

Moving to Work 2017 Annual Plan



Vancouver Housing Authority

Amendment Approved by VHA Board – July 27, 2017

Moving to Work 2017 Annual Plan

VANCOUVER HOUSING AUTHORITY

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SECTION I: INTRODUCTION

The Vancouver Housing Authority

The mission of the Vancouver Housing Authority (VHA) is to provide opportunities to people who experience barriers to housing because of income, disability, or special needs in an environment which preserves personal dignity, and in a manner which maintains the public trust. In order to fulfill that mission the VHA owns and manages numerous low-income housing projects and operates several subsidized housing programs. Foremost among these is the Section 8 Housing Choice Voucher program. The VHA contracts with the Department of Housing and Urban Development (HUD) to operate this program throughout Clark County in the state of Washington.

Starting in 1999 the VHA was selected by HUD to participate in a demonstration program named Moving to Work. This program provides the VHA the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. As a Moving to Work Agency, the VHA receives exemptions from many program rules and more flexibility regarding the use of Federal funds.

The Moving to Work Statutory Objectives:

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

Initiatives developed and approved under the MTW demonstration that utilize the flexibility offered under the terms of the MTW Agreement require approval from HUD and are known as MTW Activities. Each year the VHA writes and provides for public comment an annual plan that describes ongoing and new activities that use MTW flexibility. After consideration of public comments the plan is approved by the VHA Board of Commissioners and is submitted to HUD for final approval. The content and format of this plan is mandated by HUD and is described in an attachment to the Moving to Work Agreement. The attachment is periodically updated and this 2017 Annual MTW Plan conforms to the latest requirements.

Short and Long-Term MTW Goals and Objectives

Each year the VHA Board and agency staff review and restate the strategic plan for the agency. The current strategic plan identifies five key areas within which our specific goals and strategies fall. These areas are Housing Access, Resident Services, Portfolio Management, Fiscal Stability, and Operations:

- VHA goals for increasing housing access include developing new affordable housing, increasing housing options through partnerships and innovative programming, and providing housing for under-served populations and those with special needs.
- Long-term goals around resident services include expanding work readiness and employment support program availability, expanding linkages with community social and educational partners to encourage school success and investigating programming that supports independence of seniors and other vulnerable adults.
- Portfolio Management goals include increasing VHA's capital funding flexibility to allow for fiscally sound property improvements and enhancing our ability to secure private funding.
- Long-term goals for fiscal stability include exploring ways to increase revenue, reducing development cost and managing revenue and expenses to ensure the agency maintains long term fiscal stability.
- Operations goals are to encourage an innovative and effective workforce and ensure that employment law and Human Resources best practice compliances are being met.

This Plan introduces VHA's short-term goals for 2017 that are specific to MTW. This year VHA is seeking approval for significant changes to two existing MTW Activities; our Alternative Project-Based Voucher Program and our Minimum Income Rent Reform. These proposed changes are described in Section III of this Plan. We are also to close out some existing activities and make a few modifications to the Rent Buy-Down Activity that we introduced in 2015 that we hope will result in us being able to implement this activity. We plan to continue to use the single fund flexibility to support additional services for the families we serve including our work opportunity program and new services to assist voucher holders struggling to find units in our tight rental market.

In addition to MTW Activities VHA has a number of new housing projects in development, some of which utilize Project-Based Vouchers and one (Caples Terrace) that will use Local Blended Subsidy (LBS). The Meadows, Meriwether Place, Rhododendron Place, and Caples Terrace will also utilize Disposition Funds. VHA is also planning to submit a Disposition application for the Fruit Valley site, a former Public Housing project where the Public Housing units were converted and transferred to another site under RAD.

VHA recognizes and appreciates that the MTW demonstration is a valuable tool for meeting the housing needs of Vancouver and Clark County and that the statutory objectives of the demonstration align with VHA's goals of promoting resident empowerment and self-sufficiency, maximizing the use of federally subsidized housing and rent assistance, and providing opportunities to people who experience barriers to housing because of income, disability or special needs.

Amendment to the 2017 Annual Plan

Vancouver Housing Authority (VHA) is proposing to amend our 2017 MTW Annual Plan in order to seek approval of, and adopt, changes in two of our current MTW Activities. These activities are the Minimum Income for work-able households and the (currently) 33% Household Share. The reason these changes are being proposed at this time is because of an anticipated reduction in the level of funding for the Section 8 Housing Choice Voucher (HCV) program. Over the last two years, the average Housing Assistance Payment (HAP) has risen by \$114, a 23% increase, while program funding has stayed relatively flat. This increase in costs is primarily due to the dramatic growth in rents we are seeing in the local housing market. VHA has already taken a number of steps to contain costs, including suspending issuing new vouchers to replace those made available when households exit the program. However these steps are not enough, and now we are proposing additional changes that will help with the increasing cost of providing housing subsidies.

The proposed changes to our MTW activities are described in Section III. The activities previously listed in this section in the original 2017 plan have been moved to Section IV. In addition, we are also noting in this amendment that we will be using single fund flexibility to utilize funds received for public housing for HCV HAP expense.

SECTION II: GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. Housing Stock Information

Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type *	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible	Adaptable
Caples Terrace AMP Number TBD	12	12	4	0	0	0	0	28	General	6	22
Total Public Housing Units to be Added								28			

* Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other

If Other, please describe:

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev.#/AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
NA NA	None	NA
Total Number of Units to be Removed	None	

New Housing Choice Vouchers to be Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based	Description of Project
Meriwether Place	15	New construction 30-unit project with services for chronically mentally ill and owned by a VHA affiliated non-profit, Columbia Non-Profit Housing.
Rhododendron Place	30	A new 30-unit project to be developed by a VHA affiliated non-profit, Columbia Non-Profit Housing.
Isabella Court Phase II	30	The second phase of a project owned by Reach Community Development. Phase I was completed in 2016 and was awarded 10 PBV of 46 total units. Phase II will add 49 more units, 30 of them PBV, in 2017.
TBD	100	VHA plans to make additional PBV units available under a RFP in 2017
Anticipated Total New Vouchers to be Project-Based	175	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year
		831*
		Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		663

* Note that 212 PBV units result from conversions under RAD and are not be counted toward VHA's 20% PBV cap.

