatric or substance abuse disorders. The program goals include promoting maximal Veteran recovery and independence to sustain permanent housing in the community for the Veteran and the Veteran's family. At the end of FY 2017, we were providing assistance to 337 families through this program.

**Master Leasing Program** – This program is funded by State of California Mental Health Services Act funds and serves mentally ill or developmentally disabled families with emergency shelter housing. Case management and comprehensive support services are provided for residents participating in this program. At the end of FY 2017, we were providing assistance to 16 families through this program.

**Shelter Plus Care Programs (S + C)** - The Shelter Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACSB currently administers the following Shelter Plus Care vouchers:

- **Stepping Stones (S + C)** - This program provides rental assistance for chronically homeless individuals and families in connection with supportive services funded through the Department of Behavioral Health (DBH). Under this program, HACSB provides the housing services based on eligible referrals from the Coordinated Entry System (CES) and DBH, matches the housing funds by providing supportive services. At the end of FY 2017, we were providing assistance to 37 families through this program.
- **New Horizons (S + C)** – This program provides rental assistance for hard to serve persons with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). This is an ongoing program, and all turnover vouchers focus on



providing housing to chronically homeless households. Under this program, HACSB provides the housing services based on eligible referrals from the CES and DBH, matches the housing funds by providing supportive services. At the end of FY 2017, we were providing assistance to 173 families through this program.

- ***Laurelbrook Estates (S + C)*** – This program assists individuals or families experiencing disabling conditions and homelessness and is a Project Based S+C voucher subsidy tied to designated scattered sites throughout the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health. At the end of FY 2017, we were providing assistance to 25 families through this program.
- ***Project Gateway (S + C)*** – HACSB formed a partnership with Ontario Housing Authority, Mercy House Living Centers Inc. and Department of Behavioral Health (DBH) to provide permanent housing in conjunction with long term supportive services including mental health care, employment, self-sufficiency etc. to our homeless community. At the end of FY 2017, we were providing assistance to 12 families through this program.
- ***Cornerstone (S + C)*** - This program implemented in 2012, and provides rental assistance for hard to serve homeless individuals and families with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). HACSB provides the housing services based on eligible referrals from the CES and DBH, matches housing funds by providing supportive services. At end of FY 2017, we were providing assistance to 25 families through this program.
- ***Whispering Pines (S + C)*** - This program implemented in 2012, and provides rental assistance for hard to serve homeless individuals and families with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). HACSB provides the housing services based on eligible referrals from the CES and DBH, matches housing funds by providing supportive services. At the end of FY 2017, we were providing assistance to 11 families through this program.
- ***Lantern Woods (S + C)*** - This program implemented in 2012 and is a Project Based S+C voucher subsidy tied to designated sites in the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health for homeless individuals and families. At the end of FY 2017, we were providing assistance to 16 families through this program.

## HACSB College Scholarship Program

For 24 years, the Housing Authority has been proud to assist eligible participants in achieving their higher educational goals through scholarships. To date, HACSB has awarded 285 students with \$208,750 in scholarships. Current participants/residents in Housing Choice Voucher programs, Public Housing programs, or other HACSB affordable housing communities are eligible to apply. Students need to be accepted by or currently attending a four-year college/university, community college, or technical/vocational school. Students attending a four-year college or university receive a \$1,500 scholarship while community and technical/vocational students receive a \$750 scholarship. The Housing Authority uses non-public funds to promote educational success among their participants.

In 2016 fourteen students were awarded scholarships to assist them with their college expenses. The recipients are attending one of the following colleges/universities: Beaumont Adult School, Chaffey Community College, Crafton Hills Community College, California State Polytechnic University Pomona, California State University Fullerton, University of California Riverside, Riverside Community College, San Bernardino Valley College, University of Redlands, University of La Verne, West Coast College, and Victor Valley College. Their areas of study include majors such as: Biomedical Research, Kinesiology, Creative Writing, Childhood Development, Educational Leadership, Human Resources, Social Work, Teaching, and Nursing.

HACSB also received a \$1,500 donation for the scholarship fund from Mr. Bob Doshi and his family, longtime landlords of our voucher program. This is the second year that the Doshi family has donated to this cause. Mr. Doshi believes in helping our families succeed: “We care about the families we serve through the Housing Authority and education is a key component to success.” He hopes his contribution will also inspire other landlords of the program to donate to this important cause.

