SAN DIEGO HOUSING COMMISSION

SDHC

Moving Forward
Moving To Work Program
Annual Report for Fiscal Year 2018

San Diego Housing Commission
Rental Assistance Division
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SECTION I – INTRODUCTION

A. MESSAGE FROM THE PRESIDENT & CEO

During her visit to the San Diego Housing Commission (SDHC) on August 2, 2018, U.S. Department of Housing and Urban Development (HUD) Deputy Secretary Pamela Patenaude commended SDHC's innovation and described our award-winning renovation of the historic Hotel Churchill as a model that can be replicated across the country.

I was pleased to meet with Deputy Secretary Patenaude to share with her details of our programs that provide federal rental assistance, create and preserve affordable housing, and address homelessness in the City of San Diego.

SDHC's status as a "Moving to Work" (MTW) agency is essential to these programs.

In addition, SDHC's track record of successful collaborations with community partners to achieve positive results for the families we serve was reflected in HUD's selection of an SDHC partnership as one of HUD's new EnVision Centers.

The San Diego EnVision Center is a partnership between SDHC, the City of San Diego and San Diego Workforce Partnership.

Programs and services will be offered through the SDHC Achievement Academy and the South Metro Career Center operated by the San Diego Workforce Partnership.

SDHC's MTW status also has allowed the agency to leverage its available resources to address homelessness through HOUSING FIRST – SAN DIEGO, SDHC's homelessness action plan.

In Fiscal Year 2018 (July 1, 2017 – June 30, 2018)—the first year of this phase of the plan— HOUSING FIRST – SAN DIEGO has created 2,208 permanent housing opportunities toward its initial three-year goal of 3,000.

I invite you to read more about SDHC's many MTW initiatives in this report.

These initiatives have a positive impact on the individuals and families we serve.

At SDHC, "We're About People."

Respectfully,

Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission

B. Short-Term and Long-Term MTW Goals

Long-Term Goals

The San Diego Housing Commission's (SDHC) four-year Strategic Plan (2016-2020) provides a framework to identify how SDHC can have the greatest possible impact on affordable rental housing opportunities.

The Plan includes three major goals:

1. **Maximize resources through operational efficiencies and technological innovations**

   Throughout Fiscal Year 2018, SDHC developed a redesigned agency website that launched on July 2, 2018. This is the first comprehensive redesign of SDHC's website in close to 10 years. The new website is easier to navigate, more visually appealing, responsive to different mobile devices, and clearly communicates the agency's mission.

   Additionally, SDHC's Procurement & Compliance Department received an Award of Merit from the National Association of Housing and Redevelopment Officials (NAHRO) for its enhanced, streamlined process for review and implementation of Homeless Housing Innovations Department contracts. The changes resulted in a nearly 35 percent reduction in the average length of time of total contract administration and are a model for other SDHC departments with similar contract processes.

2. **Increase the number of housing opportunities that serve low-income and homeless individuals and families in the City of San Diego**

   SDHC launched the current phase of its homelessness action plan, HOUSING FIRST – SAN DIEGO, on July 1, 2017—the start of SDHC's Fiscal Year 2018. Through this plan, SDHC will direct $79.7 million in federal, City of San Diego, and SDHC resources—including MTW funds—over three fiscal years (2018 – 2020) to create permanent housing opportunities for at least 3,000 individuals and families experiencing homelessness in the city. HOUSING FIRST – SAN DIEGO includes six programs:

   - Prevention and Diversion – Helps individuals and families at risk of homelessness to remain permanently housed, which will reduce the inflow of newly homeless individuals and families.
     - 1,028 Households Stabilized, including 778 families assisted through the Family Reunification Program funded by SDHC, which collaborates with local service agencies in the City of San Diego as well as the San Diego Police Department's Homeless Outreach Team to reconnect individuals and families living on the streets or in emergency shelters with family or other support systems through relocation assistance and follow-up services.

   - Landlord Engagement and Assistance Program (LEAP) – Assists at least 3,000 individuals and families who are experiencing homelessness by increasing resources for SDHC's LEAP, an expansion of the landlord engagement program introduced in the Housing Our Heroes initiative, which helped 1,000 homeless Veterans secure housing between March 1, 2016, and September 28, 2017.
     - 1,200 Housing Placements

- Moving Home Rapid Rehousing – An MTW initiative, SDHC's Moving Home program assists approximately 600 households experiencing homelessness obtain and maintain permanent housing through light case management and short-term rental assistance.
  - 171 Housing Placements

- Permanent Supportive Housing – Creates 500 new permanent supportive rental housing units that also are eligible for federal rental housing vouchers for San Diegans experiencing homelessness.
  - 230 Units Pending, including SDHC's investment of $7.6 million of MTW funds toward the acquisition of Quality Inn to create 91 permanent supportive housing units.

- Moving On Rental Assistance – An MTW initiative, SDHC's Moving On program provides rental assistance for formerly homeless individuals and families who are ready to transition out of permanent supportive housing, but who still need rental assistance.
  - 12 Vouchers Issued and 12 Referrals Received

- Coordinated Outreach – Expands support and coordination among existing street outreach efforts.

In its first year—Fiscal Year 2018—this phase of HOUSING FIRST – SAN DIEGO created 2,208 housing opportunities:

- 1,200 LEAP, which includes:
  - 171 Rapid Rehousing
  - 250 Prevention and Diversion
- 778 Family Reunification Program
- 230 Permanent Supportive Housing Units (Acquired or Under Development)

3. Advocate for more effective affordable housing policies and resources

SDHC maintains a careful watch on emerging issues or trends that could impact the families and individuals the agency assists through its three major program functions: providing rental assistance; creating and preserving affordable housing; and addressing homelessness.

SDHC's goal is to demonstrate that SDHC's partnership developments revitalize neighborhoods and strengthen community fabric by providing families with safe, affordable places to live.

On April 25, 2018, SDHC President & CEO Richard C. Gentry was among four speakers invited to testify to the U.S. House of Representatives Committee on Financial Services, Subcommittee on Housing and Insurance, at the "Hearing on HUD's Role in Rental Assistance: An Oversight and Review of Legislative Proposals on Rent Reform."

SDHC's rent-reform initiative, Path to Success, was approved by HUD on June 21, 2011, in SDHC's Fiscal Year 2012 MTW Annual Plan, and was implemented on July 1, 2013.

Mr. Gentry testified that San Diego's experience has shown that rent reform—including setting minimum rents and utilizing calculations based on income ranges—effectively encourages rental assistance participants to become more financially self-reliant and provides the support they need to do so.

On April 30, 2018, Mr. Gentry participated in a Congressional staff briefing about MTW's critical role in SDHC efforts to address homelessness. The briefing was co-hosted by the Council of Large Public Housing Authorities, National Association of Housing and Redevelopment Officials, and Public Housing Authorities Directors Association.

Mr. Gentry also was one of only seven housing authority executives across the country who were invited to participate in the National Housing Forum convened by the Congressional Hispanic Caucus on September 8, 2017.

This forum, which included U.S. House Minority Leader Nancy Pelosi of San Francisco and staff for U.S. Representative Juan Vargas of San Diego, discussed affordable housing needs and the status of the federal budget for HUD.

U.S. Representative Adriano Espaillat of New York, the Chair of the Caucus's Transportation, Infrastructure and Housing Task Force, invited Mr. Gentry to the forum.

Short-Term Goals

EnVision Center

HUD Secretary Ben Carson announced on June 7, 2018, that an SDHC partnership was selected to serve as one of HUD's new EnVision Centers to promote financial self-reliance among federal rental assistance recipients and public housing residents.

The San Diego EnVision Center—a partnership between SDHC, the City of San Diego and San Diego Workforce Partnership—is scheduled to open in fall 2018.

EnVision Center services will be provided at the SDHC Achievement Academy in Downtown San Diego and South Metro Career Center in the city's southern region. Services will be offered in four areas:

- Economic Empowerment
- Educational Advancement
- Health and Wellness
- Character and Leadership Development

Creating and Preserving Affordable Housing

SDHC will be releasing three new Notices of Funding Availability (NOFA) in September 2018:

- $20 million for the creation of permanent supportive housing opportunities as part of HOUSING FIRST – SAN DIEGO, SDHC's homelessness action plan;
- $20 million for the creation of new rental housing that is affordable to households earning up to 60 percent of the San Diego Area Median Income (AMI); and
- $10 million for rehabilitation of housing that is affordable to households earning up to 80 percent of AMI.

In addition, more than 1,600 affordable rental housing units (new construction and rehabilitation) at 18 SDHC partnership developments are expected to be completed in 2018 or 2019.

SDHC has awarded $69.3 million toward 13 of these developments and has authorized the issuance of more than $250 million in Multifamily Housing Revenue Bonds toward 10 of the developments.

Among these developments are projects to which SDHC awarded development funds and/or rental housing vouchers through the first three years of HOUSING FIRST – SAN DIEGO (2014 - 2017) to create permanent supportive housing for San Diegans experiencing homelessness.

From November 12, 2014, through June 30, 2017, SDHC awarded $29.8 million to eight developments that will provide 407 permanent supportive housing units. Construction has completed on two developments, with 121 units (Cypress Apartments and Talmadge Gateway). The remaining six developments with 286 units, are expected to be completed by the end of calendar year 2019:

- Vista del Puente: 38 permanent supportive housing units for homeless Veterans and non-Veteran homeless families (out of 51 total affordable units)
    - Expected completion: Spring 2018
- The Nook East Village: 8 VASH-PBV permanent supportive housing units for homeless Veterans (out of 90 total affordable units)
    - Expected completion: Summer 2018
- Zephyr Grantville Veterans Apartments: 84 permanent supportive housing units for homeless Veterans
    - Expected completion: Summer 2019
- The Lofts at Normal Heights: 52 permanent supportive housing units for homeless Veterans
    - Expected completion: Summer 2019
- Twain Veterans Housing: 79 permanent supportive housing units for homeless Veterans and homeless individuals with special needs, including 17 VASH-PBV
    - Expected completion: Summer 2019
- The Post 310 Apartments: 25 permanent supportive housing units for homeless Veterans, including 8 VASH-PBV (out of 42 total affordable units)
    - Expected completion: Winter 2019

In addition, SDHC awarded 24 federal rental housing vouchers through HOUSING FIRST – SAN DIEGO: 2014 - 2017 to provide permanent supportive housing for homeless San Diegans. North Park Seniors Apartments, which set aside eight of its 75 affordable units to house homeless LGBT seniors, celebrated its grand opening on April 27, 2018. Two additional developments, which also were awarded development funds from SDHC outside of the homelessness action plan, also are expected to be completed by the end of 2019:

- Encanto Village: 8 VASH-PBV permanent supportive housing units for homeless Veterans (out of 65 total affordable units)
    - Expected completion: Spring 2019
- Fairmount Family Housing: 8 VASH-PBV permanent supportive housing units for homeless Veterans (out of 79 total affordable units)
    - Expected completion: Summer 2019

In the first year of the current phase of HOUSING FIRST – SAN DIEGO (2018 – 2020), SDHC also awarded approximately $4 million in development funds toward two developments that will provide 93 permanent supportive housing units:

- Beacon Apartments: 43 permanent supportive housing units
    - Expected completion: Summer 2019
- San Ysidro Senior Village: 50 permanent supportive housing units for homeless seniors
    - Expected completion: 2020

SECTION II – GENERAL OPERATING INFORMATION

Section II(A). MTW Report: Housing Stock Information

i. Actual New Project-Based Vouchers

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an AHAP was in place by the end of the Plan Year.

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Twain Veteran	62	62	Committed	N/A	Homeless
The Lofts	52	52	Committed	N/A	Homeless
Zephyr Housing	84	84	Committed	N/A	Homeless
The Beacon	43	43	Committed	N/A	Homeless
	241	241	Planned/Actual Total Vouchers Newly Project-Based		

* Figures in the "Planned" column should match the corresonding Annual MTW Plan.
** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

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

ii. Actual Existing Project-Based Vouchers

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP was in place by the beginning of the Plan Year.

Property Name	Number of Vouchers Newly Project-		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Take Wing	8	8	Leased/Issued	N/A	Homeless
Hollywood Palms	23	23	Leased/Issued	N/A	Low-Income
Leah Residence	14	14	Leased/Issued	N/A	Homeless
Townspeople	9	9	Leased/Issued	N/A	Homeless
Potiker	36	36	Leased/Issued	N/A	Low-Income
Alabama Manor	14	14	Leased/Issued	N/A	Low-Income
Meade	11	11	Leased/Issued	N/A	Low-Income
Santa Margarita	12	12	Leased/Issued	N/A	Low-Income
Courtyard	3	3	Leased/Issued	N/A	Low-Income
Hotel Sandford	26	26	Leased/Issued	N/A	Low-Income
Connections Housing	73	73	Leased/Issued	N/A	Homeless
Mason Hotel	16	16	Leased/Issued	N/A	Homeless
Parker-Kier	22	22	Leased/Issued	N/A	Homeless
Celadon	88	88	Leased/Issued	N/A	Homeless
Alpha Square	76	76	Leased/Issued	N/A	Homeless
New Palace Hotel	79	79	Leased/Issued	N/A	Homeless
Village North Senior	44	32	Leased/Issued	N/A	Homeless
Atmosphere	51	51	Leased/Issued	N/A	Homeless
Talmadge Gateway	59	59	Leased/Issued	N/A	Homeless
North Park Senior	8	8	Leased/Issued	N/A	Homeless
Cypress Apartments	62	62	Leased/Issued	N/A	Homeless
Vista Del Puente	38	38	Committed	N/A	Homeless
	772	760	Planned/Actual Total Existing Project-Based Vouchers		

* Figures and text in the "Planned" column should match the corresonding Annual MTW Plan.
** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

SDHC committed 44 project-based vouchers to Village North Senior with 32 units included on the HAP contract. The remaining commitment will be added to the HAP contract upon unit turnover.

Section II(A). MTW Report: Housing Stock Information

iii. Actual Other Changes to MTW Housing Stock in the Plan Year

Examples of the types of other changes can include (but are not limited to): Units held off-line due to relocation or substantial rehabilitation, local non-traditional units to be acquired/developed, etcetera.

Actual Other Changes to MTW Housing Stock in the Plan Year
N/A

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

Narrative general description of all capital expenditures of MTW funds during the Plan Year.

General Description of All Actual Capital Expenditures During the Plan Year

Capital Fund 501-16 and 501-17

SDHC expended $2,419,314 in capital funds during Fiscal Year 2018 on administrative, soft, and hard cost activities in connection with the construction of a major renovation project at Vista Verde. The property is a gated community consisting of 40 public housing units, laundry and community rooms, a maintenance shop, and a leasing office. In total, 28 units were renovated. Hard costs included window replacement, balcony upgrades, limited exterior painting, comprehensive interior upgrades, entry door replacements, ADA path of travel accessibility upgrades, and limited parking lot seal and re-stripe around affected construction areas. Soft costs included architecture design of two accessible units, ALTA and elevation surveys, water conservation landscape and masonry fence designs, and relocation costs for coordination, lodging, and storage.

Section II(B). MTW Report: Leasing Information

i. Actual Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

Number of Households Served Through:	Number of Unit Months Occupied/Leased*		Number of Households Served**	
	Planned ^^	Actual	Planned ^^	Actual
MTW Public Housing Units Leased	2,244	2,232	187	186
MTW Housing Choice Vouchers Utilized	167,676	163,068	13,973	13,589
Local, Non-Traditional: Tenant-Based	6,672	7,068	556	589
Local, Non-Traditional: Property-Based	1,992	4,668	166	389
Local, Non-Traditional: Homeownership	0	0	0	0
Planned/Actual Totals	178,584	177,036	14,882	14,753

* "Planned Number of Unit Months Occupied/Leased is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).
** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year (as shown in the Annual MTW Plan).
^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Please describe any differences between the planned and actual households served:

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Unit Months Occupied/Leased*		Number of Households to be Served*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	Sponsor-Based Subsidy Program/2011-8	4,709	5,340	392	445
Tenant-Based	Transitional Project-Based Subsidy Program/2013-6	454	482	38	44
Tenant-Based	Monarch Housing Program/2016-1	270	264	23	22
Tenant-Based	Guardian Scholars Program/2016-2	972	888	81	74
Tenant-Based	Moving On Program/2017-1	270	48	23	4
Tenant-Based	Moving Home Program/2018-1	0	0	0	0
Property-Based	Affordable Housing Development/2011-7	1,992	4,668	166	389
	Planned/Actual Totals	8,666	11,690	722	978

* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.
^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Households Receiving Local, Non-Traditional Services Only	Average Number of Households Per Month	Total Number of Households in the Plan Year
Moving Home Program/2017-1	21	257

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

Discussion of any actual issues and solutions utilized in the MTW housing program listed.