Other Changes to Housing Stock During the Fiscal Year

VHA does not anticipate any changes to housing stock other than those described in the previous tables.

General Description of All Planned Capital Fund Expenditures During the Plan Year

VHA received an unanticipated award of \$257,161 in Capital funds in 2016 that we plan to use toward construction costs of the planned Bridgeview Resource Center at Skyline Crest.

B. Leasing Information

Planned Number of Households Served at the End of the Fiscal the Fiscal Year

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
Federal MTW Public Housing Units to be Leased	0	0
Federal MTW Voucher (HCV) Units to be Leased	2150	25800
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	30	360
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	30	360
Total Households Projected to be Served	2210	26520

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

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

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

Reporting Compliance with Statutory MTW Requirements

VHA is currently in compliance with required statutory MTW requirements.

Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions

Housing Program

Description of Anticipated Leasing Issues and Possible Solutions

Housing Choice Vouchers

VHA anticipates that the current tight rental market will continue into 2017 making finding an available rental unit challenging for voucher holders. The situation should begin improving as newly constructed properties come online. VHA has increased payment standards, requested and received an increase to the local FMRs and implemented a landlord incentive program in order to assist voucher holders with their housing search.

Public Housing Program

VHA does not anticipate any Public Housing units available to lease in FY 2017. Caples Terrace is now not expected to be completed until Spring 2018.

Local Non-Traditional Units

VHA anticipates that the 2nd Step program will not have any leasing issues. The School Stability Subsidy Program has also met it's leasing goals in 2016 and plans to be fully utilized in 2017.

C. Waiting List Information

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s)*	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW HCV Program	Community-Wide	191	Partially Open	No
Federal MTW HCV Program	Community-Wide (Shared)	239	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Camas Ridge)	1134	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Van Vista)	777	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Vista Court)	301	Partially Open	No
Federal MTW HCV Program (PBV)	Site-Based (RAD-VHA Apt)	529	Closed	No
Federal MTW HCV Program (PBV)	Site-Based (RAD-Skyline)	817	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (RAD-Millcreek)	1349	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Fruit Valley)	1128	Open	NA

* Select Housing Program: Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** Select Wait List Types: Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

The community- wide HCV program list is partially open for applicants who qualify for two local preferences: 1) VHA and PBV residents displaced due to being under-housed/overcrowded, need for accessible unit, or disposition/condemnation actions. 2) Homeless applicants referred by school districts or Health Home agencies under the terms of their memorandum of understanding (MOU) with the VHA.
The Site-Based PBV list for Vista Court is only open to applicants qualifying for a two-bedroom unit.

If Local, Non-Traditional Program, please describe:

NA

If Other Wait List Type, please describe:

NA

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

NA

SECTION III: PROPOSED MTW ACTIVITIES

VHA is proposing to amend the 2017 MTW Annual Plan in order to make significant changes to the following two existing MTW Activities:

Activity 2013-01: Minimum Income Rent Reform

Description

This activity utilizes a minimum annual income when calculating the HAP for any household that contains one or more work-able family members. Work-able is defined as an adult under the age of 62 who is not disabled, a dependent, or a full-time caretaker for a disabled household member. Households that contain one or more members who are work-able have their amount of housing assistance calculated using the minimum income if the household's actual anticipated annual income is less than the minimum.

In 2013 the initial minimum income was set at \$9000 annually for each work-able family member. The annual minimum income amount was increased to \$10,000 for 2017. These amounts roughly matched the amount of income a person would earn annually if they were working at minimum wage for twenty hours per week, or 1040 hours annually.

For example, in 2017 a household with one work-able member is assigned a minimum income of \$10,000; a household with two workable members has a minimum income of \$20,000, and so on. If the household's actual annual income as determined under the program regulations falls below the minimum, tenant rent and housing assistance is calculated using the minimum. If the household's actual income is greater than the minimum, the actual income is used and the minimum income is not a factor in the calculation. A household subject to the minimum still has any deductions they might be eligible for under HUD regulations (or as modified by VHA MTW policy) subtracted from the minimum income as part of the calculation of rent and HAP.

VHA is proposing to automatically raise the amount of the minimum income to match the actual Washington State minimum wage schedule. In November 2016 voters in Washington approved annual increases in the minimum wage through 2020. On January 1, 2018 the minimum wage will go to \$11.50. VHA is proposing to increase the minimum income amount to \$11,960 for each work-able member for determinations of housing assistance effective January 1, 2018 and later in 2018. Effective January 1, 2019, the minimum wage increases to \$12.00 per hour. The corresponding increase in the minimum income will be to \$12,480. Effective January 1, 2020, the wage increases again to \$13.50 and the corresponding minimum income will be \$14,040. After 2020, the minimum wage will be indexed to inflation. Future increases in the minimum income beyond 2020 will be automatic once the minimum wage is established in those years. It should also be noted that many people residing in Vancouver find employment across the river in Portland and Oregon State has adopted a very similar schedule of minimum wage increases for the Portland metropolitan area.

Relation to Statutory Objectives

This proposed activity will provide incentives to families with children to obtain employment and become economically self-sufficient. In addition, the activity will also reduce costs through lower HAP expense due to the minimum income and through higher household incomes.

Impact on Statutory Objectives

VHA anticipates an increase in the number of work-able households with earned income and an increase in the average amount of earned income. This increase in household income, along with the direct effect of the minimum income on the calculation of assistance, will result in cost savings through a reduction in HAP expense.

Metrics and Data Collection

For this activity VHA will collect data and report outcomes under the following metrics. Baselines, benchmarks and outcomes will be reported in the MTW Annual Report.

HUD Standard metrics:

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

Authorizations

This activity is authorized under Sections C. 11. and D. 2.a. of Attachment C of the Amended and Restated Agreement.

Additional Information for Rent Reform Activities

The VHA Board approval of this policy and the documentation of the public hearing is the same as for the Annual Plan and may be found in Section VIII.