## Knowledge & Education for Your Success (KEYS)

KEYS is a 501(c)(3) nonprofit corporation created in 2009 by HACSB to consolidate HACSB’s array of supportive services, centralize strategic community partnership development, and to provide additional support and services for economically disadvantaged families and children. The development of KEYS created a unique opportunity to utilize non-traditional, non-PHA funding sources to bring additional resources not only to the clients that HACSB serves, but to be able to spread resources to those in need, not directly served by HACSB, subsequently assisting HACSB in achieving our mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

The mission of KEYS is to empower low-income individuals and families in San Bernardino County and to unlock their potential for success. KEYS is committed to a community where individuals and families can lead meaningful and empowered lives and pass that legacy to future generations.

Over the past fiscal year, KEYS has focused on some of the county’s families in greatest need. In January 2015, in partnership with HACSB and the San Bernardino County Transitional Assistance Department (TAD), KEYS launched the Housing Support Program (HSP), a Rapid Rehousing program based on national best practices to rapidly transition eligible homeless families with children back into permanent housing. The Housing Support program was followed by the launch of two additional Rapid Rehousing programs called Keys for Success (KFS) and Keys for Life (KFL) through U.S. Department of Housing and Urban Development’s Continuum of Care aimed at serving homeless individuals and families that need housing and intensive case management up to 24 months. KEYS has utilized its experience with the SSVF program and housing navigation to rapidly identify and secure permanent housing for families. As part of the ongoing support of the families (up to 6 months) and to ensure stabilization KEYS utilizes its Family Strengthening casework model to ensure resources and tools are in place for the family to maintain their housing over time and increase economic independence.

To date, the KEYS HSP has assisted 1,795 homeless families, including 4,899 children, with services such as case management, family stabilization, and connecting the family to support services such as skill building, home readiness, and career development. 1,240 families were housed, including 3,028 children. KEYS KFL and KFS programs have served more than 90 homeless individuals and their families, and to date the SSVF program has served more than 500 veterans.

KEYS continues to focus on a “collective impact” strategy which aligns with a county wide approach.

Together, KEYS, HACSB, and our many community partners are working diligently to change the trajectory for families living in poverty and provide a safe and unique environment to help them thrive and become self-sufficient.

## Other Affordable Rental Housing

HACSB owns 1,199 Non-HUD residential units along with 4 commercial units (Frankish Building). Many of those units are affordable as a result of public funds, such as HOME and Redevelopment Housing Set-Aside funds. For more information please refer to the Authority Owned Housing Stock under the Housing Stock Information in Section II: General Housing Authority Operating Information of this report.

**Affiliate Non-Profit** – Housing Partners I, Inc. (HPI, Inc.) was created in 1991 to develop, own, and manage affordable housing as an affiliate non-profit of HACSB. HPI, Inc.’s designation as a Community Housing Development Organization (CHDO) allows it to apply for and receive HOME funds from the County of San Bernardino, Department of Community Development and Housing and other cities for the acquisition, development and rehabilitation of housing units. With over 20 years of housing development experience behind it, HPI, Inc. provides HACSB the means with which to leverage a variety of public as well as private funding sources to continue to increase the supply of affordable housing throughout the county of San Bernardino.

In 2015 HPI broke ground on the Horizons at Yucaipa development, a new construction affordable senior project that will be completed in the fall of 2016. HPI also acquired a 25-unit development in the City of Loma Linda for homeless and affordable Veteran Housing, providing much need supportive services to Veterans living on site. Overall in 2015 HPI is constructing or partnering in over 300 new affordable housing units within San Bernardino County.

HPI Property Acquisitions LLC is an HPI, Inc. controlled entity that owns 241 units throughout the County of San Bernardino. HPI Inc. and its affiliates own a total of 704 units, detailed in the following table.