Housing Program	Description of Actual Leasing Issues and Solutions
MTW Public Housing	N/A
MTW Housing Choice Voucher	N/A
Local, Non-Traditional	N/A

Section II(C). MTW Report: Waiting List Information

i. Actual Waiting List Information

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The "Description" column should detail the structure of the waiting list and the population served.

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Was the Waiting List Opened During the Plan Year
Housing Choice Voucher: Tenant-Based	Community Wide	91,644	Open	N/A
Housing Choice Voucher: Project-Based	Community Wide	44,463	Open	N/A
Housing Choice Voucher: Project-Based	Site-Based	15	Open	N/A
Housing Choice Voucher: Project-Based	Site-Based	60	Closed	No
Public Housing	Community Wide	67,554	Open	N/A
Local Non-Traditional	Community Wide	113	Open	N/A

Please describe any duplication of applicants across waiting lists:

Applicants have the opportunity to apply to multiple rental assistance programs and often appear on multiple wait lists.

ii. Actual Changes to the Waiting List in the Plan Year

Please describe any actual changes to the organizational structure or policies of the waiting lists(s), including any opening or closing of a waiting list, during the Plan Year.

Waiting List Name	Description of Actual Changes to Waiting List
Housing Choice Voucher: Tenant-Based	N/A
Housing Choice Voucher: Project-Based	N/A
Housing Choice Voucher: Project-Based	N/A
Housing Choice Voucher: Project-Based	N/A
Public Housing	N/A
Local Non-Traditional	N/A

Section II(D). MTW Report: Information on Statutory Objectives and Requirements

i. 75% of Families Assisted are Very Low Income

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80%-50% Area Median Income	0
49%-30% Area Median Income	9
Below 30% Area Median Income	350
Total Local, Non-Traditional Households Admitted	359

ii. Maintain Comparable Mix

HUD will verify compliance with the statutory requirement that MTW Phas continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

Baseline Mix of Family Sizes Served (upon entry to MTW)

Family Size	Occupied Public Housing Units	Utilized HCVs	Non-MTW Adjustments*	Baseline Mix Number	Baseline Mix Percentage
1 Person	12	4,808	0	4,820	35%
2 Person	14	2,867	0	2,881	21%
3 Person	5	2,103	0	2,108	15%
4 Person	4	1,729	0	1,733	13%
5 Person	1	1,139	0	1,140	8%
6+ Person	0	1,093	0	1,093	8%
Total	36	13,739	0	13,775	100%

* Non-MTW Adjustments" are defined as factos that are outside the control of the MTW PHA. An ecxample of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments", a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" give below:

N/A

Mix of Family Sizes Served (in Plan Year)

Family Size	Baseline Mix Number	Baseline Mix Percentage**	Number of Households Served in Plan Year^	Percentage of Households Served in Plan Year^^	Percentage Change from Baseline Year to Current Plan Year
1 Person	4,820	35%	5,420	39%	4%
2 Person	2,881	21%	3,350	24%	3%
3 Person	2,108	15%	1,756	13%	-3%
4 Person	1,733	13%	1,407	10%	-2%
5 Person	1,140	8%	916	7%	-2%
6+ Person	1,093	8%	925	7%	-1%
Total	13,775	100%	13,774	100%	0%

** The "Baseline Mix Percentage" figures given in the "Mix of Family Size Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline must be provided below.

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

Section II(D). MTW Report: Information on Statutory Objectives and Requirements

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

Number of Households, across MTW activities, that were transitioned to the MTW PHA's local definition of self sufficiency during the Plan Year.

MTW Activity Name/Number	Number of Households Transitioned to Self Sufficiency*	MTW PHA Local Definition of Self Sufficiency
Adopt a Local Interim Policy/2010-6	611	Decrease in the number of decrease of income interims processed from the baseline.
Sponsor-Based Subsidies for the Homeless/2011-8	1	Transitioned into the Moving On Program or receiving a voucher.
Path to Success/2012-1	33	Exiting a rental assistance program due to $0 HAP or voluntary surrender of assistance.
Family Self Sufficiency Reinvention/2013-2	14	Successful completion of the MTW FSS Program.
Transitional Project-Based Subsidies for the Homeless/2013-6	61	Transitioning to permanent housing.
Monarch School Project/2016-1	0	Transitioning to permanent housing.
Guardian Scholars Program/2016-2	15	Graduation from post-secondary education.
Moving On Program/2017-1	0	Transitioning to permanent housing.
Moving Home/2018-1	171	Transitioning to permanent housing.
	906	Total Households Transitioned to Self Sufficiency

* Figures should match the outcome reported where metrix SS#8 is used in Section IV of this annual MTW Report.

SECTION III – PROPOSED MTW ACTIVITIES

All proposed MTW activities granted approval by HUD are reported on in Section IV as "Approved Activities".

SECTION IV – APPROVED MTW ACTIVITIES

IMPLEMENTED ACTIVITIES

2010-1. IMPLEMENT A REVISED INSPECTION PROTOCOL

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009 (Biennial Cycle) and June 1, 2010 (Self-Certification of Repairs)

Plan Year Amended: N/A

Activity Description: The activity reduces the number of required inspections by placing units on a Biennial Inspection Cycle and allowing owners to self-certify Housing Quality Standards (HQS) for minor fail items for all inspection types. The activity enables SDHC to utilize Federal expenditures more efficiently.

The first iteration of the activity utilized qualifying criteria for placement on a 24 month cycle. Units passing two consecutive initial and/or annual inspections on the first attempt qualified for the biennial inspection cycle. The unit remained on the biennial cycle as long as the unit continued to pass inspection on the first attempt in subsequent years. Upon a failed inspection, the unit reverted back to the annual inspection cycle until meeting the eligibility requirements for placement back onto the biennial inspection cycle.

Effective January 1, 2015, SDHC removed the qualifying criteria from the inspections protocol and implemented a biennial inspections cycle for all tenant-based participants, including the VASH and NED programs. Inspections were also optimized to (1) balance the number of inspections between the months and years and (2) utilize zones defined by census tracts to schedule clusters of inspections to maximize travel time. In March 2017, SDHC placed additional housing programs on the biennial inspection cycle. The programs include the Sponsor-Based Subsidy Program, the Family Unification Program, and all project-based vouchers. The Guardian Scholars Housing Program, Monarch School Housing Program, and Transitional Project-Based Subsidies for the Homeless Program transitioned to a biennial inspection cycle in June 2018.

Concerning the Self-Certification of Repairs: Inspectors conducting an annual inspection where only a minor fail item prohibits the unit from receiving a “Pass” result have the discretion to allow the tenant and owner the opportunity to complete a Self-Certification of Repair form in lieu of scheduling a second inspection. When the option is available, the tenant and property owner remedy the minor fail item and return the signed Self-Certification of Repair form to SDHC. The unit is issued a “Pass” status upon receipt of the form.

Impact of Activity: Using the revised inspection protocol, SDHC initially predicted saving 1.5 Full Time Equivalents (FTEs) due to the overall reduction of mandatory HQS inspections utilizing the capacity of the Self-Certification of Repair process and the biennial inspection cycle system. At the conclusion of Fiscal Year 2018, SDHC reduced the total number of inspections by 7,213 when compared to baseline numbers which translated into an approximate savings of 3 FTE. The additional staff savings allows the inspections department to continue scheduling the HQS inspections, maintain an inspections coordinator, and continue increasing the number of Quality Assurance inspections conducted.

Implement a Revised Inspection Protocol						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$544,779		$451,737		$350,028	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,133		12,548		9,723	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		11%		10%	0.9%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-2. AUTHORIZE SDHC TO INSPECT AND DETERMINE RENT REASONABLENESS FOR SDHC-OWNED PROPERTIES

Plan Year Identified: Fiscal Year 2010

Implementation Date: July 13, 2009

Plan Year Amended: N/A

Activity Description: Federal regulations require an outside inspection contractor to perform HQS inspections and rent reasonableness determinations on Public Housing Authority-owned units receiving Federal subsidies for housing programs. SDHC owns over 2,000 affordable housing units in which the regulations under standard HQS requirements may apply. In order to reduce cost and achieve greater cost effectiveness in Federal expenditures, SDHC received permission from HUD to conduct inspections and determine rent reasonableness for SDHC-owned units using MTW waivers.

Impact of Activity: SDHC conducted 794 inspections on SDHC-owned units during Fiscal Year 2018 and did not utilize a third-party vendor during the reporting period. The cost for a third-party vendor to conduct inspections per regulations is $26,243. As a result of the initiative, SDHC saved $4,968, thus SDHC more efficiently and effectively utilized Federal expenditures. Staff time savings are not achieved since SDHC conducts additional inspections as a result of the activity. The decrease in error rate is measured in terms of whether or not a unit passes inspection on the first instance when a quality control inspection is conducted. In Fiscal Year 2018, SDHC reduced the error rate by 13 percent.

Authorize SDHC to Inspect and Determine Rent Reasonableness for SDHC-Owned Properties						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$128,716		$105,731		$21,275	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	0		0		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		14%		10%	1%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-4. CHOICE COMMUNITIES

Plan Year Identified: Fiscal Year 2010

Implementation Date: January 1, 2010 (Security Deposit Program, Affordability Cap, and Mobility Counseling) and June 1, 2010 (Payment Standards)

Plan Year Amended: Fiscal Year 2012 Amendment and Fiscal Year 2018

Activity Description: The Choice Communities initiative focuses on providing incentives and assistance to MTW program participants aspiring to move to areas of opportunity. SDHC uses a three-pronged approach containing the following elements:

1. A security deposit loan program for families moving to high opportunity areas.
2. A robust mobility counseling program which offers the provision of pre- and post-move counseling, resources and information, assistance with the unit search, and guidance to families expressing interest in moving to neighborhoods of opportunity. The mobility counselor also engages in significant landlord outreach to increase landlord participation and market the Housing Choice Voucher program.
3. Increased payment standards in for opportunity zip codes.

Note: The Choice Communities activity previously employed a four-pronged approach to incentivize participants to move into low-poverty areas of San Diego. Implementation of the Fiscal Year 2015 activity increasing the rent burden from 40 percent to 50 percent program wide eliminated the need for this component of the Choice Communities initiative.

Initially, nine zip codes were identified as target areas for participants seeking to relocate to a better neighborhood. In the Fiscal Year 2018 MTW Annual Plan, SDHC re-proposed the initiative to authorize the agency to determine local Fair Market Rents which considers both gross rents and opportunity indicators in order to establish a payment standard structure. Three opportunity areas were identified according to the opportunity indicators, and updated payment standards were applied to each area: Signature, Enterprise, and Choice. Enterprise Communities and Choice Communities are considered areas of opportunity. The new payment standards were implemented effective January 1, 2018.

Impact of Activity: To date, 434 households have moved into choice neighborhoods since implementation of the activity in January 2010. Four percent of total moves processed during the fiscal year resulted in families moving into high opportunity areas.

One hundred percent of the 96 families moving to Enterprise and Choice areas during Fiscal Year 2018 received services aimed to increase housing choice while 89 families participated in the Security Deposit Loan Program. Total dollars loaned in the fiscal year equaled $126,993 with a cumulative total of $474,595 since program implementation.

Note: Families newly admitted to the program and port-ins are not included in the metric measuring the increase in resident mobility since SDHC cannot verify the poverty rate and opportunity indicators of origin.

Choice Communities						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	33		300		434	Yes
HC #7: Households Assisted by Services that Increase Housing Choice Number of households receiving services aimed to increase housing choice (increase).	0		750		2,213	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-5. STANDARDIZE UTILITY ALLOWANCES BY UNIT SIZE

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Plan Year Amended: N/A

Activity Description: The activity authorizes a simplified utility allowance structure where the utility allowance amount is based on whether or not the family is responsible for the water/sewer portion of the utilities. The standardized utility allowance schedule reduces the administrative burden related to applying the correct utility allowances during the rent calculation process as well as reduces administrative errors.

Please see the chart below for a review of the utility allowance amounts used for the purposes of the initiative:

MTW Standard Utility Allowance*		
Bedrooms	Sewer/Water Included	Sewer/Water Not Included
0	$49	$18
1	$49	$25
2	$83	$36
3	$113	$49
4	$154	$68
5	$176	$72
6	$192	$94

*Excluding $0 Utility Allowance Households

Impact of Activity: The utility allowance calculation was simplified in order to streamline certification and leasing processes as well as reduce the complexity of the utility allowance for ease of administration, especially as related to landlords and tenants. The streamlined utility allowance is only offered to tenants currently responsible for utilities as prescribed in the lease and HAP contract. The activity has had a positive impact on program administration; calculation error rates were reduced and significant staff time savings were seen as a result of the implementation.

Standardize Utility Allowance by Unit Size						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$31,710		$6,330		$4,082	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	1,057		211		136	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		11%		6%	1%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$62,464,332		$68,710,765		$74,582,832	Yes

Hardship Requests: At the close of Fiscal Year 2018, zero families requested a hardship exemption due to the new policy. SDHC does not anticipate receiving any hardship requests since eight years have elapsed since implementation of the activity. However, the hardship policy remains in effect in the event a household requests the hardship in the future.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-6. SIMPLIFY INCOME AND ASSET VERIFICATION SYSTEMS

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Plan Year Amended: Fiscal Year 2016

Activity Description: The income and asset verification policy was simplified in order to streamline verification processes related to conducting annual and interim certifications. The revised verification policy originally contained two main components: Allowing program participants to self-certify the total cash surrender value of all assets when less than $10,000 and restructuring the order of the verification hierarchy. Using the new verification system, staff was not required to issue third-party verifications to verify income and assets and was able to rely on review of documents and UIV as the preferred method of verification. EIV reports are utilized according to HUD requirements while applying the flexibilities afforded SDHC via (1) the MTW activity modifying EIV requirements related to the income report review schedule and (2) the biennial reexamination cycle.

In the Fiscal Year 2016 MTW Plan, SDHC re-proposed the activity in order to:

1. Eliminate assets from the rent calculation regardless of the methods of acquisition or disposal; and
2. Disallow homeownership as criterion for program eligibility and ongoing participation.

SDHC implemented the modifications to the initiative with new admissions effective October 2015, moves/interim requests received May 2016 and after, and full reexaminations of income and household composition effective July 2016.

Impact of Activity: The effect of the initiative was a significant reduction in the number of third party verifications sent on behalf of the participant. Also, since staff no longer was required to verify assets, significant staff savings resulted from the initiative.

Simplify Income and Asset Verification Systems to Reduce Administrative Costs						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$17,040		$3,345		$1,130	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	568		112		38	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		13%		7%	0	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$62,464,332		$68,710,765		$74,582,832	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: During Fiscal Year 2010 and Fiscal Year 2011, SDHC utilized a manual tracking log completed by staff on a monthly basis to capture the number of third-party verifications issued to verify sources of income and assets. Although an accurate method of data collection, the tracking log proved to create an administrative burden for staff required to track these instances. In response, SDHC instituted an alternative data collection methodology requiring staff to only complete the tracking log for one cycle over the course of the applicable fiscal year. The collected data is then trended over the course of 12 months using full collections of historical data as a baseline of comparison. The revised method was suggested and approved by HUD during the Fiscal Year 2011 MTW annual site visit.

2010-7. ADOPT A LOCAL INTERIM CERTIFICATION POLICY

Plan Year Identified: Fiscal Year 2010

Implementation Date: July 1, 2011

Plan Year Amended: Fiscal Year 2012 Amendment

Activity Description: The local interim policy was created to encourage non-elderly/non-disabled households to maintain current sources of income, thus encouraging self-sufficiency and economic independence.

Changes enacted under the local interim policy include the following elements:

- If the decrease in income is a result of loss of employment, the participant must apply for unemployment benefits (UIB). An interim will not be processed until the household provides proof of the UIB determination.
- The household is only allowed one decrease in the rent portion in a 12 month period due to a reduction in income; multiple decreases within the 12 months are not processed.
- All household income, including new income obtained since the last full reexamination is considered for purposes of determining eligibility for the decrease in income interim and will be used in the rent calculation if the interim is processed.
- The loss of income must result in a reduction of the rent portion by more than 20 percent. A household does not qualify for an interim adjustment if the change in the rent portion is less than 21 percent.
- An interim will not be processed due to a decrease of public assistance income resulting from a finding of fraud or a failure to comply with work/school requirements.