IMPACT ANALYSIS

Currently 328 households have their housing assistance calculated based on the minimum income. The majority of these households have some income, but not enough to offset completely the minimum income; only 49 reported no income at all at their last reexamination. The 328 households at minimum represent about 32% of all work-able households; with the majority earning income above the minimum. The proposed increase in the minimum for 2018 will result in an average rent increase of \$68 for those households at the minimum if all other factors remain the same at their next reexamination. However our expectation is that many will have a higher income next year due in part to the higher minimum wage.

Number of Work-Able	2017 Minimum Income	Average 2017 TTP at Minimum	Proposed 2018 Minimum Income	Estimated 2018 TTP at Minimum
Household with One Work-Able Member	\$10,000	\$251	\$11,960	\$304
Household with Two Work-Able Members	\$20,000	\$513	\$23,920	\$620
Household with Three Work-Able Members	\$30,000	\$786	\$35,880	\$948

This increase in the minimum income amount is anticipated to reduce annual HAP expense for the VHA by \$375,000. To achieve similar savings through a reduction in the number of households served, we would have to terminate over 50 households.

As with all rent reform activities under the MTW program, households experiencing a hardship attributable to this activity may seek a waiver from the policy under the terms of the VHA hardship policy.

Activity 2015-02 Alternative TTP Calculation (Formally 33% Household Share)

Description

This MTW activity makes a policy change in the percentage of adjusted income used to determine the Total Tenant Payment (TTP) that is used in determining tenant rent and housing assistance in HCV programs. This policy affects all HCV households, work-able and elderly/disabled, that are part of the MTW demonstration. Vouchers funded under VASH will not be affected. The TTP is determined by the highest of: 1) 30% of the household's monthly adjusted income; 2) 10% of the household's monthly income; or 3) The minimum rent of \$50. Under this activity VHA changed the percentage of adjusted monthly income from 30% to 33%.

In the HCV tenant-based program the TTP is deducted from the lesser of the gross rent or the payment standard to determine the HAP. Also under this activity, households with a tenant-based voucher are allowed to have a family share of up to 50% of the family's adjusted monthly income at initial occupancy, an increase over the 40% maximum family share allowed under regulation.

For households in Project-Based Voucher (PBV) units the Utility Allowance (UA) is subtracted from the TTP to determine tenant rent.

In this Amendment to the 2017 Plan, VHA is proposing to change the percentage of adjusted monthly income used in the TTP calculation to 35%. The vast majority of TTP calculations are based on the percentage of monthly adjusted income, so this change will result in a small rent increase (2% of monthly income) for almost all households and a corresponding decrease in the amount of housing assistance to be paid.

Relation to Statutory Objectives

This activity will reduce costs and achieve greater cost effectiveness and will also increase housing choice.

Impact on Statutory Objectives

This activity reduces cost by increasing the tenant share of the rent and reducing the average housing assistance payment.

Metrics and Data Collection

Metrics will include the following Standard HUD Metric for cost effectiveness. Data will be collected from periodic reports from the VHA's housing database. Baselines, benchmarks and outcomes will be reported in the MTW Annual Report.

- CE #1: Agency Cost Savings
- CE #5: Increase in Tenant Rent Share
- HC #1: Additional Units of Housing Made Available
- HC #3: Decrease in Wait List Time

Authorizations

This activity is authorized under Section C.11. and Section D.2.a. of Attachment C of the Amended and Restated Agreement.

Additional Information for Rent Reform Activities

This Board approval and public hearing requirements for a rent reform activity are the same as the approval and hearing for the 2017 Plan Amendment as a whole.

IMPACT ANALYSIS

This activity will impact almost all participants in the VHA's Section 8 HCV program. The only households not impacted are those reporting little or zero income and some special purpose vouchers funded outside of MTW. Changes in tenant rent attributable to this increase in the percentage of adjusted income will range from \$3 per month to \$106, with the average being \$23. The table below shows the average change for household by where there income is in comparison to the Area Median Income (AMI).

Household Income Compared to AMI	Number of Households	Current Average Rent	Rent Based on 35% of Income	Potential rent Increase
Less than 10% of AMI	287	\$110	\$120	\$10
From 10% to 20%	1025	\$187	\$202	\$15
From 20% to 30%	752	\$323	\$345	\$23
From 30% to 40%	430	\$504	\$538	\$34
From 40% to 50%	174	\$705	\$751	\$46

Over 50% of AMI	81	\$992	\$1054	\$62
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This increase in percentage of adjusted income from 33% to 35% is anticipated to reduce annual HAP expense for the VHA by over \$750,000. To achieve similar savings through a reduction in the number of households served, we would have to terminate over 100 households.

As with all rent reform activities under the MTW program, households experiencing a hardship attributable to this activity may seek a waiver from the policy under the terms of the VHA hardship policy.

SECTION IV: APPROVED MTW ACTIVITIES

A. Implemented Activities

The table below lists all approved, implemented, and ongoing activities from prior Plan years. Following the table is a description and update of each activity.

Approved, Implemented and Ongoing Activities		
Activity Number	Activity Name	Plan Year Approved
2016-01	Family Self-Sufficiency Lite	FY 2016 Annual Plan
2015-02	Alternative TTP Calculation	FY 2015 Annual Plan
2014-06	Alternative Project-Based Voucher Program	FY 2014 Plan Amendment
2014-05	Interim Verification Policy	FY 2014 Plan Amendment
2014-04	Second Step Transitional Housing Program	FY 2014 Plan Amendment
2014-01	Modified FSS Escrow Calculation	FY 2014 Annual Plan
2013-02	School Stability Subsidy Program	FY 2013 Plan Amendment
2013-01	Minimum Income Rent Reform	FY 2013 Annual Plan
2012-04	Short Term Rental Assistance	FY 2012 Plan Amendment
2012-03	Home Sharing in Housing Choice Voucher Program	FY 2012 Annual Plan
2012-01	Community Supported Self Reliance	FY 2012 Annual Plan
2011-04	VHA staff to perform HQS and rent reasonable on VHA owned properties	FY 2011 Annual Plan
2010-02	Skyline Crest Campus of Learners	FY 2010 Annual Plan
2009-19	Special admission procedure for assisted living program	FY 2009 Plan Amendment
2009-16	Renter Education Required for Applicants	FY 2009 Plan Amendment
2009-15	Limit contract rent increases in the HCV program to one per year	FY 2009 Plan Amendment
2009-13	Reset of next required reexamination after interim reexamination	FY 2009 Plan Amendment
2009-10	Replacement of medical expense deduction	FY 2009 Plan Amendment
2009-08	Simplified utility allowance schedule in HCV program	FY 2009 Plan Amendment
2009-03	Verification of assets limited to those declared greater than \$50,000	FY 2009 Annual Plan
2008-01	Time-Limited Vouchers tied to services	FY 2008 Annual Plan
2007-02	Alternate required reexamination schedule	FY 2007 Annual Plan