AFFILIATE NON-PROFIT			
PROPERTY NAME	CITY	UNITS	ENTITY
Acacia Property	Fontana	28	HPI Property Acquisition LLC
Desert Village	Victorville	46	HPI Property Acquisition LLC
Chehalis Property	Apple Valley	30	HPI Property Acquisition LLC
Kendall Drive Apts.	San Bernardino	37	HPI Property Acquisition LLC
Kendall Park Apts.	San Bernardino	52	HPI Property Acquisition LLC
Robert O. Townsend	Montclair	48	HPI Property Acquisition LLC
Phoenix Apartments	San Bernardino	7	HPI Wall Avenue LLC
Horizons at Yucaipa	Yucaipa	50	HPI, Inc. Portfolio
Vista del Sol	Redlands	71	HPI, Inc. Portfolio
Scattered Sites – Region 1	Loma Linda, Redlands, Yucaipa, Bloomington, Colton, Fontana, Rancho Cucamonga	97	HPI, Inc. Portfolio
Scattered Sites – Region 2	Ontario, Montclair, Chino	107	HPI, Inc. Portfolio
Scattered Sites – Region 3	Adelanto, Apple Valley, Hesperia, Victorville, Joshua Tree, 29 Palms, Yucca Valley	131	HPI, Inc. Portfolio
TOTAL UNITS		704	

# Appendix I: Impact Analysis

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## Proposed Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments

This impact analysis is for the newly proposed MTW Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments. The activity will not apply to existing households. Part 1 of this analysis compares tenant rents and total rents to owner under a traditional tax credit development with the tenant rents and total rents to owner under this proposed activity. Part 2 of this analysis is an estimate of the annual cost of hardship exemptions associated with the proposed activity.

### **Part 1: Traditional Tax Credit Development Comparison to Proposed MTW Activity**

The following tables compare the tenant rent and total rent to owner for traditional tax credit units (orange columns) to the tenant rent and total rent to owner under this proposed activity (green columns) for families of different sizes and at different income levels. The tax credit rent amount is set based upon the AMI target for the unit and the number of bedrooms in the unit. The “Household Rent Burden” is highlighted in pink when the rent burden exceeds 40% of the household’s gross annual income. Hardship exemption criteria have been established for families whose rent burden exceeds 40%. Hardship criteria are described in Section 3 of this Plan.

The tables illustrate that the proposed activity modifies the total rent to owner, while the tenant rent portion and rent burdens are the same as they would be in a traditional tax credit unit. This activity does not increase tenant rent burden.

## 30% AMI Units

Unit Size	Tax Credit Rent	Household Size	Annual Tenant Income	Tenant AMI	Tax-Credit Only		With Proposed RAD-PBV Activity				
					Total Rent to Owner	Tenant Rent Burden	Tenant Rent to Owner	Tenant Rent Burden	HACSB Flat Subsidy	Total Rent to Owner	Total Rent to Owner Change
1	\$379	1	\$ 14,160	30%	\$379	32%	\$379	32%	\$564	\$943	149%
			\$ 11,800	25%		39%		39%			
			\$ 9,440	20%		48%		48%			
		2	\$ 16,200	30%		28%		28%			
			\$ 13,500	25%		34%		34%			
			\$ 10,800	20%		42%		42%			
2	\$455	3	\$ 18,210	30%	\$455	30%	\$455	30%	\$564	\$1,019	124%
			\$ 15,175	25%		36%		36%			
			\$ 12,140	20%		45%		45%			
		4	\$ 20,220	30%		27%		27%			
			\$ 16,850	25%		32%		32%			
			\$ 13,480	20%		41%		41%			
3	\$525	5	\$ 21,840	30%	\$525	29%	\$525	29%	\$564	\$1,089	107%
			\$ 18,200	25%		35%		35%			
			\$ 14,560	20%		43%		43%			
		6	\$ 23,460	30%		27%		27%			
			\$ 19,550	25%		32%		32%			
			\$ 15,640	20%		40%		40%			
4	\$586	7	\$ 25,080	30%	\$586	28%	\$586	28%	\$564	\$1,150	96%
			\$ 20,900	25%		34%		34%			
			\$ 16,720	20%		42%		42%			
		8	\$ 26,700	30%		26%		26%			
			\$ 22,250	25%		32%		32%			
			\$ 17,800	20%		40%		40%			