- The loss of the income source must be through no fault of the program participant. A voluntary loss of income, such as terminating employment without good cause, is not considered an eligible "decrease of income" for purposes of granting a decrease of income interim.

In addition to the changes enacted through MTW flexibility, SDHC revised additional components of the decrease of income interim policy. The following revisions do not require MTW authority:

- The decrease of income must be expected to last more than 90 days, a change from the previous 60 day threshold.
- The decrease of income interim will be effective the first of the month following the receipt of all required documents from the households, not the first of the month following the written request per the preceding policy.
- If determined eligible for an interim reduction in the rent portion and the interim reexamination is processed, the household must report any increase in income within ten (10) days of the increase. The prior policy did not contain this requirement.
    - Update: This policy is no longer effective as of June 30, 2017.

Please note: The local interim policy and the flexibilities waived using MTW authority are not applicable to elderly/disabled households.

The hardship exemption was created in response to the interim policy limiting the number of decrease of income interims. All requests are reviewed on a case-by-case basis. The eligibility criterion for a hardship approval is as follows:

1. The participant household must provide proof of the inability to continue paying the current rent portion because of a financial hardship, including:
    - The family's income has decreased because of loss of employment through no fault of the family, and the family demonstrates efforts towards regaining employment;
    - A death has occurred in the family which eliminates a prior source of income; or
    - Other circumstances determined to warrant an exemption by SDHC.

2. The qualifying financial hardship is long-term (a minimum of 4 months).

A written hardship request and supporting documentation is reviewed by designated staff within the rental assistance department, and a determination is completed based upon the aforementioned criteria and a preponderance of evidence supporting the household's contention.

Impact of Activity: The number of decrease of income interim reexaminations decreased from Fiscal Year 2017 levels allowing SDHC to achieve success related to cost effectiveness benchmarks; a total of 726 decrease of income interims were processed for Work-Able families. The average earned income amounts for households surpassed benchmark levels resulting in a 20 percent increase over the baseline.

As a separate metric, SDHC also measured the average annual income of Work-Able families to determine if other sources of income were obtained in lieu of earned income. The resulting annual average calculated at $25,527 at the close of the fiscal year, a 35 percent increase over the baseline measurement of $18,971. SDHC believes the Local Interim Policy in combination with Path to Success and Achievement Academy work-readiness services is responsible for the productive economic behaviors displayed in the outcomes.

Adopt a Local Interim Recertification Policy						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$21,000		$20,160		$14,404	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	700		672		480	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$62,464,332		$68,710,765		$74,582,832	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dolloars (increase).	$20,831		$22,914		$25,062	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	50		63		42	No
(2) Employed Part-Time	29		36		50	Yes
(3) Enrolled in an Educational Program	16		20		2	No
(4) Enrolled in Job Training Program	32		40		6	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	2,010		1,700		1,071	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase).* *For purposes of the activity, self sufficiency is defined as a decrease in the number of decrease of income interims processed from the baseline.	0		100		611	Yes

Hardship Requests: During Fiscal Year 2018, 20 households requested a hardship exemption; seven households were approved.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-9. EXPAND THE PROJECT-BASED VOUCHER PROGRAM

Plan Year Identified: Fiscal Year 2010

Implementation Date: September 1, 2009

Plan Year Amended: Fiscal Year 2015

Activity Description: Under the initiative, local non-profits and developers compete for the opportunity to receive a project-based allocation of vouchers, at times coupled with the provision of supportive services. SDHC may award the project-based vouchers (PBV) using a non-competitive process if the competitive process does not yield viable proposals meeting SDHC's objective. SDHC utilizes flexibilities from an existing initiative from the Fiscal Year 2011 Plan allowing SDHC to project-base units in SDHC-owned developments without a competitive process. In the Fiscal Year 2015 Plan, SDHC re-proposed the activity to add additional flexibilities to administer project-based vouchers. All flexibilities contained in this initiative apply to SDHC-owned units as well.

SDHC uses the following MTW flexibilities and strategies to increase housing choice in San Diego:

1. Collaborate with local developers and non-profit housing providers by creating long-term subsidies by means of project-based vouchers, in exchange for the creation of affordable housing for designated low-income populations. The provision of supportive services may be required in the PBV development.
2. Increase the range of options available to low-income households living in high-poverty areas by allowing SDHC to approve an exception payment standard for PBV developments without requiring HUD approval. Since SDHC's jurisdiction contains pockets of neighborhoods with high Fair Market Rents (FMRs), approving exception payment standards exceeding 110% of the FMR without requiring HUD approval increases viable low-income housing options in affluent sectors of the City. SDHC will determine exception areas based on the average percent below the poverty line in contiguous census tracts. The average percent below the poverty line must be less than 30 percent of the published AMI in no less than two contiguous census tracts. The maximum contract rent per unit will adhere to rent reasonableness requirements and apply only in project-based developments to ensure cost effectiveness. Application of the policy will be closely monitored for financial considerations. SDHC will determine rent reasonableness for SDHC-owned units as authorized through a Fiscal Year 2010 MTW activity.
3. Designate greater than 20 percent of SDHC's voucher allocation as PBV with a maximum allotment of 5 percent of total vouchers authorized as PBV per year.
4. Expand the use of project-based vouchers by increasing the permissible percentage of subsidized units in a single development from 25 percent to 100 percent. The number of designated PBV units in a contract may increase outside of the initial term of the contract.
5. In conjunction with programs such as the Neighborhood Stabilization Program, SDHC may apply creative measures utilizing project-based vouchers to increase housing opportunities in vacant and foreclosed properties in the community.
6. Allow for project-specific waiting lists maintained by the owners or non-profit providers in compliance with agency standards.
7. SDHC and/or the developer may require the resident to participate in supportive services as a condition of tenancy. Examples of supportive services rendered may include, but are not limited to, case management, trauma treatment, health and dental care, legal assistance, substance abuse counseling, and mental health therapy. The supportive services offered will be determined by the population served at each PBV complex and the specialized treatment offered by partnering agencies providing the services. Failure to engage in the supportive services may result in program non-compliance with the possibility of termination. Each instance of non-compliance will be evaluated on a case-by-case basis with a decision rendered per the language contained in Memorandum of Understanding between SDHC and the partnering agency. Extenuating circumstances will be considered for purposes of determining the appropriate course of action as is consistent with current agency practice.

The selected partners are authorized to conduct initial and on-going eligibility determinations while assisting the residents with completing paperwork and gathering verification documents. SDHC recognizes certain confidential verification sources, such as EIV, are not accessible to the partnering agencies. For this reason, SDHC continues to generate and analyze these types of documents and reports. In such instances, the finalized packets are forwarded to SDHC staff for review, final eligibility determination, certification processing, quality control auditing, and submission of the HUD-50058.

SDHC maintains responsibility for calculating the tenant's rent portion. The rent calculation methodology utilized for PBV participants parallels the calculation used for tenant-based voucher participants, including the application of rent reform activities designed under the MTW program.

SDHC adopted the Coordinated Entry System (CES) to place homeless individuals into project-based units designated for the homeless population. The individuals are assessed using the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions. Those scoring as high acuity on the VI-SPDAT are given priority with regard to receiving project-based assistance.

Impact of Activity: Expanding the PBV program allowed SDHC to allocate an additional 400 vouchers to provide housing to homeless and low-income families. The vouchers supplement the baseline of 39 project-based vouchers of which 33 served low-income families and 6 served the homeless. Of the PBV dedicated at inception of the initiative, an additional 200 vouchers would serve each population respectively, or a total of 233 dedicated to low-income families and 206 dedicated to the homeless.

Due to the City of San Diego's focus on eliminating homeless in the city, SDHC significantly expanded the number of vouchers dedicated to the homeless since implementation of the activity. Of the 1,353 units with project-based commitments, 1,205 units serve the homeless. Designating additional vouchers increased the range of housing options and housing opportunities to underserved families in San Diego.

SDHC committed 340 project-based vouchers during Fiscal Year 2018 for a total of 1,353 committed or under AHAP/HAP contracts.

Outcomes of the activity are as follows:

Expand the Project-Based Voucher Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$28,400		$23,570		$12,883	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	947		786		429	Yes
HC #4: Displacement Prevention Number of homeless households at or below 80% AMI that would lose assistance or need to move (decrease).	0		88		88	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-1. ALLOW LOWER RENTS FOR NON-ASSISTED UNITS IN SDHC-OWNED DEVELOPMENTS

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Plan Year Amended: N/A

Activity Description: SDHC received authorization to use a revised rent reasonableness protocol to determine rent reasonableness for assisted units in SDHC-owned developments. Rent reasonableness for voucher assisted units are determined by comparisons to similar units in the surrounding neighborhoods rather than within the development.

Impact of Activity: In Fiscal Year 2018, zero SDHC-owned units utilized the flexibility to allow lower rents in unassisted units than in assisted units. SDHC created and implemented the initiative to ensure tenants residing in affordable developments owned and/or acquired by SDHC were afforded a transition period before contract rents were reassessed and increased. Although the activity was not used during Fiscal Year 2018, SDHC anticipates utilizing the MTW flexibility in future years due to ongoing affordable housing development activities.

Allow Lower Rents for Non-Assisted Units in SDHC-Owned Developments						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$97,350		$89,562		$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	3,245		2,985		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		1.0%		0.75%	0%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-2. Authorize Commitment of PBV to SDHC-Owned Units

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Plan Year Amended: N/A

Activity Description: Affordable units within SDHC-owned developments were limited to either tenant-based voucher assisted households with incomes not exceeding 80 percent of the Area Median Income (AMI) at initial occupancy or non-assisted households with average incomes conducive to affording the full contract rent. To preserve and improve the affordable units within each development, SDHC received authority to commit project-based vouchers to SDHC-owned properties with neither a competitive process nor HUD approval.

The activity also utilizes waivers allowing SDHC to conduct HQS inspections and rent reasonableness determinations for SDHC-owned units in project-based developments. Although the number of HQS and rent reasonableness determinations does not historically represent significant administrative savings, the ability to conduct the inspections/determinations internally offers flexibility and additional options during the overall assignment process among SDHC staff and contractors.

SDHC-Owned Project-Based Developments				
HAP Effective Date	Development Name	Total No. of Units in Development	Total No. Project Based Units Authorized in Development	% of Project Based Units Authorized in Development
4/28/2010	Meade	30	12	40%
5/1/2010	Santa Margarita	32	12	38%
10/15/2010	Courtyard	37	3	8%
11/1/2010	Hotel Sanford	130	29	22%
5/14/2013	Mason Hotel	17	16	94%
6/1/2013	Parker-Kier	33	22	67%
2/1/2016	New Palace Hotel	80	79	99%
2/4/2016	Village North Senior	120	44	37%
Pending	Quality Inn	92	91	99%
Pending	West Park Inn	47	46	98%
	Total	**618**	**354**	**57%**

Impact of Activity: The flexibility enables SDHC to provide a permanent housing solution for serving the homeless, a principal focus of both SDHC and the City of San Diego. The initiative further increased the number of affordable units available in the City of San Diego, therefore increasing housing choice for low-income families, including homeless populations.

Activity outcomes are as follows:

Authorize Commitment of PBV to SDHC-Owned Units						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$2,272		$0		$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	56		0		0	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-3. REQUIRE OCCUPANCY IN PBV DEVELOPMENTS FOR TWO YEARS BEFORE HOUSEHOLDS BECOME ELIGIBLE TO AVAILABLE TENANT-BASED VOUCHERS

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Plan Year Amended: N/A

Activity Description: The activity adopted by SDHC mandates a minimum occupancy requirement of two years in project-based developments before households are eligible to available tenant-based vouchers, thus modifying the one year occupancy requirement contained in Federal regulations.

To ensure vacancy rates in PBV developments do not exceed a level compromising the sustainability of the property, SDHC re-proposed the initiative in the Fiscal Year 2013 MTW Annual Plan with another modification contained in the Fiscal Year 2012 MTW Annual Report:

"No more than 35 percent of the tenants in any given development becoming eligible to transition to a tenant-based voucher in any given year and no more than 10 percent in any given month are allowed to move from the PBV assisted complex. A waiting list is maintained for tenants requesting to move when the threshold is exceeded. The availability of a tenant-based voucher is a factor as well."

SDHC included the following hardship policy in the Administrative Plan for families presenting a compelling reason to vacate the PBV unit and receive a tenant-based voucher prior to fulfilling the 24 month occupancy requirement:

"Families who present a compelling reason to move from the PBV unit and receive a tenant-based voucher prior to fulfilling the 24 month occupancy requirement will be reviewed on a case-by-case basis. The case will go before the Sr. Vice President of Rental Assistance, or designee, and approval to move with a tenant-based voucher may be granted. Circumstances surrounding the request to move, such as VAWA requirements, employment opportunities in other PHA jurisdictions, and availability of tenant-based vouchers will be considered as part of the determination."

Impact of Activity: The anticipated impact of the initiative concerns stabilizing the occupancy of project-based developments by reducing tenancy turnover and the corresponding administrative costs. The average annual turnover rate in Fiscal Year 2018 was eleven percent, a significant decrease when compared to the baseline of 30 percent. Vacancy rates average ten percent, another decrease from the baseline of 14 percent. The cost savings indicated in the matrix below is a result of the decrease in staff time required to process turnover in project-based developments, a reduction due to the MTW policy.

Require Occupancy in PBV Developments for Two Years Before Households Become Eligible to Available Tenant-Based Vouchers				
Metric	**Baseline** # %	**Benchmark** # %	**Outcome**	**Benchmark Achieved?**
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$24,960	$12,480	$19,947	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	832	416	665	No

Hardship Requests: SDHC granted one hardship in Fiscal Year 2018.

Explanation of Challenges: The activity remains effective with no identified challenges. However, the significant increase in project-based vouchers has increased the number of moves with a tenant-based voucher even after the two year waiting period. Additionally, the increase of project-based vouchers allocated to serving the homeless oftentimes increases unit turnover due to the instability inherent to the population. For these reasons, benchmarks were not achieved since 61 move outs occurred in Fiscal Year 2018.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-4. ACQUISITION OF ADDITIONAL AFFORDABLE UNITS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2010

Plan Year Amended: Fiscal Year 2014

Activity Description: The activity utilizes broader uses of funds authority to create affordable housing in San Diego using MTW funds. The activity was re-proposed in the Fiscal Year 2014 Plan to expand the array of affordable housing development options. Methods of development include, but are not limited to, preservation, acquisition of an existing development, acquisition of land and new construction (alone or in combination), moderate or substantial rehabilitation, funding pre-development activities, and gap financing. Affordable housing units created via the initiative serve both voucher assisted households as well as households at or below 80 percent AMI and are funded either entirely or in-part using MTW funds. The activity increases housing choice in the City of San Diego.

Impact of Activity: Since implementation, 1,890 affordable housing units have been created or preserved in the City of San Diego as a direct result of the initiative. Of the units created, 131 market rate units in the Maya Linda development were made affordable by using MTW funds to satisfy the terms of the mortgage.

SDHC committed $9.3 million MTW funds as gap financing for the Churchill. The Churchill, formerly identified as the Hotel Churchill, is a seven story historically designated structure located on a 10,000 square foot rectangular lot in downtown San Diego. Seventy-two Sponsor-Based Subsidies have also been committed to the development. Construction was completed in early Fiscal Year 2017.

SDHC expended $15 million MTW funds to purchase Village North Senior Garden Apartments, a 120 unit existing development. Upon acquisition of the development, 100 percent of the units were transitioned from market rate apartments to affordable units. Additionally, 44 project-based vouchers were committed to serve the elderly, homeless population.

SDHC acquired New Palace Hotel, an 80 unit development, in December 2015. As a result of the acquisition, SDHC preserved 79 affordable housing units in the City of San Diego. Project-based vouchers were committed to 100 percent of the development (excluding the manager's unit) to serve the homeless population. Additionally, SDHC uses the flexibility of the initiative to fund a portion of the operating expenses for the project-based units to ensure the development remains solvent. Restrictions on the units due to a state of California program limit the cash flow; MTW funds will be utilized for approximately four years until the state restrictions expire.

SDHC expended $7.6 million MTW funds to in-part purchase the Quality Inn in December 2017. The acquisition creates 92 units of affordable housing in the City of San Diego. Rehabilitation activities will occur in calendar year 2019 to update the units and transition a portion of the SRO units into studio rentals. Ninety-one project-based vouchers are committed to the development.