Activity 2016-01: Family Self-Sufficiency Lite

Description

VHA offers a shorter version of the Family Self-Sufficiency (FSS) program in addition to the traditional five-year FSS program. This shorter version of the FSS program is not intended to replace the traditional program nor is it intended to siphon any potential applicants from that program. Rather it is intended for those households that have an interest in increasing self-sufficiency but are reluctant to commit to the full five-year FSS program. This version has a much shorter commitment and will allow for more modest self-sufficiency goals, but is convertible to the full program should any participant find they wish to do so during their participation.

Program rules are as follows:

- The Contract of Participation (COP) is for two years rather than five
- There is required classroom participation to address employment, education, financial management, and family dynamics goals.
- Escrow calculation is traditional. TTP at time of contract signing will determine escrow calculation during the two years. No requirement of eligibility review within 180 days of contract signing
- Maximum escrow earned is capped at \$2,000
- Participant's goals in their ITSP must be met in order to graduate from the program
- Pay points that are allowed under VHA's full FSS program are not allowed in FSS Lite
- Residents may choose to participate in FSS Lite only once. Participants who have graduated from FSS Lite will not be permitted to participate in the Mainstream FSS program after graduation. However, FSS Lite participants will be permitted to convert to the Mainstream FSS program prior to completing their FSS Lite COP (see Contract Extensions, below).
- Current Mainstream FSS participants will be permitted to terminate their Mainstream FSS Contract of Participation and enroll in FSS Lite only once. Any accumulated escrow while in FSS Mainstream will be forfeited.
- Contract extensions in FSS Lite are not allowed, however participants may choose to "upgrade" to the Mainstream FSS program using their original COP date in FSS Lite, thereby extending their participation in the program. Adjustment of the COP will not only extend the dates, but also set the TTP for any further escrow accumulation at \$450, the current amount in the MTW Activity 2013 under the Mainstream FSS program.

Participants who choose this option must also agree to set a goal in their ITSP to be free from all forms of public assistance, including VHA subsidized housing at the time of graduation. The reason for offering conversion rather than full participation in Mainstream FSS after graduation from FSS Lite is to prevent any participant the opportunity to earn more escrow than one who chose the full version of FSS at entry.

Status Update

This activity was implemented in 2016 with the first participants signing their contract in March. There are currently (August 2016) eight participants. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2015-02: Alternative TTP Calculation

Description

This policy change originally increased the percentage of adjusted income used to calculate tenant rent and housing assistance from 30% to 33%. In the HCV tenant-based program 33% of the household's monthly adjusted income is deducted from the lesser of the gross rent or the payment standard to determine the Housing Assistance Payment (HAP). Also under this activity, households with a tenant-based voucher are allowed to have a family share of up to 50% of the family's adjusted monthly income at initial occupancy. This change offsets the

reduction in dollars in the 40% maximum family share that occurs with the decrease in HAP resulting from the change to using 33% of monthly adjusted income.

For households in Project-Based Voucher (PBV) units the Utility Allowance (UA) is subtracted from 33% of the household's monthly adjusted income to determine tenant rent.

Status Update

VHA is proposing to increase the percentage of adjusted income used from 33% to 35% in this amended 2017 Annual Plan, see Section III for detail on proposed changes.

2014-06 Alternative Project-Based Voucher Program

Description

The VHA first proposed an alternative Project-Based Voucher program in the FY 2008 MTW Annual Plan. Subsequently a number of MTW policies relating to the PBV program were incorporated into specific MTW Activities or as standalone MTW activities. This activity consolidated those policies in order to clarify that they apply to all PBV projects funded under MTW. VHA's Alternative Project-Based Voucher program utilizes the existing regulations under 24 CFR §983 with the following exemptions:

- The required competitive bidding process is waived when VHA is placing PBV in a project owned by the VHA or a closely affiliated organization.
- The requirement to offer a move voucher after one year of tenancy if requested and one is available is waived and the VHA will not provide move vouchers except in cases of overcrowded or under-occupied units where VHA does not anticipate an appropriate sized PBV becoming available. (Note that HUD continues to require move vouchers in PBV projects converted under RAD)
- The requirement that tenants be selected from a waiting list may be waived for projects where participation in specific services is a requirement of residency. Instead selection will be based on referral from the service providing agency. Services may include, but are not limited to, case management, self-sufficiency, mental health and alcohol and drug dependency programs.
- VHA may allow up to 100% of the units in a project to be PBV even when the project is not exclusively for elderly or disabled households or when no services are required.
- MTW Activity 2011-05, which allows VHA to perform HQS inspections and to make determinations of ongoing rent reasonableness in both project-based and tenant-based vouchers remains a stand-alone activity, but is also referenced in the description of this activity.
- VHA may utilize up to 30% of the amount of budget authority allocated to the VHA by HUD under the voucher program.

Status Update

This activity was approved by HUD on August 6, 2014 and will be ongoing in 2017. This activity is also being re-proposed in Section III as VHA is seeking approval to waive the maximum number of vouchers that may be project-based from 20% of voucher budget authority and allow this program to expand up to 30% of budget authority.

Activity 2014-05: Interim Verification Policy**Description**

This activity changes the way reductions of income and family changes are verified and the effective dates for interim reexaminations. Households may still request an interim reexamination at any time but will also have to provide appropriate verification of the change that they are reporting prior to any resulting change in tenant rent becoming effective. If the request *and* the verification is received before the 15th of the month, any resulting change in tenant rent will be effective the first of the following month. Current program regulations [24 CFR § 982. 516 (a)(2)] require the VHA to obtain verification so this change requires MTW authority in order to shift the responsibility for obtaining verification to the participant. The VHA will still obtain verification for initial eligibility reexaminations and for regular/annual reexaminations.