## 50% AMI Units

Unit Size	Tax Credit Rent	Household Size	Annual Tenant Income	Tenant AMI	Tax-Credit Only		Proposed RAD-PBV Activity				
					Total Rent to Owner	Tenant Rent Burden	Tenant Rent to Owner	Tenant Rent Burden	HACSB Flat Subsidy	Total Rent to Owner	Total Rent to Owner Change
1	\$632	1	\$ 23,600	50%	\$632	32%	\$632	32%	\$564	\$1,196	89%
			\$ 21,240	45%		36%		36%			
			\$ 18,880	40%		40%		40%			
		2	\$ 27,000	50%		28%		28%			
			\$ 24,300	45%		31%		31%			
			\$ 21,600	40%		35%		35%			
2	\$758	3	\$ 30,350	50%	\$758	30%	\$758	30%	\$564	\$1,322	74%
			\$ 27,315	45%		33%		33%			
			\$ 24,280	40%		37%		37%			
		4	\$ 33,700	50%		27%		27%			
			\$ 30,330	45%		30%		30%			
			\$ 26,960	40%		34%		34%			
3	\$876	5	\$ 36,400	50%	\$876	29%	\$876	29%	\$564	\$1,440	64%
			\$ 32,760	45%		32%		32%			
			\$ 29,120	40%		36%		36%			
		6	\$ 39,100	50%		27%		27%			
			\$ 35,190	45%		30%		30%			
			\$ 31,280	40%		34%		34%			
4	\$977	7	\$ 41,800	50%	\$977	28%	\$977	28%	\$564	\$1,541	58%
			\$ 37,620	45%		31%		31%			
			\$ 33,440	40%		35%		35%			
		8	\$ 44,500	50%		26%		26%			
			\$ 40,050	45%		29%		29%			
			\$ 35,600	40%		33%		33%			

## 60% AMI Units

Unit Size	Tax Credit Rent	Household Size	Annual Tenant Income	Tenant AMI	Tax-Credit Only		Proposed RAD-PBV Activity				
					Total Rent to Owner	Tenant Rent Burden	Tenant Rent to Owner	Tenant Rent Burden	HACSB Flat Subsidy	Total Rent to Owner	Total Rent to Owner Change
1	\$759	1	\$ 28,320	60%	\$759	32%	\$759	32%	\$564	\$1,323	74%
			\$ 25,960	55%		35%		35%			
		2	\$ 32,400	60%		28%		28%			
			\$ 29,700	55%		31%		31%			
2	\$910	3	\$ 36,420	60%	\$910	30%	\$910	30%	\$564	\$1,820	62%
			\$ 33,385	55%		33%		33%			
		4	\$ 40,440	60%		27%		27%			
			\$ 37,070	55%		29%		29%			
3	\$1,051	5	\$ 43,680	60%	\$1,051	29%	\$1,051	29%	\$564	\$2,102	54%
			\$ 40,040	55%		31%		31%			
		6	\$ 46,920	60%		27%		27%			
			\$ 43,010	55%		29%		29%			
4	\$1,173	7	\$ 50,160	60%	\$1,173	28%	\$1,173	28%	\$564	\$2,346	48%
			\$ 45,980	55%		31%		31%			
		8	\$ 53,400	60%		26%		26%			
			\$ 48,950	55%		29%		29%			

### Part 2: Estimated Cost of Hardship HAP

To estimate the annual cost of hardship exemptions granted under this proposed activity, HACSB reviewed data from rent adjustment hardship exemptions approved by HACSB in its FY 2018. The gross annual income of each household approved for a hardship exemption in FY 2018 was compared to the applicable tax credit rent based on the household's AMI band (30%, 50%, and 60%). This comparison was used to determine if the applicable tax credit rent would result in a rent burden greater than 40%. 171 households were identified. These households represent less than 2% of all voucher households served by HACSB in FY 2018.

For the 171 identified households, HACSB determined the "Hardship HAP" by subtracting 40% of their gross income from the applicable tax credit rent. The Hardship HAP value for this sample ranged from \$1 to \$586, with an average value of \$234 and a median value of \$183.

Based upon this information HACSB estimates that up to two households per year residing in the RAD-PBV tax credit units at Waterman Gardens Phase III will be approved for a hardship exemption. The annual cost of the associated Hardship HAP is estimated to be up to \$7,000.

HACSB will apply MTW funding flexibility to create a "Tenant Rent Burden Protection Fund" from which the Hardship HAP will be paid. HACSB and its developer partner will both contribute to this fund to ensure the availability of hardship exemptions for rent-burdened households.



## Appendix J: Fact Sheets

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At HACSB, communication and education of team, participants, residents, landlords and community is critical to the success of our innovative programs. We have attached some of our sample Fact Sheets which are handy reference guides about our MTW programs and services. These fact sheets are posted online at **[www.hacsb.com](http://www.hacsb.com)** and are also available at our offices.