MTW Block Grant Commitments to Preserve Affordable Housing

Through a Board action in Fiscal Year 2016, SDHC committed $12 million of HUD-held reserves to fund rehabilitation activities of SDHC-owned affordable housing developments to ensure the properties receive necessary capital repairs. The rehabilitation of the developments remedied items identified through the Green Physical Needs Assessment (GPNA) assessment, thus preserving affordable housing in the City of San Diego. In Fiscal Year 2017, 667 units were preserved via rehabilitation activities. The remaining 645 units underwent rehabilitation construction in Fiscal Year 2018. SDHC invested $8.9 million of HUD-held reserves to fund the second round of GPNA capital repairs. An additional $3.5 million was utilized to fund the substantial rehabilitation of 84 SDHC-owned affordable units in the Via Las Cumbres Affordable Housing portfolio (not including the 36 public housing units) during Fiscal Year 2018. As a result, a total of 729 units were preserved via the MTW Block Grant. Note: The properties may contain Housing Choice Voucher participants.

The Churchill, Village North Senior, and Quality Inn units are reported as "new housing units made available" in the metrics. Maya Linda, New Palace Hotel, Via Las Cumbres, and the 1,312 SDHC-Owned GPNA units are reported as "new housing units preserved" in the metrics. Thus, benchmarks are achieved in Fiscal Year 2018.

Acquisition of Additional Affordable Units						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		200		284	Yes
HC #2: Units of Housing Preserved Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	131		131		1,606	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-6. MODIFY EIV INCOME REPORT REVIEW SCHEDULE

Plan Year Identified: Fiscal Year 2011

Implementation Date: August 1, 2010

Plan Year Amended: N/A

Activity Description: HUD regulations mandate the use of the EIV income report as a third party source to verify participant employment and income information during the full reexamination of income and household composition. Reinterpretation of the regulations concerning the use of the EIV changed the requirement such that review of the EIV income report became a required component of all certification processes, including interim certifications. In Fiscal Year 2011, SDHC received permission to exempt interim certifications from the requirement to use the EIV income report. SDHC continues to use the EIV income report when processing full reexaminations of income and household composition in accordance with the annual and biennial reexamination cycles.

Impact of Activity: Of the interims processed during Fiscal Year 2018, EIV income reports were generated for only .02 percent of all interims. The initiative ensures Federal expenditures are utilized more efficiently and effectively through a reduction of staff hours and the resulting cost savings.

Modify EIV Income Report Review Schedule						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$61,500		$30,750		$495	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	2,050		1,025		17	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		1.8%		1.5%	2.1%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase)	$62,464,332		$68,710,765		$74,582,832	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-7. DEVELOPMENT OF PUBLIC HOUSING UNITS USING A COMBINATION OF FUNDS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2010

Plan Year Amended: N/A

Activity Description: SDHC received approval to develop additional public housing units using a combination of funds and without a competitive process. The creation of public housing units for low-income households increases the availability of affordable housing within San Diego while balancing SDHC's affordable housing portfolio. The methods of development approved under the initiative include both acquisition and rehabilitation. As previously reported, the Public Housing Development initiative approved in Fiscal Year 2010 has been closed out and all Public Housing development is reported under this activity.

Impact of Activity: SDHC received HUD's permission to convert and renovate 113 state-aided units to public housing. The 113 units include 112 state-assisted units and one manager's unit. HUD granted approval on April 25, 2013 for the transition of the state sites transaction into public housing. The units were be converted in two phases: The Picador conversion date occurred in October 2013 with the Otay Villas scattered sites conversion completed in Fiscal Year 2017. SDHC utilized RHF funds to complete the renovation of Picador as well as committed RHF funds for the rehabilitation of the scattered sites. The conversion of the 112 public housing units enables SDHC to supersede the benchmark of 105 new public housing units. The scattered sites added another 35 public housing units to the 152 unit outcome. Upon completion of the scattered sites in Fiscal Year 2017, 187 units of public housing were made available to low-income households.

Finally, in Fiscal Year 2017, $422,267 in RHF funds leveraged $46,053 of MTW funds. Of the $9.75 million expended to rehabilitate the former state site units, a total of $1,231,878 in Community Development Block Grant funds and $6,288,647 in Replacement Housing Factor (RHF) funds leveraged the MTW Block Grant funds utilized for the balance of the rehabilitation activities, thus increasing cost effectiveness. The overall leverage for the duration of the rehabilitation activities beginning in Fiscal Year 2014 is $7,520,525, or a leverage of 94 percent.

Development of Public Housing Units Using a Combination of Funds				
Metric	**Baseline** # %	**Benchmark** # %	**Outcome**	**Benchmark Achieved?**
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase).	$0	$250,000	$7,520,525	Yes
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	75	75	Yes
HC #2: Units of Housing Preserved Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	0	112	112	Yes
HC #3: Decrease in Waitlist Time Average applicant time on waitlist in months (decrease).	108	96	72	Yes
HC #4: Displacement Prevention Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	112	10	0	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-8. SPONSOR-BASED SUBSIDY PROGRAM FOR THE HOMELESS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2011

Plan Year Amended: Fiscal Year 2013 and Fiscal Year 2017

Activity Description: The objective of the Sponsor-Based Subsidy Program for the Homeless is to work in partnership with sponsor agencies to combine comprehensive supportive services with permanent housing using MTW flexibility. In the initiative approved in Fiscal Year 2011, SDHC committed to providing up to 100 subsidies to house homeless persons while sponsor organizations provide the necessary supportive services. The program targets homeless San Diegans lacking an adequate nighttime residence, living on the street, and have disabilities and/or substance abuse issues.

SDHC re-proposed the activity in the Fiscal Year 2013 and Fiscal Year 2017 MTW Annual Plans. The following programmatic changes approved by HUD represent the program as currently administered:

1. The number of subsidies allocated to the program is 1,000 (2013)
2. Participants are not provided with a tenant-based Housing Choice Voucher upon exiting the program (2013)
3. Calculate the rent portion using 28.5 percent of gross monthly income (no allowances or deductions) for both existing and future program participants (2017)
4. SDHC may apply the *Path to Success* rent calculation structure to a specific allocation of subsidies (2017)
5. Expands the populations served under the program, including serving both individuals and families. (2017)
6. Reiterates the following status updates provided in applicable MTW Plans and Reports (2017):
    a. Subsidies may be utilized as tenant-based subsidies or using a project-based structure, although the assistance remains connected to the sponsoring agency.
    b. Subsidies may fund individual units, beds, or rooms. Rooms may be located in a group home serving minors with adequate oversite provided by the sponsor.
    c. Subsidies may be awarded to SDHC without a competitive process.
    d. Both non-profit and for-profit agencies may be awarded subsidies under a competitive process. Please note: An exception to this policy is the ability to award non-competitively if previous solicitations do not yield viable opportunities to award the subsidies.

Impact of Activity: The first group of 25 subsidies from the program allocation was provided to a partnership between SDHC, United Way of San Diego, and the County of San Diego. This contract went through a competitive solicitation and was awarded to Saint Vincent de Paul Village, Inc. (SVdPV), an agency providing supportive services to San Diego's homeless community. Project 25 was a pilot program which served 25 of the highest homeless users of public resources in San Diego, with SDHC providing the housing subsidies and the supportive services provided by SVdPV and the County of San Diego. The United Way provided three years of program funding for this effort as well. The three year pilot program continued beyond the initial three years due to a sustainability plan allowing SVdPV to continue funding and providing supportive services. Since implementation in July 2011, Project 25 has resulted in an overall reduction in public service costs for the entire County of San Diego.

SDHC competitively awarded the next two groups of 25 vouchers to two partnering non-profit agencies, Community Research Foundation and Mental Health Systems, in January 2011. Using San Diego County mental health funds, the two agencies pair the housing subsidies with mental health and substance abuse case management services for homeless individuals. Formal implementation of this Sponsor-Based Subsidy Program for the Homeless began in the first quarter of Fiscal Year 2012.

SDHC awarded 75 additional subsidies to two partnering non-profit agencies: Community Research Foundation, Inc. (35 subsidies) and Mental Health Systems, Inc. (40 subsidies) in October 2012. Using San Diego County mental health funds, the two agencies pair the housing subsides with mental health and substance abuse case management services for homeless individuals. The programs were fully implemented during Fiscal Year 2013.

Under a separate RFP, SDHC competitively awarded an additional 75 subsidies in October 2012 to three partnering agencies: Mental Health Systems, Inc. (20 subsidies), People Assisting the Homeless (35 subsidies), and Saint Vincent de Paul Village, Inc. (20 subsidies). The programs were fully implemented during Fiscal Year 2015 with the exception of the subsidies awarded to Mental Health Systems, Inc. The agency returned the unused 20 subsidies to SDHC and stated declining administrative funding created the inability to administer the additional 20 subsidies.

Eleven subsidies were awarded to Housing Development Partners, a non-profit agency which funds units at a building owned by SDHC. The development, Parker-Kier, is ground leased and operated by a partnering sponsor incorporating the participants into their scope of services on-site. The program was implemented in early Fiscal Year 2014.

Eighty-nine subsidies were awarded to Community Research Foundation in Fiscal Year 2014. Supportive services are funded by San Diego County mental health funds to provide case management and other services to the population.

Seventy-two subsidies were awarded to Housing Development Partners in Fiscal Year 2015 for utilization in the Hotel Churchill, an affordable housing development owned by SDHC. Utilization of the 72 subsidies occurred in Fiscal Year 2017.

In Fiscal Year 2016, 59 sponsor-based subsidies were awarded to Alpha Project for use in the Alpha Square development complimented with 76 project-based vouchers serving homeless populations. The subsidies were awarded August 2015 via a Notice of Funding Availability published by SDHC.

In Fiscal Year 2017, SDHC partnered with San Diego County Behavioral Health Services to issue a joint RFP to combine subsidies with supportive services. The RFP awarded 100 subsidies to Mental Health Systems for a hybrid program which services 45 homeless individuals with severe mental illness and 55 dually diagnosed homeless individuals.

Also in Fiscal Year 2017, an additional 400 sponsor-bases subsides were awarded under separate RFPs. The 1,000 Veterans Initiative authorized 100 subsidies to serve homeless veterans: 40 subsidies were awarded to Veterans Village of San Diego and 60 subsidies were awarded to Saint Vincent de Paul Villages. Project One For All is a collaborative effort between San Diego County Behavioral Health Services, SDHC, and other local housing authorities to end homelessness via subsidy/voucher set asides and the provision of supportive services. Please see the section below for additional details.

Thus far, SDHC has committed 220 subsidies for this endeavor by awarding 150 subsidies to Mental Health Systems, 50 subsidies to Community Research Foundation, and 20 subsidies to Pathways Community Services. The 20 subsidies were awarded to Pathways in Fiscal Year 2018.

The total number of subsidies awarded since implementation is 880, excluding the 20 subsidies returned by Mental Health Systems, Inc. SDHC will continue to expand the program over the next several years in an effort to fully award the 1,000 subsidies allocated to the Sponsor-Based Subsidy Program for the Homeless.

<u>Sponsor-Based Subsidy Commitments</u>
SDHC is partnering with the County of San Diego to implement *Project One for All*, a comprehensive strategy to ensure individuals with serious mental illness and other co-occurring disorders have access to intensive treatment services paired with permanent housing. The project's multi-pronged approach utilizes outreach and engagement, treatment services, housing resources, and performance measurements to ensure maximum impacts and reduce homelessness in the County and City of San Diego. To satisfy the housing resources component of the four-pronged approach, SDHC has committed 733 sponsor-based subsidies to the project and partnered with five regional PHAs to provide a combined total of 1,103 housing subsidies. *Project One for All* is an opportunity to significantly change the landscape of homelessness throughout the region and positively impact the community.

Sponsor-Based Subsidy Program for the Homeless				
Metric	Baseline # %	Benchmark # %	Outcome	Benchmark Achieved?
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase).	$0	$2,000,000	$4,136,268	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$13,329	$13,995	$17,063	Yes
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	$0	$0	$0	Yes
SS #3: Increase in Positive Outcomes in Employment Status				
(1) Employed full-time	3	4	5	Yes
(2) Employed part-time	12	15	10	No
(3) Enrolled in an educational program	0	2	1	No
(4) Enrolled in a job training program	0	2	7	Yes
(5) Unemployed	301	293	468	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	7	5	12	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self-sufficiency (increase).	0	500	445	No
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$633	$627	$714	No
SS #7: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$1,100,700	$1,210,770	$1,480,368	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as transitioning into the Moving On Program or receiving a voucher.	0	5	1	No
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	0	2	279	Yes

Explanation of Challenges: The Coordinated Entry System (CES) in conjunction with the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) was implemented in the City of San Diego in Fiscal Year 2015. The referral-based tool is used to place homeless individuals into the available sponsor-based subsidy units. SDHC anticipates utilization of the CES system will assist with increasing the utilization of the subsidies committed to the various programs and more effectively serve the homeless clientele with the appropriate resources. SDHC anticipated more than 500 households will be served at the close of Fiscal Year 2019.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-1. PATH TO SUCCESS

Plan Year Identified: Fiscal Year 2012

Implementation Date: July 1, 2013 (Rent Reform) and November 1, 2013 (Portability Policy)

Plan Year Amended: Fiscal Year 2012 Amendment and Fiscal Year 2014

Activity Description: Path to Success is a comprehensive rent reform program utilizing a tiered rent structure with progressive increases to minimum rents for Work-Able families. Families defined as Elderly/Disabled receive streamlining measures only. The model also eliminates deductions and streamlines allowances for both populations. The activity was re-proposed in the Fiscal Year 2014 Plan to include a local portability policy which limits the portability function of the Housing Choice Voucher program for families defined as Work-Able. The policy does not apply to Elderly/Disabled families.

Work-Able Model

The Path to Success Work-Able rent reform model utilizes two components working in tandem as one dynamic system: Tiered rents and progressive minimum rents. For the tiered rent table, adjusted annual income is separated into bands of income. If a family's adjusted income falls in between income bands, the lower edge of the band is used to calculate the rent portion. The monthly income amount at the lower edge of the band is multiplied by 30%, the utility allowance is subtracted, and the family's rent portion is the greater of the income band calculation or the applicable minimum rent.

Minimum rents are based on the number of Work-Able adults residing in the household. Minimum rents were set using factors including the current California minimum wage rate, a minimum number of weekly hours a household could reasonably expect to work, as well as the rates of other benefits most often received by program participants. The increases in minimum rent over time coincide with the expectation households will begin to work and/or increase work hours or income as a result of utilizing the features of the Achievement Academy. Most aspects of the model motivate self-sufficiency given the participants determined to be "Work-Able" will be expected to pay an increasing portion of rent over time while receiving the necessary supportive services to expand household income.

SDHC recognizes there may be subpopulations within the Work-Able population who may have difficulty adhering to the requirements of Path to Success and has made provisions for these households in the form of hardship policies.

Elderly/Disabled Model

The Elderly/Disabled population includes families where 100 percent of adults are elderly and/or disabled, with elderly being defined as 55 or older for this purpose only. The Total Tenant Payment (TTP) has been dropped to 28.5 percent with a minimum rent of $0 to ensure Elderly/Disabled families are minimally impacted by the changes proposed under Path to Success.

Additional Components of Model: Work-Able and Elderly/Disabled

Additional features of Path to Success include aligning the application of the utility allowance with the application of the payment standard by using the smaller of the voucher or unit size to determine the utility allowance as well as eliminating the utility reimbursement. All other deductions and allowances will be eliminated with the exception of the child care and medical expense deductions. The child care deduction is administered under current regulations while the medical expense deduction is streamlined into standard bands. Disability assistance expenses fold into the standardized medical expense bands as a further streamlining measure. Households receiving the Earned Income Disallowance (EID) at implementation continue to receive the deduction until the EID term is satisfied. No new families were enrolled in EID after implementation of Path to Success.

Local Portability Policy

Path to Success was designed to encourage self-sufficiency among Work-Able households. In order for families to fully utilize and profit from Path to Success, SDHC created a local portability policy to ensure families maximize the benefits of the program. Elderly/Disabled households are exempt from the aggressive elements of Path to Success, including the progressive minimum rents. Thus, the policy applies to only Work-Able households.