Status Update

This activity was approved by HUD on August 6, 2014 and will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2014-04: Second Step Transitional Housing Program**Description**

The Second Step Transitional Housing Program is a program for homeless individuals and families with income below 30% of the Area Median Income (AMI). This is a local non-traditional housing subsidy program where VHA provided funding of up to \$90,000 annually in housing assistance to a local non-profit; Second Step Housing.

Second Step Housing utilizes 11 large group homes for this program. They have a capacity of about 35 individuals and families at one time. Tenants must be homeless at admission, income eligible and willing to participate in case management, classes, and shared living. Utilities are provided and tenants pay 30% of their adjusted income for rent. Calculation of income for eligibility and rent is done in compliance with the regulations found at 24 CFR § 5.609. All housing units are alcohol and drug free. The maximum length of stay in the program is two years.

Status Update

This activity was approved by HUD on August 6, 2014. The activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2014-01: Modified FSS Escrow Calculation**Description**

This activity modifies the way escrow is calculated in the full, five-year, Family Self-Sufficiency Program (FSS). VHA's method under MTW has two parts. The first part is a monthly deposit to a participants escrow account when they have increased earned income that results in a Total Tenant Payment (TTP) over the baseline set when they join FSS. However the baseline is a fixed amount set at \$450 for all new participants regardless of their income rather than the conventional practice of setting it at the TTP of their most recent eligibility reexamination prior to their admission to FSS. The second part is that VHA pays a specific amount to a participant's escrow account based on specific achievements. Some of these "pay points" result in an immediate deposit to the escrow account while others are not calculated and paid until a successful program graduation. The current pay points and deposit amounts are listed below:

1. Complete 50% of required core GOALS* classes in first 12 months (24 months if working/school full time) = \$500
2. Complete entire GOALS curriculum = \$500
3. Employment obtained at a minimum of 20 hours per week in industry specified in ITSP = \$500
4. Maintain employment (calculated at end of contract)
 - a. At least 32 hours per week for 6 consecutive months =\$500; or
 - b. At least 32 hours per week for 12 months or more =\$1,000
5. Increased credit score (one only, calculated at end of contract)
 - a. To 550 = \$300
 - b. To 600 = \$350
 - c. To 650 = \$400
 - d. To 700+ = \$500
6. Complete educational goal (one only, calculated at end of contract)
 - a. GED = \$150
 - b. Post-Secondary Certification (minimum 6 months) =\$250
 - c. AA degree = \$500
 - d. BA degree or higher \$750
7. Established savings account with \$500 minimum for 12 months = \$500
8. Complete all ITSP goals and graduate prior to contract end date = \$750
9. Purchase a home= \$1,000 (available at closing of home loan)

The maximum allowable that a participant may earn under pay points is \$6,000. There is no limit set on the amount a participant may earn under the increased earned income part of the escrow calculation. Under this new system FSS participants are only eligible for one interim withdrawal from their escrow account during their program participation.

Update on Status

This activity was implemented for all FSS participants admitted after January 1, 2014 and will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2013-02: School Stability Subsidy Program Description

This is a local non-traditional rental subsidy activity that uses MTW funds for a pilot subsidy program in partnership with Family Resource Centers (FRC) at selected local schools and a local agency serving the homeless. Families with a student enrolled in the partnering school, and who are either homeless or at risk of homelessness, are selected for participation in the program in order to prevent them from having to relocate outside of the school district. The subsidy allows the family to remain in the same school district providing needed stability for the student.

This activity has been modified slightly from the initial description from 2013. The income limit for eligibility is now 30% of the Area Median Income. The housing subsidy has been changed from a flat amount with a 36 month time limit to a tiered subsidy over a four-year period. The first year the family pays 20% of the rent and the housing subsidy is the remaining 80%; the second year the family share increases to 40%; in year three the family share is 60% and the fourth year the family's rent increases again to 80%. At the end of the fourth year the subsidy ends. The family must participate in ongoing economic self-sufficiency meeting provided by the VHA and educational planning meetings provided by the partnering agencies.

Update on Status

This activity will be ongoing in 2017. VHA does not anticipate changes or modification to this activity significant enough to change the metrics and authorization/s employed.

Activity 2013-01: Minimum Income Rent Reform

Description

This activity utilizes a minimum income when calculating rent for any HCV or Public Housing household that contains one or more work-able family members. Work-able is defined as an adult under the age of 62 who is not disabled, a dependent, or a full-time caretaker for a disabled household member. The minimum income is \$9000 annually for each work-able family member. For example a household with one work-able member has a minimum income of \$9000; a household with two workable members has a minimum income of \$18,000, and so on. If the household's actual annual income as determined under the program regulations falls below the minimum, tenant rent and housing assistance is calculated using the minimum. If the household's actual income is greater than the minimum, the actual income is used and the minimum income will not be a factor. A household subject to the minimum still has any deductions they might be eligible for under HUD regulations (as modified by VHA MTW policy) deducted from the minimum income as part of the rent calculation.

Update on Status

VHA is proposing to change the amount of the minimum income to more closely match the Washington State minimum wage. Details of this proposed change are in Section III.

Activity 2012-01: Community Supported Self Reliance

Description

Community Supported Self Reliance (CSSR) is a pilot project where housing assistance along with intensive wrap around services are made available through partnering agencies to very-

low income clients with multiple barriers to self-reliance. Up to 16 participants are provided a Housing Choice Voucher with a time-limit of five and a half years (66 months). In addition to the regular HCV program obligations, participants are required to actively participate in their approved self-reliance plans developed with their assigned case manager from a partnering agency; failure to do so results in expulsion from the program. Participants facing expulsion may file a grievance with the project's Review Board. If the expulsion is upheld by the Review Board, the participant will be considered to be in violation of their HCV family obligations and will be terminated from the HCV program. Participants facing termination of housing assistance will have an opportunity for an HCV informal hearing.