# Housing Authority of the County of San Bernardino

## WHO WE ARE FACT SHEET

The Housing Authority of the County of San Bernardino (HACSB) is one of the most progressive housing authorities in the Country and also the largest provider of affordable housing in San Bernardino County. HACSB proudly owns and/or manages programs with 13,225 housing units and vouchers combined to serve approximately 30,000 people, most of whom are seniors, individuals with disabilities, veterans, and children.

Unlike other health and human services programs, we provide housing assistance based on the number of vouchers and public housing units for which we are authorized and funded through the U.S. Department of Housing and Urban Development (HUD) – unfortunately we do not have the resources to provide immediate housing assistance. As families move off our various affordable housing programs, new families are pulled and housed off the waiting list. As a result, it takes years for low-income families to receive housing assistance.

A common misconception about affordable housing programs is that low-income households do not work and/or work minimal hours and rely on government assistance. However, the reality is most do work, but their earnings, despite educational and/or professional training levels, do not pay enough. The table below outlines income and occupational levels at various income levels:

INCOME	OCCUPATION   PER HOUR/ANNUAL INCOME		
EXTREMELY LOW	Fast-Food Cook (\$9.54/\$21,017)	Hairdresser (\$11.21)	Home Care Aides (\$11.60/\$29,440)
VERY LOW	Preschool Teacher (\$14.05/\$32,028)	Paramedics (\$15.39/\$36,157)	Mail Clerks (\$14.10/\$29,800)
LOW	LVN (\$22.66/\$47,377)	Truck Driver (\$22.75/\$49,093)	Construction Laborers (\$17.10/\$40,564)
MODERATE	Fire Fighter (\$25.84/\$58,625)	Teachers (NA/\$67,728)	Fashion Designers (\$21.11/\$49,254)
MIDDLE	RN (\$45.90/\$96,164)	Police (\$44.17/\$89,788)	Airline Pilots (\$27.84/\$76,721)
HIGH	Physician (\$58.61/\$157,368)	Attorney (\$63.67/\$133,548)	High-Level Management (\$86.15/\$188,992)

HUD defines affordability as paying no more than 30% of monthly household income towards rent. In San Bernardino County, the median asking rent is \$1,566. For the professions outlined above, that amount can mean a rent burden as high as 81%. (Citation: *California Housing Partnership, SBC Renters in Crisis, May 2017*)

### HOUSING TYPES

HACSB is committed to providing both traditional affordable housing assistance as well as mixed-income housing developments that complements existing communities.

The following are three main programs HACSB manages and/or administers:

#### **Tenant-Based Voucher Rental Assistance Program Units: 10,653**

These units are privately owned, with rent subsidies paid directly to owners by the Housing Authority. These programs are managed by HACSB offices in Ontario, San Bernardino, Upland, and Victorville. (This program is commonly known as Section 8.)

#### **Public Housing Units: 562**

These units are owned and managed by the Housing Authority through its offices in Barstow, Colton, San Bernardino, and Upland.

#### **Housing Authority-Owned Units: 2,478**

These units are owned by the Housing Authority and were either acquired or developed through a variety of partnerships with the state of California, San Bernardino County Department of Community Development and Housing, various cities throughout the county, and Housing Partners I Inc., a nonprofit public housing corporation.

### MOVING TO WORK

As a high-performing and innovative agency, in 2008, HACSB received the Moving to Work (MTW) designation by Congress and the U.S. Department of Housing and Urban Development (HUD). The designation provides HACSB with the flexibility to waive some HUD program requirements and develop local policies that are best suited for the various communities in San Bernardino County. Currently there are 39 designated MTW agencies out of 3,200 housing authorities nationwide.

As a result, HACSB has transformed its agency by executing innovative initiatives based on the three key MTW objectives: saving taxpayer dollars through efficient work; helping families achieve economic independence; and ensuring a family's freedom of housing choice. The table below highlights the initiatives HACSB has implemented; efforts that traditional Housing Authorities may not be able to accomplish.