SDHC anticipated Work-Able households experiencing significant increases to their rent portion as well as applicants determined eligible for the program may consider exercising the portability aspect of the HCV program in an effort to circumvent Path to Success. Since Path to Success was designed to increase the self-determination of San Diego households in the most need of supportive services to build skill levels and increase economic opportunities, SDHC instituted the local portability policy where both participant and applicant households may only utilize the portability option as a policy exception.

Hardship Policies

Comprehensive hardship: Families requesting an exemption from the Path to Success rent calculation must request the hardship exemption in writing. Requirements for consideration are as follows:

- Family's shelter burden must be greater than the acceptable level as calculated by SDHC: 45 percent for Work-Able families and 40 percent for Elderly/Disabled families.
- The family must either be Elderly/Disabled or consist of a single Work-Able adult with one or more dependents.
- Gross income before exclusions will be considered.
- Family must sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera.

SDHC appointed an internal Hardship Review Committee which reviews and renders decisions on all hardship requests. Hardship exemptions are temporary. During the hardship exemption period, the family's monthly rent portion is reduced to the appropriate hardship minimum rent. All families approved for the hardship exemption are transferred to a designated caseworker who also serves as the nexus between the family and the Achievement Academy services. Hardship rents are applied according to the adjusted annual income, as described in the table below:

Path to Success Hardship Rent Table	
Annual Income	**Hardship Rent**
$0 - $2,499	$0
$2,500 - $4,999	$55
$5,000 - $7,499	$150
$7,500 - $9,999	$245

Hardship for zero income: Any family whose income is reduced to zero will have a zero rent portion (with no utility reimbursement) if the loss of income is through no fault of their own. The exemption will have a duration of six months maximum after which time their rent portion will default to the applicable minimum rent. Work-Able zero income families will be required to sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera. Families are transferred to a designated caseworker serving as the nexus between the family and the Achievement Academy services. At the point the exemption ceases, the family will be responsible to pay their true rent portion or the minimum rent for the household, whichever is higher.

Hardship for special needs families: As a final hardship policy, SDHC considers special situations on a case-by-case basis for admission to the Elderly/Disabled population. The Hardship Review Committee formulates a recommendation to the Sr. Vice President of Rental Assistance, or designee, who issues final approval in such extraordinary circumstances.

Hardship for medical expenses: In order to accommodate Elderly/Disabled (per HUD's definition) families with extremely high medical expenses, a fourth medical band was established. Families with medical expenses of $10,000 or more will receive a medical deduction in the actual amount of qualified medical expenses.

Hardship for local portability policy: HCV participants or applicants may only port-out to another jurisdiction if the household requests and is granted an exception to the policy for either pursuing employment opportunities, education, safety reasons, a medical/disability need, or other exceptions as determined on a case-by-case basis. Any family presenting a compelling reason to move outside of SDHC's jurisdiction beyond the noted policy exceptions has the request considered per the exception criteria. All requests for an exception must be requested in writing and are evaluated by management staff. A written decision is rendered and disseminated to the household advising the family of the determination.

Impact of Activity: Path to Success was implemented effective July 1, 2013. Work-Able and Elderly/Disabled families were placed onto the rent reform program at their respective anniversary dates throughout the course of the year. By the close of Fiscal Year 2014, 100 percent of HCV families subject to Path to Success had rent portions calculated according to the rent reform methodology which includes the first set of minimum rents: $200 for families with one work-able adult and $350 for families with two or more work-able adults. The second set of progressive minimum rents was effective with July 2015 reexaminations, increasing to $300 and $500 respectively. All families were phased into the new minimum rents by June 2016.

In Fiscal Year 2018, Work-Able families increased average earned income amounts 35 percent over baseline. SDHC suspects the transition into the second phase of Path to Success, which requires Work-Able families to pay a higher percentage of the gross monthly income towards the rent portion, contributed to the increase in average earned income.

Approximately 34 percent of Work-Able households were subject to the progressive minimum rents which resulted in an 11 percent decrease in the average HAP. Since implementation, the decreased HAP expense enabled SDHC to expend $9.3 million MTW funds in Fiscal Year 2014 for gap financing of the Churchill, a 72 unit development serving homeless individuals. Approximately $15 million MTW funds were expended in Fiscal Year 2015 to purchase Village North Senior Garden Apartments, a 120 unit affordable housing development including 44 project-based vouchers serving the homeless. Another $7.6 million MTW funds were expended to in-part purchase Quality Inn and create 92 affordable housing units. In Fiscal Year 2018, 84 units of affordable housing at Via Las Cumbres were preserved through rehabilitation activities. Lastly, SDHC funded the rehabilitation of 1,312 SDHC-owned units by using $20.9 million in MTW funds during Fiscal Year 2017 and Fiscal Year 2018 to engage in the preservation activities.

Path to Success						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$480,609		$370,740		$275,522	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,733		12,136		9,184	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		17%		15%	4%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase)	$47,360,952		$52,097,047		$44,629,104	No
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$18,586		$20,445		$25,062	Yes
SS #3: Increase in Positive Outcomes in Employment Status (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program	50 29 16 32		63 36 20 40		42 50 2 6	No Yes No No
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$967		$938		$860	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as exiting a rental assistance program due to $0 assistance rendered or voluntary surrender of assistance.	0		120		33	Yes

Hardship Requests: Path to Success provides for three primary hardship types: A comprehensive hardship, a zero income hardship, and a policy exception to the local portability policy. The matrix below summarizes the hardship requests and results during Fiscal Year 2018.

Path to Success Hardships					
Type	Number Requested	Number Approved	Number Denied	Number Declined	Number Pending
Comprehensive Hardship	43	9	34	0	0
Zero Income Hardship	3	2	1	0	0
Portability Hardship	157	76	71	0	10
Total:	**203**	**87**	**106**	**0**	**10**

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric CE #5 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-2. BIENNIAL REEXAMINATION SCHEDULE

Plan Year Identified: Fiscal Year 2012

Implementation Date: July 1, 2012

Plan Year Amended: N/A

Activity Description: Path to Success, SDHC's comprehensive rent reform activity, separates Housing Choice Voucher participants into Work-Able and Elderly/Disabled populations. Initially, only Work-Able households were placed on the biennial reexamination schedules in Fiscal Year 2012. In Fiscal Year 2016, SDHC closed out the Triennial Recertification Cycle for Elderly and Disabled Families initiative and placed the Elderly/Disabled families on the biennial reexamination cycle as well. Although not subject to Path to Success, VASH participants were placed onto the biennial reexamination cycle in Fiscal Year 2014 for additional streamlining measures.

During Fiscal Year 2017, SDHC decided to include participants with project-based vouchers and sponsor-based subsidies within the alternative reexamination cycles. The participants will receive full reexaminations of income and household composition on a biennial basis instead of annually beginning in Fiscal Year 2018.

Impact of Activity: SDHC realized significant staff savings related to the biennial reexamination schedule. The staff savings were reallocated within the Rental Assistance Division in a variety of capacities such as caseload coverage, special projects, program integrity functions, mobility counseling, external auditing functions, and assuming additional responsibilities.

Biennial Reexamination Schedule						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease)	$961,218		$479,176		$681,661	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease)	31,465		15,733		22,314	No
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		0%		0%	0%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges. The increase in project-based vouchers, sponsor-based subsidies, and the overall 102 percent lease rate continue to increase the number of full reexamination of income and household circumstances required each year. Therefore, SDHC did not experience the staff time savings and cost savings as in previous years. In the event the outcomes remain unsatisfactory, SDHC may consider revising benchmarks if a thorough analysis of the initiative supports the modification.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-3. MODIFY FULL-TIME STUDENT DEFINITION

Plan Year Identified: Fiscal Year 2012

Implementation Date: December 1, 2011

Plan Year Amended: N/A

Activity Description: SDHC modified the full-time student definition to ease the programmatic administration associated with the designation as well as encourage self-sufficiency among participants. Under the new definition, only adult family members ages 18 to 23 (excluding the head, spouse, and co-head) are eligible for designation as a full-time student. To coincide with the Path to Success rent reform activity implemented in Fiscal Year 2014, the $480 deduction for verified full-time students is eliminated, but 100 percent of the earned income is excluded from the rent calculation. The elimination of the $480 dependent deduction offsets the earned income exclusion, thus remaining neutral in terms of the Housing Assistance Payments rendered and participant impact. Additionally, the activity authorized SDHC to exclude financial aid from the income calculation if received by any program participant, not just full-time students. The student rule surrounding the determination of programmatic eligibility for applicants still applies per the current Federal regulations and Public Law. These components of the initiative were implemented effective with December 2011 full reexaminations of income and household composition.

The modifications encourage self-sufficiency by providing an incentive to participants to complete post-secondary education and enter the workforce in a timely manner with a greater skill set acquired in early adulthood. Allowing a time span of six years for students to complete their education allows for additional time in the event the standard degree/certificate cannot be achieved within four years, such as the student decides to pursue an alternate degree/certificate or the student wishes to pursue a higher degree.

Elimination of the $480 deduction and excluding 100 percent of earned income and financial aid from the income calculation streamlines the administration of the rental assistance program by removing these as components of the rent calculation. Limiting the benefit to a select population of rental assistance participants reduces staff time spent verifying full-time student status as well.

An incentive extended to all students receiving their degree or certificate of completion is eligibility to receive a monetary award upon providing proof of graduation. Eligibility to receive the award is not limited to students age 18 to 23; any adult household member including the head, spouse, or co-head is eligible for the award. A program participant may receive only one award for acquiring a degree, diploma, or certificate of completion per lifetime. The Graduation Incentive was implemented at the beginning of Fiscal Year 2013.

SDHC sent written notifications to all households impacted or potentially impacted by the modification to the administration of the full-time student employment income exclusion. The notification advised each household the exclusion of employment wages no longer applied to full-time students ages 24 and over and provided an explanation of the graduation incentive available to all adult household members.

As a hardship policy, the elimination of the exclusion was phased in over the first year of implementation. Households with full-time students immediately affected by the modification continued to receive an employment income exclusion of 50 percent at the first annual reexamination occurring after implementation before dropping to 0 percent at the subsequent full reexamination of income and household composition.

Impact of Activity: In Fiscal Year 2018, SDHC verified 1,173 household members age 18 to 23 as full-time students with the average earned income of the households increasing 34 percent over baseline numbers. Cost savings from the activity resulted in the decreased amount of staff time expended verifying the full-time student status of participants. Since implementation, 24 program participants have received a graduation award under the Graduation Incentive Program.

Modify Full-Time Student Definition						
Metric	**Baseline**		**Benchmark**		**Outcome**	**Benchmark Achieved?**
	#	**%**	**#**	**%**		
CE #1: Agency Cost Savings Total time to complete the task in staff hours (decrease).	$11,325		$10,613		$8,798	Yes
CE #2: Staff Time Savings Total cost of task in dollars (decrease).	378		354		293	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy (increase).	$18,913		$20,804		$25,324	Yes

Hardship Requests: The hardship policy only applied to program participants admitted before implementation of the activity. The hardship policy is no longer in effect since the one year implementation period of the activity has concluded.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-1. MTW VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHER PROGRAM

Plan Year Identified: Fiscal Year 2013

Implementation Date: August 1, 2012

Plan Year Amended: N/A

Activity Description: On May 27, 2010 SDHC received regulatory and statutory waivers from the Housing Voucher Management and Operations Division of HUD for administration of the HUD-VASH Voucher Program using certain elements of MTW authority. SDHC has implemented a number of initiatives since then to ease administration and provide benefits to the VASH participants, while ensuring the VASH protections remain. As directed in the approval received from HUD, the Local Interim Policy will not apply to VASH participants.

The VASH participants are a group of persons with unique needs. Ongoing discussions between SDHC and Veteran's Administration (VA) staff focused on designing initiatives benefiting both the VASH participants and staff conducting the program administration. To this end, SDHC adapted the program to implement a distinct set of policies:

- VASH applicants are subject to a less stringent review of criminal history than all other HCV program applicants. However, when a VASH applicant or participant wishes to add a member to the household, the new member is held to the higher standard. Under the approved initiative, any adult the VASH applicant/participant wishes to add to the household has a reduced criminal history initial requirement: No violent or drug-related criminal activity in the two years preceding application. The reduced criminal history requirements for family members still preclude individuals from participating in the program if subject to registration as a sex offender.
- VASH applicants/participants often have difficulty paying a minimum rent when beginning the VASH program due to initial limited/zero income. Most participants gain an income source through VA case management assistance during the first year on the program. To facilitate this transition, minimum rents may be set at zero for the first 12 months of program participation as a policy exception. After the first 12 months, minimum rents are set according to SDHC policy.
- When VASH participants obtain benefits after long periods of having no income source, garnishments for things such as child support and debt collections are attached to these income sources. This discourages these persons from seeking income and makes it more difficult to successfully pay their rent portions. A 12 month reprieve counteracts this situation for VASH participants. Thus, income garnishments are not counted as income for the first 12 months of program participation if requested by the participant.
- To coincide with SDHC's rental assistance program administration, utility reimbursements are not a part of the SDHC VASH program. This component of the initiative was implemented with Path to Success effective July 1, 2013.
- To coincide with SDHC's rental assistance program administration, VASH participants are eligible for the biennial inspection cycle. SDHC adopted a biennial inspection cycle with no qualifying criteria effective January 1, 2015 thus 100 percent of VASH households are placed on the cycle.

Impact of Activity: Of the flexibilities created for VASH participants under the initiative:

- Zero families utilized the reduced criminal history requirements.

- Twenty-one VASH families benefitted from the $0 minimum rent.
- Two families paid a rent portion with garnishments excluded from the rent calculation.

The average number of months VASH participants successfully remained on the rental assisted program increased from a baseline of 16 months to 42 months at the close of the fiscal year. The increase in ongoing participation is a result of the positive, collaborative effort between SDHC and the Veterans Administration to ensure VASH participants remain successful on the program. Robust case management services rendered by the Veterans Administration in combination with SDHC's rental subsidies ensures utilization of a housing first model and improves the probability of programmatic success of VASH participants.

Fiscal Year 2018 outcomes are as follows:

MTW Veterans Affairs Supportive Housing (VASH) Voucher Program						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$16,693		$18,362		$19,170	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$707		$642		$883	No

Hardship Requests: N/A

Explanation of Challenges: The average subsidy cost per household increased in Fiscal Year 2018 as a result of implementing a separate VASH payment standard schedule. Although the increased payment standards resulted in an increase to the VASH lease-up rate, the intended outcome, the average cost per voucher significantly increased as well.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-2. FAMILY SELF-SUFFICIENCY REINVENTION

Plan Year Identified: Fiscal Year 2013

Implementation Date: July 1, 2013

Plan Year Amended: N/A

Activity Description: The Family Self-Sufficiency Reinvention activity modifies the Family Self Sufficiency (FSS) Program by revising the contract term and the escrow calculation method to coincide with the Path to Success initiative. Changes to the program and contract increase program accessibility and participant engagement.

- **Revised FSS Contract:** SDHC reduced the initial FSS contract term from five to two years. Participants may extend the contract term up to three years if extending the contract enables attainment of program objectives. The contract term may not be extended for the sole purpose of increasing the escrow balance.
- **Reinvented FSS Escrow Calculation:** The FSS escrow calculation continues to utilize escrow deposits based solely on earned income. Additionally, the calculation provides one-time escrow credits based on completing outcomes such as obtaining full-time or part-time employment with a six month retention rate; graduating from a vocational program or two year program; surrendering cash aid assistance;

increasing income tiers on the Path to Success program; and establishing a personal savings account with a $500 balance.

- **Participation by Non-Heads of Household:** Activity 2011-9 "Enhance Family Self-Sufficiency Program" was integrated into the activity in Fiscal Year 2015. The flexibility allows a non-head of household to participate in the FSS program as the sole participant.

Impact of Activity: In the MTW FSS program, participants increased earned income over baseline levels during the fourth year of participation, thus increasing household savings as a result. Attaining credits through completion of one-time efforts contributed to the increased savings as well.