In addition to access to a housing voucher participants in this program, and their case managers, will have access to the expertise and resources provided by members of the Project Team and the Review Board. Participants will also participate in a VHA sponsored Self-Sufficiency program such as Family Self-Sufficiency (FSS).

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2011-05: VHA Staff to Perform HQS and Rent Reasonableness on VHA Owned Properties.

Description

This MTW activity allows the VHA to have Section 8 HCV department staff perform HQS inspections and determine rent reasonableness for units owned by the VHA or owned by an entity substantially controlled by the VHA such as a tax credit property. This authority creates substantial savings compared to what the VHA was being charged by contracted inspectors.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2010-02: Skyline Crest Campus of Learners

Description

The Skyline Crest Campus of Learners is a partnership between VHA and the residents of Skyline Crest; which was VHA's largest Public Housing Property and has recently been converted to PBV under a combination of RAD and Section 18. VHA provides children and young adults' resources and activities through the community center and families develop and commit to success plans centered on their child's school attendance and community involvement.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-19: No Waiting List for Assisted Living Facility

Description

This MTW activity allows for tenant selection to be made by the assisted living administration rather than utilizing a waiting list. VHA's Assisted Living programs at Van Vista and Arbor Ridge regularly receive inquiries regarding the availability of a unit. If a unit is not immediately available the agency or person making the inquiry continues their search elsewhere as waiting on a list for a unit with assisted living services is not a desirable option. Once a vacancy is anticipated then the next inquiry will be notified and the vacancy filled. The waiver of the waiting list requirement allows for the unique needs of the assisted living population and their need for services.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-16: Renter Education Required for Applicants

Description

Under this activity new applicants for Public Housing and the Housing Choice Voucher program must complete a rent education course prior to being offered a unit or voucher when they reach the top of the waiting list. Exemptions can be made for disability related or other issues. The course covers topics including money management and credit, landlord/tenant rights and responsibilities, how to be a good renter, and how to find landlords that will rent to you. Applicants who complete the course receive a certificate of completion that is recognized by many landlords in the community and can substitute for good credit and references in tenant screening policies.

Update on Status

VHA is planning to end this activity prior to 2017. We will continue to offer the class through our partnership with the class provider, but completion of the class will no longer be a requirement for program admission.

Activity 2009-15: Owners Restricted to Annual Rent Increases

Description

Under this MTW policy owners in the Housing Choice Voucher program are restricted to a single rent increase each year.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-13: Next Required Reexamination 12 Months after Interim

Description

This MTW activity provides that the next required reexamination (AKA Annual Review) will be rescheduled to at least 12 months after the effective date of an interim reexamination. This policy reduces the overall number of reexaminations required each year.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-10: Replacement of Medical Expense Deduction

Description

Under this activity the VHA has eliminated individual calculation and verification of medical expenses for Elderly and Disabled designated families, replacing the deduction with an Elderly/Disabled deduction increased to \$700.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-08: Simplified Utility Allowance Schedule

Description

VHA utilizes a simplified utility allowance schedule for vouchers funded under MTW in the Housing Choice Voucher program that simplifies rent calculations, particularly for participants prior to leasing, and encourages reduced energy consumption. The schedule is based on the conventional HCV utilities schedules for newer energy efficient all electric units by bedroom size.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-03: No Verification of Assets Less Than \$50,000

Description

VHA does not obtain a verification of a reported asset if the reported value is less than \$50,000. This MTW activity saves VHA significant administrative funds by eliminating verifications on the vast majority of assets and any income from those assets that has little or no effect on housing subsidy and/or tenant rent.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2008-01: Time-Limited Vouchers Tied to Services

Description

This activity partners with other community organizations in order to provide housing assistance tied to case management and other services. VHA has set aside 50 vouchers for this activity. Tenant selection may be done by the partner so that appropriate clients they have already identified can be readily served. The partnering agency may also place time limits on assistance.

Update on Status

This activity will be ongoing in 2017. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2007-02: Alternate Required Reexamination Schedule

Description

VHA identifies households with a fixed income and places them on a schedule to have a full reexamination every three years rather than annually. Fixed income means the household has no work-able members and the only household income is from sources such as Social Security, Supplemental Security Income (SSI), and/or pensions. Households that are not determined to have a fixed income are scheduled to have a reexamination 12 months after their last reexamination.

Update on Status

This activity will be ongoing in 2017 and no changes are planned to the activity, the metrics used to determine outcome, or the authorizations required for implementation.

B. Not Yet Implemented Activities

The table below lists all proposed but not yet implemented activities from prior Plan years. Following the table is an update of implementation plans for each activity.

Activities Not Yet Implemented		
Activity Number	Activity Name	Plan Year Approved
2016-02	Local Blended Subsidy	FY 2016 Annual Plan
2015-01	Rent Buy-Down Local Subsidy Program	FY 2015 Annual Plan
2012-02	Use of MTW Funds for Leveraging New Affordable Housing	FY 2012 Annual Plan

Activity 2016-02: Local Blended Subsidy

Description

This activity uses a blend of funding from both Public Housing and the Section 8 Voucher Program in order to develop replacement units for VHA Public Housing units disposed of under recent approved disposition plans. VHA was approved to use this activity for the 28 unit Caples Terrace project planned for the old site of the VHA administrative offices at Skyline Crest.

Projects utilizing blended subsidy will be developed under Public Housing development regulations found at 24 CFR § 905 and must be specifically approved by HUD separate from any approval of the Annual MTW Plan. For the purpose of regulatory compliance these units will be considered Public Housing. The length of time the blended subsidy would be available is dependent upon VHA remaining under an MTW Agreement (currently extended to 2028). Should VHA no longer have MTW authority any units under the blended subsidy would revert to Public Housing. VHA will obtain specific approval from any financial partner or investor in a property utilizing this blended subsidy in writing.

Status Update

Construction of Caples Terrace is now anticipated to start in 2017 with completion occurring in 2018.

Timeline for Implementation

VHA anticipates that this activity will be implemented when construction of Caples Terrace is completed.