### ADMINISTRATIVE EFFICIENCIES

Single Fund Budget	Local Asset Management
Strategic Investment Policies	Operating Subsidy for Vista del Sol
Alternate Assessment Program	Property Management Innovation
Biennial Recertifications	Utility Allowance Reform
Local Verification Policies	Streamlined Lease Assistance Program
Elimination of Assets	Local Inspection Standards
Controlled Program Moves	

### ECONOMIC INDEPENDENCE

Local Policies for Portability	Term Limited Lease Assistance Program
Elimination of Earned Income Disallowance	No Child Left Unsheltered
Minimum Rent	Transition for Over-Income Families
Local FSS program	Pilot "Work" Requirement

### EXPANDING HOUSING CHOICE

Local Project-Based Voucher	Flexibility for Horizons at Yucaipa Senior Housing
Local Payment Standards	
Project-Based Voucher	

## MOVING TO WORK (CONTINUED)

These initiatives have resulted in positive outcomes related to the three MTW objectives for HACSB and the families we serve. In FY 2017, the following outcomes were achieved as a result of changes made with MTW flexibilities:

- Total cost savings from MTW activities: **\$631,647**
- Staff time savings from MTW activities: **26,472 hours**
- Average earned income for families participating in Streamlined Lease Assistance Program increased by **12%**, and the number of families receiving TANF decreased by **3.3%** in the 3 years since implementation.
- The number of families leasing in areas of poverty and/or minority concentration has decreased by **8%** as a result of the Local Payment Standards activity.
- Average earned income increased **60.2%** since implementation for families participating in the Term Limited Lease Assistance Program.
- For families in the Term Limited Lease Assistance program, full-time employment increased **19.3%** since implementation.

## MORE THAN JUST HOUSING

Through partnerships with other entities, HACSB provides the following resources and support:

**HACSB's Career Development Initiatives Team** helps families with career mentoring; resume building; overcoming barriers to employment; financial literacy/capability skills, such as budgeting and credit/asset building; and other employment development services.

The partnership with the **San Bernardino County Workforce Development Department (WDD)** provides on-site Workforce Development Specialists (WDS) who work exclusively with HACSB customers. Since 2013, the WDD and HACSB staff have performed approximately 550 job placements with wages ranging from \$9 to \$23 per hour. HACSB and WDD also established the Youth Employment Program from 16- to 24-year-olds to take advantage of up to six months of subsidized employment experience.

Mutual customers have access to the county's **Transitional Assistance Department (TAD)** Programs and Supportive Services and are specifically targeted for the CalWORKS Youth Employment Program and the CalWORKS Subsidized Employment Program for adults. HACSB provides housing support and coaching while TAD offers job training, placement opportunities, and supportive services.

Over the past 26-years through **HACSB's Annual Scholarship Program**, HACSB has awarded 292 students attending colleges, universities, and technical/vocational schools with \$219,250 in scholarships.

**HACSB's Homeownership Assistance Program**, which since its inception in 2000, has helped 232 families achieve homeownership. Since 2009, this program has ranked among the top in the nation in creating new homeowners each year.

Staff also makes **direct referrals to over 50 partner agencies** to provide program participants with vocational training, ESL classes, financial literacy education, parenting classes, mental health services, support groups, and small business development classes.

## HOUSING AUTHORITY of the County of San Bernardino BY THE NUMBERS



**2,478**  
Housing Authority-owned units



**10,653**  
vouchers for **25,348**  
individuals



**13**  
public housing developments  
in **10 cities**



**128**  
employees across  
**17 offices**



**50+**  
community and government  
partners



**61,448**  
applicants on various  
waiting lists



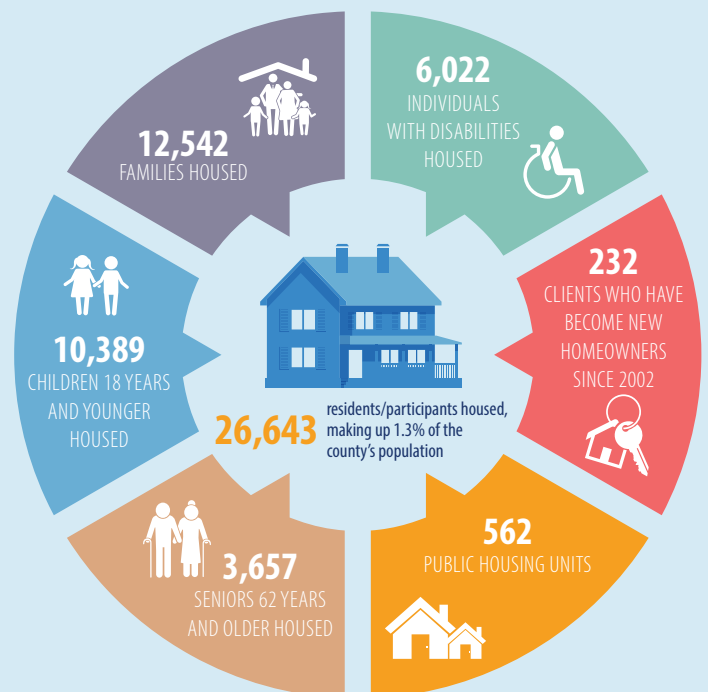
**292**  
scholarship recipients  
since **1991**