Family Self-Sufficiency Reinvention						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$6,499		$5,220		$3,742	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	249		200		144	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		8.2%		5.0%	2.3%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase)	$1,420,485		$2,274,708		$74,582,832	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$7,922		$8,714		$16,172	Yes
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	$252		$400		$1,168	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	50		63		42	No
(2) Employed Part-Time	29		36		50	Yes
(3) Enrolled in an Educational Program	16		20		2	No
(4) Enrolled in Job Training Program	32		40		6	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	17		0		76	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increse self sufficiency (increase).	96		216		246	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$956		$813		$749	Yes
SS #7: Increase in Rental Revenue Total household contributions towards housing assistance (increase)	$1,420,485		$1,562,534		$2,274,708	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase).* *For purposes of the activity, self sufficiency is defined as successful completion of the FSS Program.	0		20		14	No

Hardship Requests: N/A

Explanation of Challenges: SDHC notes the participants enrolled in an educational program and job training continue to remain at low levels while the program experienced an increase in the number of MTW FSS families receiving TANF. Given the efforts and focus of the Achievement Academy towards job obtainment, SDHC does not anticipate significant progress towards achieving the education and job training benchmarks. The focus on increasing employment levels and employment income, in SDHC's opinion, is a more advantageous outcome for both participants and SDHC.

The increase of the number of families receiving TANF is explained by the stages of the program. As families enroll in the MTW FSS program, SDHC assists families with obtaining social benefits, such as TANF, to ensure all options for increasing income are accessed during FSS participation. As families obtain employment, the reliance on TANF decreases. SDHC anticipates the outcomes will continue to fluctuate as families are enrolled in, and graduated/attritioned from, the MTW FSS program.

Revision of Benchmarks: Revisions were made to the baselines and benchmarks of standard metrics CE #5 and SS #7 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-3. ELIMINATION OF 100% EXCLUDED INCOME

Plan Year Identified: Fiscal Year 2013

Implementation Date: November 1, 2013

Plan Year Amended: N/A

Activity Description: In support of the MTW goal of attaining increased cost effectiveness in operations, SDHC ceased verifying, counting, or reporting income amounts specifically identified by HUD as 100% excluded from the income calculation process, as well as earnings for full time students age 18 to 23, which are 100% excluded through a prior approved MTW initiative. Examples of 100% excluded income are earnings from minors, amounts paid by a State agency to the family for the care of a family member with a developmental disability, and food stamps.

Impact of Activity: Implementation of the activity generated administrative savings since less time was expended verifying income amounts ultimately not effecting the rent calculation and Housing Assistance Payments rendered. The matrix below contains the Fiscal Year 2018 outcomes for the activity.

Eliminate 100% of Excluded Income Verification							
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$17,010		$11,907		$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	567		397		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	17%		15%		4%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-4. PUBLIC HOUSING: FLAT RENT ELIMINATION

Plan Year Identified: Fiscal Year 2013

Implementation Date: August 1, 2014

Plan Year Amended: N/A

Activity Description: SDHC eliminated the flat rent option from the public housing program. Under Federal regulations, public housing tenants choose either a rent portion calculated at 30 percent of adjusted monthly income or a flat rent amount which is tied to the market value of the unit. Tenants with higher annual incomes benefit from the flat rent option since the flat rent is typically less than a rent portion based on adjusted income. The initiative removes the flat rent option, thus requiring all tenants to pay a rent portion based on adjusted income and the Path to Success rent calculation. This ensures tenants have a rent portion based on the ability to pay and equalizes the contributions towards housing among both lower and higher income tenants. Tenants are not negatively impacted by the initiative since the rent portion is still affordable to the household regardless of income levels.

Impact of Activity: The elimination of the flat rent provides administrative savings through discontinuing the associated research, notifications, and record-keeping to maintain the program. The matrix below summarizes the impact of the activity with regard to utilizing Federal funds more efficiently.

Public Housing: Flat Rent Elimination				
Metric	Baseline # %	Benchmark # %	Outcome	Benchmark Achieved?
SS #1: Agency Cost Savings Total cost of task in dollars (decrease)	$5,460	$0	$0	Yes
SS #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	182	0	0	Yes

Hardship Requests: Zero families requested a hardship due to implementation of the policy.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-6. TRANSITIONAL PROJECT-BASED SUBSIDIES FOR THE HOMELESS

Plan Year Identified: Fiscal Year 2013

Implementation Date: January 1, 2013

Plan Year Amended: N/A

Activity Description: SDHC partners with local agencies to operate a transitional housing program using flat subsidies paired with supportive services offered by the selected provider agency. The service providing agency creates and maintains a site-based waiting list while SDHC audits the list to ensure Fair Housing compliance. If the Coordinated Entry System (CES) in conjunction with the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) is utilized to inform referral decisions, the waitlist component of program administration is eliminated.

Due to the short-term nature of the program, SDHC considers a unit "fully occupied" if the unit was in use at least 25 days out of the month. Each month a unit is utilized according to this criterion is considered a month a participant was served for purposes of payment, tracking, and MTW reporting requirements. Program participants are encouraged to apply for, and remain on, SDHC's tenant-based waiting list.

A status update included in the Fiscal Year 2015 MTW Annual Plan grants the ability of for-profit agencies to respond to a competitive process for the Transitional Project-Based Subsidies for the Homeless program. Additionally, SDHC may award the subsidies to an SDHC-owned development without a competitive process.

Impact of Activity: In the first year of implementation during Fiscal Year 2013, People Assisting the Homeless (PATH) operated the activity as a pilot program. The sixteen subsidies utilized by PATH serve homeless individuals in a development called Connections Housing. Connections Housing is an integrated service and residential community whose primary goal is to help homeless persons living on the neighborhood streets to rebuild their lives and secure and retain permanent housing. Virtually every resource a person needs to break the cycle of homelessness is available without ever leaving the building. Along with the 16 short-term SRO units designated to the program, Connections Housing includes 73 permanent supportive project-based housing units, two manager units, and 134 interim housing beds. The complex contains the PATH Depot, a one stop service center offering services such as case management, a life skills unit, women's empowerment program, legal services, and personal care services. The Downtown Family Health Center is also a part of the project, offering comprehensive medical and mental health care services. The project was the first of its kind in San Diego and was designed to serve the specific needs of the downtown area. In Fiscal Year 2018, 9 participants relocated to permanent housing after stabilizing in the transitional units at Connections Housing.

In Fiscal Year 2014, SDHC partnered with Episcopal Community Services (ECS) and Serving Seniors to serve homeless clientele in the City of San Diego. The Uptown Save Haven (UTSH) program operated by ECS is a transitional housing program working with the locally funded Full Service Partnership (FSP) providers to assist homeless persons with psychiatric disabilities in an effort to access permanent housing and connect participants with resources to address physical and mental health challenges. UTSH targets the chronically homeless, the mentally ill, persons combating substance abuse and/or HIV/AIDS, and persons who are destitute and disabled. The FSP provider staff informs individuals about the opportunity to reside at UTSH while working on securing permanent housing. UTSH staff is assigned to a resident for one-on-one weekly meetings and the provision of onsite support services. UTSH primarily tracks three outcomes as residents leave the program: The transition to permanent housing, the ability to acquire/retain an income, and the ability to acquire/maintain sufficient life skills to improve greater self-sufficiency. During the fiscal year, 32 residents participated in the UTSH program, and 20 exited UTSH with the following outcomes:

- Eighteen residents increased or maintained income.
- Sixteen residents increased motivation and/or life skills to improve self-sufficiency.
- Fourteen residents transitioned to a permanent housing situation.
- One resident was admitted to a psychiatric facility.
- One resident transitioned to an emergency shelter.
- One resident was incarcerated.
- One resident transitioned to a long-term care facility.
- Two clients left for other transitional housing.

Serving Seniors provides participants with case management, health services, and safe shelter allowing seniors to transition to permanent housing by removing barriers to independent living. Case managers are assigned to individuals to set objectives and goals of achieving permanent housing and successful independent living. During the fiscal year, 38 seniors successfully completed the program and moved into more permanent housing. The program maintained a close relationship with Connections Housing who refers clients to SCC for possible placement. Approximately one-third of the graduates of the program moved into one of Serving Seniors supportive housing complexes.

The program served a total of 119 participants in the fifth year of implementation with an aggregate total of 280 households transitioning to self-sufficiency since implementation.

Transitional Project-Based Subsidies for the Homeless							
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$16,920		$9,450		$9,282	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	564		315		309	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self-sufficiency (increase).	0		96		119	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$0		$600		$711	No
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as transitioning to permanent housing	0		20		61	No
HC #1: Additional Units of Housing Made Available Number of new housing units made available for homeless households at or below 80% AMI as a result of the activity (increase).	0		16		47	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2014-2. LOCAL INCOME INCLUSION

Plan Year Identified: Fiscal Year 2014

Implementation Date: November 1, 2013

Plan Year Amended: N/A

Activity Description: Under the standard Housing Choice Voucher rent calculation, the income a household receives for the care of foster children and/or foster adults as well as adopted household members is excluded from the annual income calculation. As a result of the activity proposed in the Fiscal Year 2014 MTW Plan, SDHC includes Kin-GAP, foster care payments, and adoption assistance payments in the determination of the household's annual adjusted income. Kin-GAP and foster care payments are issued as reimbursement for shelter, among other expenses, while adoption assistance payments are meant to defray the costs associated with caring for adopted children. In short, households are receiving monies for use towards the provision of housing which is then excluded from the rent portion calculation by the public housing authority providing housing subsidies. The approved activity authorizes SDHC to include the gross annual income amounts received by families from these sources for the purposes of determining the rent portion. These sources of income are not included when calculating income for purposes of determining initial program eligibility.

Impact of Activity: SDHC's rental assistance participants combined received approximately $1.9 million in Kin-Gap, foster care payments, and adoption assistance payments. Calculating the amounts received for purposes of determining the rent portion potentially resulted in a HAP reduction of approximately $566,405 annually in Fiscal Year 2018.

Local Income Inclusion						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$1,086		$756		$791	No

Hardship Requests: During Fiscal Year 2018, zero households requested a hardship exemption to the policy.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2015-1. ELIMINATE THE 40 PERCENT RENT BURDEN REQUIREMENT

Plan Year Identified: Fiscal Year 2015

Implementation Date: February 1, 2015

Plan Year Amended: N/A

Activity Description: The Housing Choice Voucher program limits the rent burden at initial lease-up to 40 percent of the adjusted monthly income. The rent burden imposed on HCV families oftentimes reduces housing choice by prohibiting families from choosing units meeting their specific individual needs and requirements. Additionally, families frequently experience difficulty successfully leasing a new unit even if the affordability cap is only exceeded by one or two percentage points. In an attempt to mitigate these barriers, SDHC modified the 40 percent affordability cap to 50 percent at initial lease-up in order to increase housing choice for low-income families in San Diego.

Impact of Activity: Since implementation, the opportunity to exceed the 40 percent affordability cap ensured 1,119 families leased in a unit of their choice. Of those families, 57 leased a unit in a high opportunity area of San Diego, as defined by the Choice Communities initiative. With a low vacancy rate in the City of San Diego, the ability for the families to execute an informed decision to exceed the 40 percent threshold is invaluable and offers an increased level of self-determination not previously available under the Housing Choice Voucher program.

Modify the 40 Percent Rent Burden Requirement						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0		50		57	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2016-1. THE MONARCH SCHOOL HOUSING PROGRAM

Plan Year Identified: Fiscal Year 2016

Implementation Date: January 1, 2016

Plan Year Amended: N/A

Activity Description: The Monarch School Housing Program is a local, non-traditional tenant-based rental assistance program in partnership with a non-profit agency to offer affordable housing solutions to families with school-aged children. The program targets homeless families with children attending Monarch School (Monarch) and provides rental subsidies to the families. As a condition of program participation, parents must engage in work-readiness services at the Achievement Academy while contributing to the children's academic development and progress via Monarch School's supportive services programs. Family contributions may include maintaining acceptable levels of attendance and continued engagement in the family's service plan.

Impact of Activity: The program creates housing stability by providing families with subsidies and the resources necessary to increase self-sufficiency. As indicated in the matrix below, 21 participant families have increased income amounts through employment and community resources. Additionally, of the 21 families housed and receiving rental assistance, one family is residing in a high opportunity neighborhood of San Diego.

Monarch School Housing Program							
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase)	$0		$10,000		$51,405	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase)	$7,290		$10,400		$14,144	Yes
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars.	$0		$150		$0	No
SS #3: Increase in Positive Outcomes in Employment Status						
Number of participants employed full-time	0		12		2	No
Number of participants employed part-time	2		6		1	No
Number of participants enrolled in an educational program	0		3		2	No
Number of participants enrolled in a job training program	0		4		3	No
Number of unemployed participants	1		0		18	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease)	3		0		15	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services to increase self sufficiency (increase)	0		25		21	No
SS #7: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase)	$0		$90,000		$94,692	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined as transitioning to permanent housing.	0		25		0	No
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood as a result of the activity (increase)	0		25		1	No

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges. SDHC anticipates benchmarks and outcomes will be achieved as the program progresses and families attain personal milestones contained in the individual service plans.

Revision of Benchmarks: Revisions were made to the baseline and benchmark of standard metric SS #7 due to the updated metric description contained in Form HUD-50900.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2016-2. THE GUARDIAN SCHOLARS HOUSING PROGRAM

Plan Year Identified: Fiscal Year 2016

Implementation Date: August 1, 2016

Plan Year Amended: N/A

Activity Description: The Guardian Scholars Program at San Diego State University (SDSU) provides resources to students either exiting the foster care system, under legal guardianship, designated as wards of the court, or unaccompanied homeless youth. The *Educational Opportunity Program* (EOP) operated on the SDSU campus provides the Guardian Scholars with an array of resources in an effort to support the students and ensure academic success. As a component of the program, Guardian Scholars are encouraged to reside in campus supported housing during and between semesters. The holistic approach removes barriers for an historically underserved population and increases the probability of completing post-secondary education.

Through the program, the Guardian Scholars receive scholarship funds in order to supplement financial aid and/or relieve reliance on student loans. Additional services offered through EOP are tutoring, mentoring, summer transitional programs, intensive retention services, and academic advising. If critical services are necessary for certain Guardian Scholars, EOP counselors are available to provide direct services and connect the student to other departments and programs within the university such as *Counseling and Psychological Services*, the *Office of Financial Aid and Scholarships*, *Student Disability Services*, and others to address the unique needs of the individual students.

The Guardian Scholars Program ensures an affordable education is accessible for the participating students. Using a Federal formula, a student's education is funded according to tiers: Financial aid and government grants are applied to the student's expenses, first funding the tuition, fees, books, meal plans, and finally the housing element. Often, the funding resources are exhausted before the housing component is subsidized. The result is the student must rely on loans to fund the housing. The Guardian Scholars Program is in-part supported through philanthropy to assist with reducing the student's reliance on loans, but a funding gap exists despite significant philanthropic support.

SDHC received permission to use broader uses of funding authority to provide the financial support necessary for closing the funding gap for the student's housing expense. On an annual basis, SDHC provides $200,000 to SDSU to fund the housing component of the Guardian Scholars Program. In addition, SDHC provides a dollar for dollar match to funds raised by SDSU through philanthropy, up to $400,000 annually, to further assist with funding the student's housing requirements. Assistance provided by SDHC is not expected to exceed an aggregate of $600,000 per year, but annual amounts may fluctuate depending on the number of students served by the program and the commensurate level of need. MTW funds will be applied to the housing component only after SDSU has calculated the funding gap for each student.

SDHC's contribution to the program further removes barriers to education and ensures affordable housing remains available for the Guardian Scholars students.

Impact of Activity: SDHC served 74 students via the provision of housing subsidies in the second year of implementation. With an SDHC-provided budget of $600,000 committed to the program, Guardian Scholars selected a housing solution of their choice, including both on-campus and off-campus housing, but excluding Greek housing. Since the subsidy program requires a Housing Quality Standards inspection during the unit approval process, students were also ensured a decent, safe, and sanitary living situation.

In Fiscal Year 2018, SDHC also increased the amount of resources leveraged during the reporting year. SDSU provided the following leverage:

1. SDSU housing contribution of $807,092
2. Scholarship funding of $551,392
3. Provision of supportive services totaling $41,013

As indicated in the matrix below, the final leverage amount totaled $1,399,497 with 58 percent of the leverage expended on rental assistance contributions.

A notable outcome of the program includes the reduction of student loans from a baseline number of $254,121 in academic year 2015/2016 to only $2,640 in academic year 2017/2018. The reduction is strictly due to the rental assistance provided via the program.