Activity 2015-01: Rent Buy-Down Local Subsidy Program

Description

This proposed activity is for the VHA to create a local program that will “buy-down” rents at a market rate apartment property (not subsidized or receiving tax credits) so that the units become affordable for, and only available to, households at or below 50% of the Area Median Income (AMI). If selected an owner would receive funds from the VHA to offset the amount the project would require to reduce apartment rents to reach the affordable level. To be considered affordable the bought-down gross rents will be calculated by taking 33% of an

income equal to 45% of AMI assuming 1.5 persons per bedroom. The current VHA S8 MTW Utility Allowance(UA) will be deducted from the gross rent to determine the final bought-down rent for any units where the tenant is responsible for at least the utility providing the heat for the unit.

Status Update

To date VHA has not had any response to our ongoing Request for Proposals (RFP) that was initially posted in May 2015. It is believed the current local rental market, with vacancy rates as low as 1.8%, is discouraging interested landlords from submitting a proposal at this time. VHA plans to modify the program and allow an option where the owner can master lease the property to the VHA and VHA will manage the property utilizing the buy-down rents. We will also offer an option to have the rents bought down to a level affordable for households at 30% of the AMI provided the project serves the homeless or other special needs group. In addition, this activity may be utilized in a project owned by the VHA or an affiliated entity.

Timeline for Implementation

VHA is currently discussing a potential project utilizing this activity with the master lease option. If this project goes forward the activity will be implemented in 2017.

Activity 2012-02: Use of MTW Funds for Leveraging New Affordable Housing Description

VHA is committing up to \$2,000,000 in MTW funds for the development of additional affordable housing in Clark County Washington. The re-programmed funds will be used to leverage additional investment funds in amounts far greater than the MTW funds. Development activities may include site acquisition, substantial rehabilitation of existing housing, and the development of new units.

Status Update

The first project that VHA anticipated using this activity to help fund was able to be developed absent the additional MTW funds. VHA continues to seek development opportunities where this flexibility can be utilized.

Timeline for Implementation

VHA anticipates that this activity will only be implemented when an appropriate development opportunity is found.

C. Activities on Hold

At this time VHA has no approved MTW activities that have been placed on hold.

D. Closed Out Activities

The following table lists all of VHA's closed out activities since becoming a MTW agency in 1999, the year the activity was approved and the year and reason the activity was closed out.

Closed Out Activities				
Activity Number	Activity Name	Plan Year Approved	Year Closed	Reason
2014-03	Local Non-Traditional Rent Subsidy Program	FY 2014 Annual Plan	FY 2014	Never Implemented
2014-02	UA in HCV Program lesser of Unit Size or Voucher Size	FY 2014 Annual Plan	FY 2015	Policy adopted by HUD
2013-05	Health Advocate Training Program	FY 2013 Plan Amendment	FY 2013	Concluded
2013-04	Admin Fee for Owners in HCV Program	FY 2013 Annual Plan	FY 2013	Withdrawn
2013-03	Shelter and Transitional Housing Facilities Support	FY 2013 Plan Amendment	FY 2014	Never Implemented
2012-04	Short-Term Rental Assistance	FY 2012 Plan Amendment	FY 2016	Concluded
2012-03	Home-Sharing in the HCV Program	FY 2012 Plan Amendment	FY 2016	Concluded
2011-03	Up to 50% of units in a Project may be PBV	FY 2011 Annual Plan	FY 2014	Merged with 2014-06
2011-02	"Floating Units" in Project-Based Voucher program	FY 2011 Annual Plan	FY 2013	Concluded
2011-01	Minimum Rent / Income Limits for New Public Housing	FY 2011 Annual Plan	FY 2015	Never Implemented
2010-04	Waiting List Preference for Applicants without Subsidy	FY 2010 Annual Plan	FY 2015	Concluded
2010-01	Community Involvement and Educational Opportunity	FY 2010 Annual Plan	FY 2013	Concluded
2009-18	Local Preference for FSS Participation	FY 2009 Plan Amendment	FY 2009	NOFA Requirement
2009-17	Mandatory Self-Sufficiency Program (Yes We Can)	FY 2009 Plan Amendment	FY 2009	Never Implemented
2009-14	Simplified Recertification Process	FY 2009 Plan Amendment	FY 2009	Never Implemented
2009-09	Limited Utility Allowance Payments	FY 2009 Plan Amendment	FY 2013	Concluded
2009-06	Alternate inspection schedule in HCV program	FY 2009 Plan Amendment	FY 2015	Policy adopted by HUD
2009-04	Asset Based Initiative (IDA)	FY 2009 Annual Plan	FY2010	Never Implemented
2009-02	Imputed TANF Income for Voluntary Grant Closures	FY 2009 Annual Plan	FY 2013	Concluded
2009-01	Pilot Rental Subsidy Project	FY 2009 Annual Plan	FY 2009	Never Implemented
2008-02	Alternate HCV Homeownership Program	FY 2008 Annual Plan	FY 2011	Concluded
2007-01	Flat rent and Flat HCV Subsidy	FY 2007 Annual Plan	FY 2008	Never Implemented
2004-01	Alternative Rent Reasonable Procedure	FY 2004 Annual Plan	FY 2009	Concluded
2003-01	Escrow Accounts Capped at \$6000	FY 2003 Annual Plan	FY 2005	Concluded
2002-01	"Request Line" Single Waiting List	FY 2002 Annual Plan	FY 2003	Concluded
2001-02	\$480 Deduction for Child Support Payments	FY 2001 Annual Plan	FY 2004	Concluded
2001-01	Eight Percent Earned Income Deduction	FY 2001 Annual Plan	FY 2004	Concluded
1999-09	No Earned Income Disallowance in Public Housing	1999 MTW Agreement	FY 2015	Concluded
1999-08	No Flat Rent Option in Public Housing	1999 MTW Agreement	FY 2005	Concluded
1999-07	Maximum Family Share 45% of Gross Income	1999 MTW Agreement	FY 2005	Concluded
1999-06	Restrictions on HCV Port-Outs	1999 MTW Agreement	FY 2005	Concluded
1999-05	All Households Eligible for Escrow Accounts	1999 MTW Agreement	FY 2005	Concluded
1999-04	FSS Absorbed into MTW Self-Sufficiency Program	1999 MTW Agreement	FY 2005	Concluded
1999-03	Five-Year Time Limit for Non Eld/Dis Households	1999 MTW Agreement	FY 2005	Concluded
1999-02	Mandatory Participation in Self-Sufficiency Program	1999 MTW Agreement	FY 2005	Concluded
1999-01	All HCV Port-Ins to be Absorbed by VHA	1999 MTW Agreement	FY 2001	Concluded