**\$131 million**  
added to the county's economy  
during fiscal year 2016-17

**\$86 million**  
paid to nearly 4,600 landlords  
for housing assistance

**\$9.9 million**  
paid to 678 vendors for various  
programs and services

**\$3.4 million**  
spent on rehabilitation, construction  
and acquisition of housing units



APRIL  
**2018**

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# Term-Limited Lease Assistance Program

Summary of Outcomes from Year 1–5

Established in 2012, the Term-Limited Lease Assistance Program couples five years of housing assistance with case management and supportive services to help participating families achieve economic self-sufficiency. In April 2017, the first set of families who leased under this new program began to transition off of the program after five years of assistance.

Innovative programs like this are vital to addressing the growing need for affordable housing in our communities and made possible given our special Congressional designation

under the Moving to Work (MTW) demonstration program. MTW provides only 1% of all Housing Authorities nationwide with the unique opportunity to design and test innovative, locally-designed programs and services to best meet their local communities and residents.

HACSB has partnered with Loma Linda University to conduct a longitudinal study of the families participating in the Term Limited Lease Assistance Program. The statistics below highlight the results of the program's fifth year results.

## Outcomes from Year One to Five of the Program

### INCOME AND EMPLOYMENT

- Average Household Income: **\$25,312\***
- Average Household Earned Income: **\$18,776** (\$20,956 for families with full-time employment)
- Families with Earned Income: **75.1%**
- Changes from year 1 - 5:
  - **12.8%** Increase in income from wages\*
  - **52.5%** Decrease in income from welfare
  - **19.3%** Increase in full-time employment
  - **18%** decrease in unemployment

*\* Excludes income from higher income households that exited the program early. Year four results had a 21.5% increase in income from wages, the drop in Year 5 is due to higher income households that exited the program early.*

### EDUCATION

- Decrease in Families without High School Diploma: **2.8%**
- Increase in Vocational Degrees: **17.1%**

### EARLY EXITS

- Total exits between years 1-5: **55.5%**
- On Average **8.9%** of families exit by the second year, **27.9%** of families exit by year 3, **54.6%** exited by year 4.

In comparison to current families, early exiting families\* have:

- Higher Total and Wage income
- Full time employment with health benefits

*\* Excludes families exited for program violations.*

## Fifth Year Activity

As families reach their final year of housing assistance, communications with the family and landlord take place more frequently, ensuring that the family is aware of the approaching conclusion of assistance and has the opportunity to communicate any new challenges to their HACSB caseworker. As the end date approaches, the family also has the opportunity to request a hardship exemption for a temporary extension of assistance.

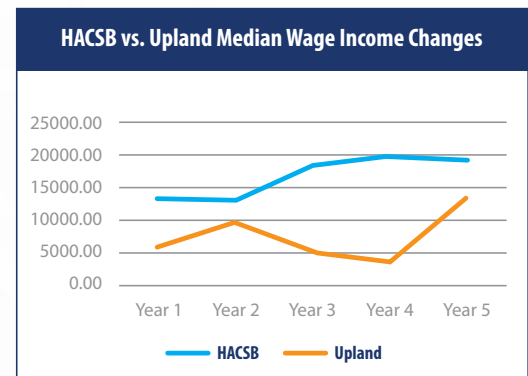
HACSB is also giving special attention to families that may be unprepared for leasing without assistance. Beginning at 18-months prior to the conclusion of assistance, these families receive additional intensive case management and support, including required monthly check-ins with their caseworker, a reassessment of the family's goal plan to address remaining challenges, and further support through HACSB partnerships such as with San Bernardino County Transitional Assistance Department and Workforce Development Department to help the family achieve stable employment.