Guardian Scholars Housing Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase)	$0		$400,000		$1,399,497	Yes
SS #3: Increase in Positive Outcomes in Employment Status Number of participants enrolled in an educational program	0		63		74	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services to increase self sufficiency (increase)	0		63		74	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined graduating from SDSU.	0		17		15	No

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: As stated in the Fiscal Year 2017 MTW Annual Report, SDHC revised the self-sufficiency benchmarks in Fiscal Year 2018 since the original benchmarks were significantly superseded. The revised benchmarks mirror the outcomes in Fiscal Year 2017. Specific to SS #8, the benchmark will be modified annually on an ongoing basis. The benchmark will reflect the number of current students expected to graduate during the given academic year, and the outcome will measure the actual number of graduates. The fluctuating benchmark will more effectively indicate program performance.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2017-1. THE MOVING ON PROGRAM

Plan Year Identified: Fiscal Year 2017

Implementation Date: January 1, 2018

Plan Year Amended: N/A

Activity Description: SDHC created the Moving On Program to provide rental assistance to formerly homeless persons transitioning from permanent supportive housing due to obtaining stability and the decreased need for intensive case management and services. The Moving On Program initiative supports tenants who are successful in their recovery to live more independently using a Federal subsidy while accessing community based resources, as needed. Additionally, the program frees up valuable permanent supportive housing and services for vulnerable homeless individuals in need of these resources.

To administer the program, SDHC partners with local Full Service Partnerships (FSPs) serving participants enrolled in permanent supportive housing programs. Currently, SDHC partners with four local agencies under contract with San Diego County Behavioral Health Services. Participants who have stabilized and are doing well in their recovery are assessed and referred to the Moving On Program. Participants must agree to the transition since participation in the Moving On Program is voluntary. Once eligibility is determined, the participant may lease in place or locate a new unit. The rent portion is calculated according to the Path to Success program.

Impact of Activity: During Fiscal Year 2018, four participants leased up under the Moving On Program while 7 participants were actively searching for a unit. Two participants moved into one of SDHC's areas of opportunity. Given the target outcome of participants served is currently 25 subsidies, SDHC may consider expanding the number of FSP partners to ensure all subsidies are leased during Fiscal Year 2019.

Moving On Program				
Metric	**Baseline** # %	**Benchmark** # %	**Outcome**	**Benchmark Achieved?**
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase)	$0	$50,000	$8,000	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services to increase self sufficiency (increase)	0	25	4	No
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined as transitioning to permanent housing.	0	5	0	No
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	2	2	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges. SDHC anticipates reaching benchmarks once the program is fully leased.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2018-1. MOVING HOME: A RAPID RE-HOUSING PROGRAM

Plan Year Identified: Fiscal Year 2018

Implementation Date: February 1, 2018

Plan Year Amended: N/A

Activity Description: Moving Home is a local rapid rehousing program utilizing MTW funds providing housing subsidies to homeless individuals and households while supportive services are rendered. The program also provides short-term transitional subsidies for individuals transitioning from other federally funded rapid re-housing programs to ensure stability during the transition. Modeled after a traditional rapid rehousing program, San Diego's local program assists homeless individuals and families with a mechanism to obtain an appropriate housing solution. Moving Home was implemented as a three year pilot program providing services such as housing relocation support, stabilization services, and transitional rental assistance to individuals and households residing on the street, in an emergency shelter, or exiting another rapid rehousing program.

The Moving Home program also ensures an array of resources are available to homeless individuals and households to stabilize and maintain housing while working towards financial independence. Using MTW and local funds, SDHC staff provides support services such as:

- Housing search
- Tenant counseling
- Build basic tenancy skills, including understanding lease requirements, and helping arrange utilities
- Making moving arrangements, including providing financial assistance for moving costs and move-in kits
- Mediation with property owners and landlords
- Developing, securing and coordinating services
- Providing information and referrals to other providers
- Developing an individualized housing and service plan, including planning a path to permanent housing stability
- Access to SDHC's Achievement Academy services

The housing subsidy combined with supportive services ensures program participants have adequate time to stabilize and achieve self-sufficiency. By assisting homeless individuals and households to rapidly return to stable housing, Moving Home will reduce the length of time San Diegans remain in homeless shelters. This will increase the availability of beds for other homeless persons requiring immediate shelter, while also reducing the public and personal costs of homelessness.

Impact of Activity: During Fiscal Year 2018, the program exceeded benchmarks in several areas. Total time to complete the task in staff hours is based on the metric of time needed to place a household into housing. The outcome exceeds the baseline since housing placements were completed with 2 FTEs rather than 3.75 FTEs. Average earned income also exceeded the benchmark due to the array of supportive services rendered to participant households. Education and Employment outcomes were lower than expected during the first year of implementation, but SDHC expects to achieve the related benchmarks as the program matures and expands over the course of the second year of operation. Moving Home will also participate in a Rapid Re-Housing Employment pilot in Fiscal Year 2019 to increase client participation in employment and educational resources.

Moving Home: A Rapid Re-Housing Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$312,000		$249,600		$153,600	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	7,800		6,240		3,840	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	17%		4%		2%	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	$0		$62,400		$247,056	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$0		$10,000		$19,701	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	22		38		22	No
(2) Employed Part-Time	7		56		7	No
(3) Enrolled in an Educational Program	8		6		8	Yes
(4) Enrolled in Job Training Program	4		18		4	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	TBD		5		7	No
SS #5: Households Assisted by Services that Increase Self-Sufficiency Number of households receiving services aimed to increase self sufficiency (increase).	0		50		257	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$772		$695		$785	No
SS #7: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$0		$88,934		$372,072	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self-sufficiency is defined as transitioning into a permanent housing solution.	0		96		171	Yes

Hardship Requests: N/A

Explanation of Challenges: Although Moving Home was in full operation for the duration of Fiscal Year 2018, the broader uses of funds component of the Moving Home program was not implemented. The program leverages local funds to provide the rental assistance subsidies, supportive services, and other rapid re-housing benefits. Local fund utilization deadlines and budgetary requirements informed the decision to postpone the utilization of the MTW Block Grant until Fiscal Year 2019. Outcomes reported for Fiscal Year 2018 represent actual program outcomes achieved without the expenditure of MTW funds. Voucher Management System (VMS) submissions report $0 HAP expenditures and zero unit months leased during Fiscal Year 2018. SDHC expects to exercise full fungibility in Fiscal Year 2019 and will report the data in VMS as required.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

NOT YET IMPLEMENTED ACTIVITIES

NOT YET IMPLEMENTED ACTIVITIES			
Activity	**Description**	**Plan Year**	**Discussion**
2016-3. Permanent Indoor Homeless Shelter Beds	A program creating additional shelter beds in the City of San Diego.	2016	SDHC administers three Bridge Shelters, opened on December 1, 2017. SDHC is conducting a needs analysis of the shelters and may utilize the initiative to leverage the expenses of the Bridge Shelters.
2014-4. Housing Subsidy Program for Homeless Youth	A time-limited pilot program providing subsidies for homeless youth while a partnering agency delivers supportive services such as counseling, job placement, education, training, and case management.	2014	SDHC has further modified the target population to serve a general population of homeless youth. Additionally, the subsidy provided to the parnering agency may be used to fund the housing component of the program as well as administration and operational expenses. Although the changes do not modify the scope of the initiative, the modifications are anticipated to increase the viability of the program. The initiative, in the previous format, failed to yield results in competitive solicitations.

ACTIVITIES ON HOLD

ACTIVITIES ON HOLD					
Activity	**Description**	**Plan Year**	**Implementation Date**	**Hold Date**	**Action Towards Reactivation**
2010-8. Establish an HCV homeownership program	A homeownership program was created to assist income-eligible HCV participants with purchasing a home. Housing assistance payments are utilized to assist with a mortgage payment rather than as a rental payment. Incentives to purchase a home are also program components. Waivers were enacted to modify the eligibility requirements for the program related to theminimum monetary threshold for savings accounts as well as implement the incentives for purchasing foreclosed homes.	2010	October 1, 2009	July 1, 2014	SDHC is in the process of reevaluating the program, therefore the program has been placed on hold indefinitely. New applications are no longer accepted effective July 1, 2014 for the program. Families currently participating in the homeownership program will continue to receive assistance.

Closed Out Activities

2009-1. Achievement Academy of the San Diego Housing Commission

Plan Year Identified: Fiscal Year 2009

Year Closed Out: Reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012.

Discussion:

- Final Outcomes and Lessons Learned: The activity is a Section 8 activity not requiring regulatory waivers or broader uses of funds authority. The activity is ongoing but reported as a single fund flexibility activity in Section 5 of the Report.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: Outcomes are reported in the single fund flexibility narrative.

2010-3. Triennial Reexaminations for Elderly and Disabled Families

Plan Year Identified: Fiscal Year 2010

Year Closed Out: Fiscal Year 2016

Discussion:

- Final Outcomes and Lessons Learned: Although the triennial reexamination schedule was considered a successful MTW activity in terms of efficiency, utilizing both a biennial reexamination schedule for work-able households and triennial reexamination schedule for elderly/disabled households proved difficult. Since households oftentimes experienced changes in household composition which resulted in transitions between the two populations, reexamination schedules continually modified for households. Also, consistency in reexamination cycles reduced confusion for rental assistance staff and external customers since the reexamination schedule was no longer impacted by household composition changes. Using a biennial reexamination schedule for all households proved most effective for all involved.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

Implement Triennial Income Recertifications for Elderly and Disabled Families						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$295,000		$213,660		$158,090	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	9,500		6,850		5,072	Yes

2010-10. Undertake Public Housing Development

Plan Year Identified: Fiscal Year 2010

Year Closed Out: Fiscal Year 2012

Discussion:

- Final Outcomes and Lessons Learned: This activity was closed out in the Fiscal Year 2011 MTW Report. Public Housing development occurs under the Fiscal Year 2011 Public Housing Development initiative which combines the authorizations and flexibilities of both activities.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: Public Housing units were not created via the Fiscal Year 2010 activity.

New Public Housing Transition						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #2: Units of Housing Preserved Numbe of housing units preserved for households at or below 80% AMI that would otherwise be available (increase).	0		12		0	No

2011-5. Disregard Retirement Accounts

Plan Year Identified: Fiscal Year 2011

Year Closed Out: Fiscal Year 2017

Discussion:

- Final Outcomes and Lessons Learned: The initiative was determined successful since the administrative burden of verifying retirement accounts, which often are verified as $0 cash surrender value, was eliminated. As a result of the initiative, SDHC determined no intrinsic value to including retirement accounts in the asset calculation since the rent portion is typically unchanged. SDHC's decision to re-propose activity *2010-5: Simplify Income and Asset Verification Systems* to eliminate verification of assets entirely from the rent calculation process rendered this activity unnecessary, thus SDHC's decision to close out the activity.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: All benchmarks were achieved.

Disregard Retirement Accounts in Asset Calculation						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$8,730		$0		$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	291		0		0	Yes

2011-9. Enhance Family Self-Sufficiency Program

Plan Year Identified: Fiscal Year 2011

Year Closed Out: Fiscal Year 2015

Discussion:

- Final Outcomes and Lessons Learned: This activity integrated into activity 2013-2 "Family Self-Sufficiency Reinvention".
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: Outcomes are reported in the matrix contained in the narrative for activity 2013-2.

2011-10. Broader Uses of Funds for IDAs

Plan Year Identified: Fiscal Year 2011

Year Closed Out: The activity was formerly reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012. Since the IDA activity concluded in September 2016, or Fiscal Year 2017, MTW Plans and Reports will no longer report on the program in the single fund flexibility narrative.

Discussion:

- Final Outcomes and Lessons Learned: With the focus of the Achievement Academy shifting to work-readiness services and job placement, the Individual Development Accounts no longer aligned with the strategic direction of SDHC. Path to Success further compelled the transition from an asset building curriculum to an emphasis on building job skills and motivating families to seek employment. SDHC considers the activity successful given all benchmarks were achieved and superseded, regardless of the decision to terminate the activity. Other MTW agencies with a focus on asset building may benefit from a similar type of program.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: All benchmarks were achieved.

Allow Broader Uses Of Funds for the Creation of Individual Development Accounts						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
Annual number of adult participants enrolled in the asset building program with an IDA funded by MTW funds	0		10		16	Yes
Annual number of participants enrolled in the youth asset building program with an IDA funded by MTW funds	0		10		68	Yes
Annual number of participants enrolled in the asset building program with a transportation IDA	0		10		29	Yes
Annual number of MTW IDA participants who opened an IDA account	0		20		110	Yes
Annual number of MTW IDA participants who developed a credit improvement plan	0		15		56	Yes
Annual number of MTW IDA participants who made at least nine monthly deposits to their IDA during a twelve-month period	0		15		37	Yes
Annual number of MTW IDA participants who completed ten hours of financial skills education	0		15		45	Yes

2012-4. Project-Based Subsidy Program for the Homeless

Plan Year Identified: Fiscal Year 2012

Year Closed Out: Fiscal Year 2015

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. SDHC determined the program structure as not advantageous to the agency's approach to ending homelessness in the City of San Diego. Efforts are focused on other development capacities.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

2013-5. Homeless Veteran Project-Based Subsidy Program

Plan Year Identified: Fiscal Year 2013

Year Closed Out: Fiscal Year 2014

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. Veteran's Village of San Diego (VVSD) determined the activity as neither economically advantageous nor viable under current circumstances and requested permission to close out the activity.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

2013-9. New Public Housing Transition

Plan Year Identified: Fiscal Year 2013

Year Closed Out: Fiscal Year 2014

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. The flexibility requested under the initiative was not required, thus the activity was closed out.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

2014-1. Transitional Subsidy Program for Homeless Veterans

Plan Year Identified: Fiscal Year 2014

Year Closed Out: Fiscal Year 2015

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. Veteran's Village of San Diego, the intended partnering agency for the program, indicated a preference to pursue an alternative rental subsidy program.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

SECTION V – SOURCES AND USES OF MTW FUNDS

A. ACTUAL SOURCES AND USES OF MTW FUNDS

Section V(A). MTW Report: Sources and Uses of MTW Funds
i. Actual Sources of MTW Funds in the Plan Year
SDHC submitted unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System (FASPHA).
ii. Actual Uses of MTW Funds in the Plan Year
SDHC submitted unaudited and audited information in the prescribed FDS format through the FASPHA.
iii. Describe Actual Use of MTW Single Fund Flexibility
SDHC uses MTW single fund flexibility to implement and operate programs for HCV and Public Housing program participants.
SDHC uses single fund flexibility to fund the Achievement Academy. The Achievement Academy is a learning and skills center available to families participating in the Housing Choice Voucher and Public Housing Programs. Programs offered at the Achievement Academy are geared to workforce readiness and financial literacy. The Family Self-Sufficiency Program is another component of the Achievement Academy. Please see the following pages for a thorough discussion of the Achievement Academy.

B. ACTUAL USE OF MTW SINGLE FUND FLEXIBILITY

ACHIEVEMENT ACADEMY

SDHC uses single-fund flexibility in support of MTW activities to enhance self-sufficiency programming. SDHC combines funds from public housing operating and capital fund assistance (authorized by section 9 of the United States Housing Act of 1937 [the Act]) and voucher funds (authorized by section 8 (o) of the Act) to implement a block grant/single fund budget approach to budgeting and accounting. SDHC has consolidated public housing and HCV program funds to implement the approved Moving to Work initiatives described in previously approved MTW Plans and will continue to do so in future Plans.

SDHC uses single-fund flexibility to conduct a variety of activities geared toward self-sufficiency. The Achievement Academy offers a broad range of one-on-one services and workshops geared toward workforce readiness and financial literacy. Partnerships with a variety of external organizations specializing in their fields enable SDHC to provide assistance to participants with different interests, career focuses, and skill levels. Leveraging funding from outside sources increases the services provided to participants. When possible, staff seeks to find grants that provide funding and coaching to assist both staff and participants. Following the Financial Opportunity Center (FOC) model, created by funding from the Local Initiatives Support Corporation (LISC), the Achievement Academy is able to provide robust services to participants that go beyond job leads and help support self-sufficiency. The resources offered at the Achievement Academy are a vital component of the Path to Success rent reform activity as participants are incentivized to increase income and work towards self-sufficiency. SDHC plans to continue and grow these partnerships to better serve families and increase economic self-reliance. The following describes services offered at the Achievement Academy:

Employment/Workforce Development

Job Developer
One of the Achievement Academy Workforce Readiness Specialist (WRS) positions serves as a job developer and makes connections with employers of in-demand occupations; organizes job fairs; and coordinates employment services with partner organizations. Training for participants covers such topics as résumé writing, customer service, and how to retain a job. The Achievement Academy also partners with Manpower, an industry leader in employment services. Manpower helps to leverage connections in the business community to help open doors to companies that typically have been a struggle for participants to get into in the past.