### OF THOSE FAMILIES IN THEIR FIFTH YEAR OF HOUSING ASSISTANCE:

- 24.6% receive TANF assistance
- 52.7% have a savings account
- 53.9% have full-time employment

## Comparison to Upland Voucher Program

Given the positive improvements in income from the HACSB program, and paralleled local area economic improvement, it was necessary to determine whether the HACSB economic improvement were unique to the five year program, or a function of area economic improvement. Hence a comparison to the Upland voucher program. This program does not have a term limit or the additional supports seen in the HACSB five year program.



- 153 Upland families were compared to the 1,620 HACSB families within the same time frame (2012-2016)
- Year 5 median annual Wage Income for HACSB families was \$15,758 in comparison to Upland's \$6,414
- HACSB showed a 46.1% increase in wage income from year 1 to 5 in comparison to Upland's 128.5% increase.
- HACSB increased the number of families with Earned Income by 9.0% in comparison to Upland's increase of 6.0%.

## Hardship Exceptions

HACSB recognizes that the expiration of assistance may present a hardship for some families and may need an extension to their term of assistance. Three types of hardship exemptions are available, which include:

- Unforeseen Involuntary Loss of Income: If a family experiences an unforeseen involuntary loss of income within nine (9) months prior to the expiration of your assistance.
- Completion of Self-Sufficiency Activity: The head of household must be participating in an approved educational, job training, or other self-sufficiency activity leading to gainful employment.
- Other Reason: Under this category, HACSB's hardship exemption committee may grant an extension for an administrative error by the Housing Authority or other reason as determined by HACSB.

## Future Monitoring

HACSB has implemented a voluntary survey system that will allow us to continue monitoring the family for up to two years after the conclusion of assistance. The annual survey will collect information about the family's education/training and employment status, household income, housing status, and other factors. Participating families receive a monetary incentive for completing each survey. The information will allow HACSB to assess the impacts of the program on families post-assistance, and to make modifications to the program as needed.



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# Appendix K: Summary of MTW Activities

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR(S)	STATUS
Activity 1	Single Fund Budget	Administrative Efficiency	FY 2009	Implemented
Activity 2	Strategic Investment Policies	Administrative Efficiency	FY 2009	Closed Out
Activity 3	Alternate Assessment Program	Administrative Efficiency	FY 2009	On Hold
Activity 4	Biennial Recertifications	Administrative Efficiency	FY 2009, FY 2012	Implemented
Activity 5	Simplified Income Determination	Administrative Efficiency	FY 2009	Implemented
Activity 6	Elimination of Assets	Administrative Efficiency	FY 2009	Closed Out
Activity 7	Controlled Program Moves	Administrative Efficiency	FY 2009	Closed Out
Activity 8	Local Policies for Portability	Economic Independence	FY 2009, FY 2010	Implemented
Activity 9	Elimination of Earned Income Disallowance	Economic Independence	FY 2009	Closed Out
Activity 10	Minimum Rent	Economic Independence	FY 2009	Implemented
Activity 11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009, FY 2011	Implemented
Activity 12	Local Payment Standards	Expanding Housing Opportunities	FY 2009, FY 2012	Implemented
Activity 13	Local Inspection Standards	Administrative Efficiency	FY 2010	Implemented
Activity 14	Local Asset Management Program	Administrative Efficiency	FY 2010	Implemented
Activity 15	Pilot Work Requirement	Economic Independence	FY 2010	Closed Out
Activity 16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Closed Out
Activity 17	Local Income Inclusion	Economic Independence	FY 2011	Closed Out
Activity 18	Property Management Innovation	Administrative Efficiency	FY 2011	Implemented
Activity 19	Local FSS program	Economic Independence	FY 2011	Implemented
Activity 20	Term-Limited Lease Assistance Program	Economic Independence	FY 2011, FY 2015	Implemented
Activity 21	Utility Allowance Reform	Administrative Efficiency	FY 2012	Closed Out - Never Implemented
Activity 22	Streamlined Lease Assistance Program	Administrative Efficiency	FY 2013	Implemented
Activity 23	No Child Left Unsheltered	Economic Independence	FY 2014	Implemented
Activity 24	Transition for Over-Income Families	Economic Independence	FY 2014	Implemented
Activity 25	Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing	Expanding Housing Opportunities	FY 2016	Implemented
Activity 26	Local Disaster Short-Term Rental Assistance	Expanding Housing Opportunities	FY 2017 Amendment 1	Implemented