One-Stop Career Center
The KRA Corporation, a contractor from San Diego Workforce Partnership, provides services via a satellite One-Stop Career Center at the local downtown public library. The partner offers workforce development services including labor market information, career development, assessment, job search/retention skills, job placement assistance, and referrals to training opportunities.

Small Business Development Training
Landeros & Associates, a business consulting firm in San Diego, leads the microenterprise program educating participants about how to start or expand a small business and how to create or update a solid business plan. The program provides basic skills training and knowledge to underserved entrepreneurs and also identifies and expands linkages to critical community resources linked to small business development. Landeros & Associates also connects participants with opportunities for additional small business training, technical assistance, and access to mainstream financial institutions to boost economic development.

Employment/Workforce Development Workshops
SDHC Achievement Academy Workforce Readiness Specialists conduct employment readiness workshops and provide access to temporary and permanent employment. The Achievement Academy also offers on-site recruitment fairs. Participants are invited to attend presentations and hear directly from human resources representatives how to get hired at their company. Topics covered range from the job application and résumé submittal process to interview preparedness and communication skills. Prior to some recruitments, participants may receive assistance in the Academy's computer lab to submit on-line applications for jobs that will be presented in the recruitment.

Young Adult Programs
Staff at the Achievement Academy work to offer innovative programing in an effort to keep participants interested and engaged. Recently, the Academy began offering programs for young adults between sixteen and twenty-four years of age who are not working or enrolled in school. Students receive employment/education counseling and career guidance. The Achievement Academy has partnered with International Rescue Committee (IRC) to provide additional training and services to these young adults (as their funding allows). IRC offers intern placements to develop employment history.

Academy Computer Lab
The Achievement Academy has partnered with San Diego Futures Foundation to offer beginning and intermediate computer skills (Word, Excel, Internet) classes to participants with minimum or no previous computer use experience. Participants also have access to the SDHC Achievement Academy's 30-station computer lab for career assessments, career exploration, labor market information, résumé building, and on-line job applications. In addition, Manpower provides individual participant access to the internet based Training Development Center which hosts over 5,000 on-line courses for skills development.

Income Supports

THRIVE Initiative
THRIVE is a partnership between the United Way, the County of San Diego, and South Bay Community Services. The purpose of the initiative is to enhance the accessibility of benefits screening and tax preparation services. Benefits screening and application assistance is currently offered for an array of program such as CalFresh (food stamps), CalWorks, Women Infants and Children (WIC), California Healthy Families, Child Care Assistance, MediCal, and Supplemental Nutrition Assistance Program (SNAP). On-site benefit screening appointments continue to be conducted for participants.

Financial Education

Financial Counseling

The Achievement Academy employs a WRS that has been certified as a Financial Counselor. This staff member offers on-site credit counseling in debt reduction, credit repair, budgeting, and cash management skills. These services have been incorporated into the FOC service delivery model utilized within the Achievement Academy.

Financial Skills Education Workshops

Workshops are routinely offered in the following topic areas: Debt and credit repair; credit score improvement; controlling expenses; maintaining a financial fitness plan; electronic banking and direct employee deposits; budget management; ordering, reviewing, and repairing credit reports; investments strategies and options; and pensions/retirement planning.

Financial Coaching Training

All SDHC WRS staff utilize the LISC *Financial Counseling Model* to implement innovative coaching methods during one-on-one appointments with participants. SDHC is also positioned to assist participants with improving credit through a partnership with Credit Builders Alliance. The ability to internally pull credit reports allows SDHC to further assist participants by accessing current credit ratings in order to begin aligning client goals for credit improvement to future financial and career goals.

The chart below contains a summary of the results of Achievement Academy activities at the close of Fiscal Year 2018.

Achievement Academy				
Metric	**Baseline #**	**Baseline %**	**Outcome**	**Benchmark Achieved?**
Number of rental assistance participants receiving core services	982		1,343	Yes
Number of rental assistance participants with an increase in earnings	229		377	Yes
Number of rental assistance particpants placed in employment	144		326	Yes
Number of rental assistance participants employed for 12 or more consecutive months	44		46	Yes
Number of rental assistance participants who attended a work readiness workshop	727		319	No
Percent of rental assistance participants who attended a recruitment and resource fair and obtained employment as a direct result		0%	25%	Yes
Number of rental assistance participants who completed vocational or bridge training	0		31	Yes

LOCAL ASSET MANAGEMENT PLAN

Section V(B). MTW Report: Local Asset Management Plan	
i. Did the MTW PHA allocate costs within statute in the Plan Year?	Yes
ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?	No
iii. Did the MTW PHA provide a LAMP in the appendix?	No

iv. If the MTW PHA has provided a LAMP in the appendix, please provide a brief update on implementation of the LAMP. Please provide any actual changes (which must be detailed in an approved Annual MTW Plan/Plan amendment) or state that the MTW PHA did not make any changes in the Plan Year.

SDHC did not operate a Local Asset Management Plan during Fiscal Year 2018.

MTW BLOCK GRANT COMMITMENTS

In Fiscal Year 2018, SDHC committed $20 million in MTW funds to preserve and expand affordable housing in the City of San Diego. SDHC anticipated using around $10 million for development of new affordable housing units and expending the balance for rehabilitation activities on SDHC-owned properties. Of the $20 million committed, SDHC used $7.6 million to purchase Quality Inn to develop new affordable housing units and applied $3.1 million of this commitment towards (1) the rehabilitation of units located in SDHC's Via Las Cumbres development at $2.2 million, (2) used $.2 million for pre-development activities at Hotel Sandford, (3) used $.2 million for onsite improvements at La Jolla Marine, and (4) applied $.5 million towards GPNA activities. The unused portion of the balance remains committed and will be utilized for future affordable housing development activities, as described in the Fiscal Year 2019 MTW Annual Plan.

SDHC also committed $13.9 million in a separate commitment of MTW funds to address the capital needs of SDHC's affordable housing portfolio. Of this amount, SDHC used $5 million in MTW funds to renovate Via Las Cumbres, a property consisting of 36 public housing units and 84 affordable housing units. The remaining balance of $8.9 million was utilized to complete GPNA capital activities for SDHC-owned affordable housing units. The table below contains a summary of the expenditures occurring during Fiscal Year 2018.

MTW Block Grant Expenditure Summary		
Development	**Activity**	**MTW Investment**
Quality Inn	Acquisition	$7,600,000
Via Las Cumbres Affordable	Rehabilitation	$7,200,000
Hotel Sandford	Pre-Development	$200,000
La Jolla Marine	Onsite Improvements	$200,000
Scattered Sites - GPNA Phase II	Rehabilitation	$9,400,000
	TOTAL:	**$24,600,000**

UPDATE ON DEMOLITION OR DISPOSITION TRANSITIONAL FUNDING (DDTF) FUNDS

SDHC has received Capital Funds inclusive of both modernization and DDTF totaling $9,824,410 over a five year period, beginning with Fiscal Year 2015. During this 5 year period, SDHC integrated all Capital Funds into the MTW block grant. In Fiscal Year 2018, SDHC expended $2,700,489 on capital improvements specific to public housing, management improvements, and other traditional Capital fund expenses. Future Capital Fund allocations, Fiscal Year 2020 and beyond, are anticipated to be in amounts less than $100,000 annually, reflective of modernization funds only.

SECTION VI – ADMINISTRATIVE

A. **Reviews, Audits, and Inspections:** There are no HUD reviews, audits, or physical inspection issues requiring PHA action.

B. **Evaluation Results:** There are no MTW PHA-directed evaluations requiring PHA action.

C. **MTW Statutory Requirement Certification: See Appendix A**

D. **MTW Energy Performance Contract (EPC) Flexibility Data:** SDHC does not utilize and MTW Energy Performance Contract.

APPENDIX A
MTW STATUTORY REQUIREMENT CERTIFICATION

Certification of MTW Statutory Compliance

On behalf of the San Diego Housing Commission, I certify the Agency has met the three statutory requirements of the Moving to Work program during Fiscal Year 2018:

1. At least 75 percent of the families assisted by the Agency are very low-income families;

2. The Agency has continued to assist substantially the same total number of eligible low-income families as would have been served without MTW; and

3. The Agency has continued to serve a comparable mix of families (by family size) as would have been served without MTW.

Richard C. Gentry
President & Chief Executive Officer

7/24/2018
Date

San Diego Housing Commission 1122 Broadway, Suite 300 San Diego, CA 92101 619.231.9400 www.sdhc.org

Appendix B
Disclosure of Lobbying Activities

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action: [b]
a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action: [b]
a. bid/offer/application
b. initial award
c. post-award

3. Report Type: [a]
a. initial filing
b. material change
For Material Change Only:
year ________ quarter ________
date of last report ____________

4. Name and Address of Reporting Entity:
[x] Prime   [ ] Subawardee
Tier ______, *if known*:

San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101

Congressional District, *if known*: 4c CA-52

5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:

Congressional District, *if known*:

6. Federal Department/Agency:
U.S. Department of Housing and Urban Development

7. Federal Program Name/Description:
FY 2018 MTW Block Grant

CFDA Number, *if applicable*: N/A

8. Federal Action Number, *if known*:

9. Award Amount, *if known*:
$ 166,564,233

10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):

N/A

b. Individuals Performing Services (*including address if different from No. 10a*) (*last name, first name, MI*):

11. 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:
Print Name: Richard C. Gentry
Title: President and Chief Executive Officer
Telephone No.: 619-578-7531   Date: 07/17/2018

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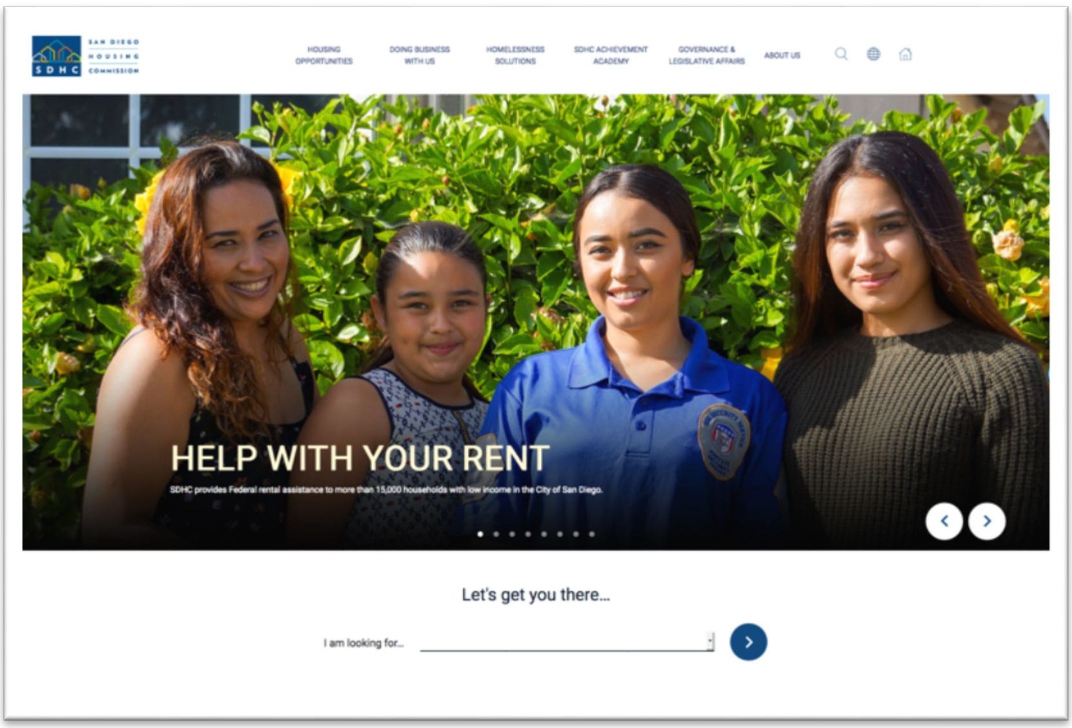
Standard Form LLL (Rev. 7-97)

Appendix C
Non-MTW Related SDHC Information

SDHC Website Redesigned
Throughout Fiscal Year 2018, SDHC developed a redesigned agency website that launched on July 2, 2018.

This is the first comprehensive redesign of SDHC's website in close to 10 years.



The new website is easier to navigate, more visually appealing, responsive to different mobile devices, and clearly communicates the agency's mission.

Among the features of the new website are:

- Accessibility tool to help individuals with disabilities more effectively access the information available online;
- Google Translate for visitors to select the language they would like to use for the website;
- "Let's Get You There" search function to help the public identify the information they want based on general subject areas;
- List of affordable housing developments currently pending construction and contact information;
- Maps, searchable by ZIP Code, that identify affordable rental housing throughout the City of San Diego;
- Links to live streaming audio of SDHC Board meetings and video of Housing Authority of the City of San Diego meetings; and
- "At a Glance" page that provides links to informational snapshots about a few of SDHC's programs.

The guiding principle of the redesign was to make the website more user friendly. This redesign puts the user first.

Housing Our Heroes
On September 28, 2017—during Fiscal Year 2018—the Housing Our Heroes initiative reached its goal of helping 1,000 homeless Veterans in the City of San Diego secure rental housing through this collaborative effort to provide them with a path off the streets.

Formerly Homeless U.S. Navy Veteran Megal

SDHC and the City of San Diego partnered on the Housing Our Heroes initiative, which launched on March 1, 2016, and was part of HOUSING FIRST – SAN DIEGO, SDHC's homelessness action plan.

Housing Our Heroes consisted of four programs, including MTW and non-MTW programs:

1. **Landlord Outreach:** This program provided incentives for landlords with rental properties in the City of San Diego with rental units located in ZIP Code 92037 and ZIP Codes that begin with 921, excluding 92118, and landlords in the City of National City with rental units located in ZIP Code 91950 who rent to homeless Veterans.
2. **Rapid Rehousing Assistance:** Funds were awarded to nonprofit or for-profit service providers through a competitive Notice of Funding Availability. The service providers make rental assistance payments directly to landlords (on average, four to six months, but may cover up to two years) and pay up-front move-in costs, such as security deposits and utility deposits.
3. **SDHC Federal Veterans Affairs Supportive Housing (VASH) Vouchers:** SDHC partners with the U.S. Department of Veterans Affairs (VA) San Diego Healthcare System to administer VASH vouchers, which provide rental assistance to honorably discharged Veterans experiencing chronic homelessness while also having a disability.
4. **SDHC Federal Housing Vouchers with Supportive Services:** SDHC awards Sponsor-Based Housing Vouchers to nonprofit or for-profit organizations, or "sponsors," to provide rental assistance to homeless Veterans to help pay for their housing. The "sponsors" provide supportive services, such as mental health counseling; substance abuse treatment programs; and independent living skills classes.

Building upon the success of Housing Our Heroes, SDHC expanded the Landlord Outreach program to assist all households experiencing homelessness—Veterans and non-Veterans. This expanded effort is SDHC's Landlord Engagement and Assistance Program (LEAP), which is part of the current phase of HOUSING FIRST – SAN DIEGO.

Free Tax Prep San Diego

Free Tax Prep San Diego was a collaboration among SDHC, the San Diego City-County Reinvestment Task Force, the San Diego Earned Income Tax Credit (EITC) Coalition, and the founding corporate partner Citi Community Development, which aimed to raise awareness and utilization of Volunteer Income Tax Assistance (VITA) sites and Earned Income Tax Credits (EITC) for eligible workers.

The initiative began on January 29, 2018, and ran through the Federal tax filing deadline of April 17, 2018. The San Diego EITC Coalition is led by the United Way of San Diego County.

U.S. Representative Scott Peters, California State Senator Toni Atkins, San Diego County Supervisor Greg Cox, San Diego City Council President Pro Tem Barbara Bry, SDHC Chairman Frank Urtasun, and Global Director of Citi Community Development and Inclusive Finance Bob Annibale spoke at a news conference about Free Tax Prep San Diego that was held at SDHC's San Diego Square Senior Apartments on February 9, 2018.

Free Tax Prep San Diego included outreach specifically to more than 15,000 SDHC Federal rental assistance participants and tenants of SDHC-owned affordable rental housing; supported three tax preparation "super sites" based at local malls; hosted tax preparation education workshops; and offered Virtual VITA services through the Virtual Counselor Network (VCN). The initiative also screened filers for other public benefits, such as the Supplemental Nutrition Assistance Program (SNAP).

Free Tax Prep San Diego was supported by $250,000 from Citi Community Development.