SECTION V: SOURCES AND USES OF FUNDS

A. Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	-
70600	HUD PHA Operating Grants	16,842,206.00
70610	Capital Grants	-
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	1,372,923.00
71100+72000	Interest Income	-
71600	Gain or Loss on Sale of Capital Assets	-
71200+71300+71310+71400+71500	Other Income	3,317,900.00
70000	Total Revenue	21,533,029.00

Estimated Uses of MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	2,201,965.00
91300+91310+92000	Management Fee Expense	187,758.00
91810	Allocated Overhead	-
92500 (92100+92200+92300+92400)	Total Tenant Services	238,809.00
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	-
93500+93700	Labor	-
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	-
95000 (95100+95200+95300+95500)	Total Protective Services	-
96100 (96110+96120+96130+96140)	Total Insurance Premiums	3,312.00
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	-
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	-
97100+97200	Total Extraordinary Maintenance	-
97300+97350	Housing Assistance Payments + HAP Portability-In	18,749,250.00
97400	Depreciation Expense	-
97500+97600+97700+97800	All Other Expenses	26,000.00
90000	Total Expenses	21,407,094.00

Describe the Activities that Will Use Only MTW Single Fund Flexibility

VHA will continue to use single-fund flexibility to support the following activities:

- Additional administrative costs associated with MTW such as planning and data collection.
- VHA's Resident Services Department which includes the Work Opportunity Program, the Rise and Stars Community Center, and other MTW related programs for residents and participants.
- Supportive services at Lincoln Place, a housing first project for chronically homeless expected to be completed by 2016.
- VHA is also using single-fund flexibility to set initial contract rents for the 12 RAD PBV units at Mill Creek as allowed under PIH 2012-32 Section 1.6.A.5.a.
- Funding for a landlord incentive program that will provide a \$100 lease up fee to landlords (not including the VHA or its affiliates) upon an initial lease up of a HCV participant.
- Funding for a deposit assistance program for New Voucher Admissions.
- Funding for tuition and incentive for HCV Participants taking Rent Well classes.
- Funding for Bridgeview Resource Center (see Section II. A. Planned Capital Fund)
- Funding received for public housing may be used for HAP expense in the HCV program.

B. Local Asset Management Plan

Local Asset Management Plan

Is the PHA allocating costs within Statute?

Yes

or

Is the PHA implementing a local asset management plan (LAMP)?

or

No

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

Has the PHA provided a LAMP in the appendix?

or

No

SECTION VI: ADMINISTRATIVE

A. Resolution Adopting the Annual Plan

Copies of the VHA Board of Commissioners Resolution adopting the Plan and the MTW Certifications of Compliance are included in Appendix A.

B. Public Process

Documentation of the Public Process is included in Appendix B.

C. Agency Directed Evaluations

VHA does not currently have any ongoing agency directed evaluations of the MTW program or activities and is not planning any for the plan year.

D. Annual Statement/Performance and Evaluation Report

The Annual Statement/Performance Evaluation Reports (HUD Form 50075.1) for the Capital Fund Program is attached under Appendix D.

E. Impact Analysis of Rent Reform

The minimum income rent reform is being re-proposed in Section III of the plan and an updated impact analysis is attached under Appendix F.

APPENDIX A. BOARD RESOLUTION AND CERTIFICATION

HOUSING AUTHORITY OF THE CITY OF VANCOUVER

CLARK COUNTY WASHINGTON

RESOLUTION NO. 3176

RESOLUTION TO APPROVE THE AMENDED MOVING TO WORK ANNUAL PLAN FOR FISCAL YEAR 2017

WHEREAS, the Housing Authority of the City of Vancouver has entered into various contracts with the United States of America pertaining to the Housing Act of 1937, as amended; and

WHEREAS, the Department of Housing and Urban Development and the Housing Authority of the City of Vancouver have entered into a Moving to Work Demonstration Agreement as amended and restated on March 26, 2008; and

WHEREAS, the Moving to Work Agreement with the Department of Housing and Urban Development requires the submission of a Annual MTW Plan; and

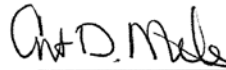
WHEREAS, the Amendment to the Annual Plan for Fiscal Year 2017 has been prepared and made available for public comment for thirty days and a public hearing was held on July 11, 2017.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Vancouver Housing Authority that:

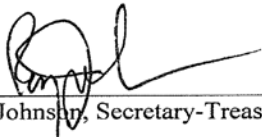
1. The Board of Commissioners approves the Amended 2017 Moving to Work Annual Plan and authorizes the Executive Director to complete the Plan documents and submit the Plan to the Department of Housing and Urban Development, and to revise VHA policy to reflect the proposals in the Plan once HUD approval is obtained.
2. The Board of Commissioners certifies that the Public Hearing Requirement has been met and authorized the Chair of the Board to execute the attached Certifications of Compliance.

ADOPTED by the majority of members of the Board of Commissioners and signed by me in open session in authentication of its passage this 27th day of July 2017.

ATTEST:



Art Miles, Chair



Roy A. Johnson, Secretary-Treasurer

OMB Control Number: 2577-0216
Expiration Date: 5/31/2016

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan
Certifications of Compliance

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

**Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Amended Annual Moving to Work Plan for the PHA fiscal year beginning January 1, 2017, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

Attachment B

1

OMB Control Number: 2577-0216
Expiration Date: 5/31/2016

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

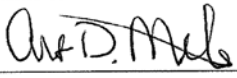
Vancouver Housing Authority
PHA Name

WA008
PHA Number/HA Code

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

Art Miles
Name of Authorized Official

Chairman
Title

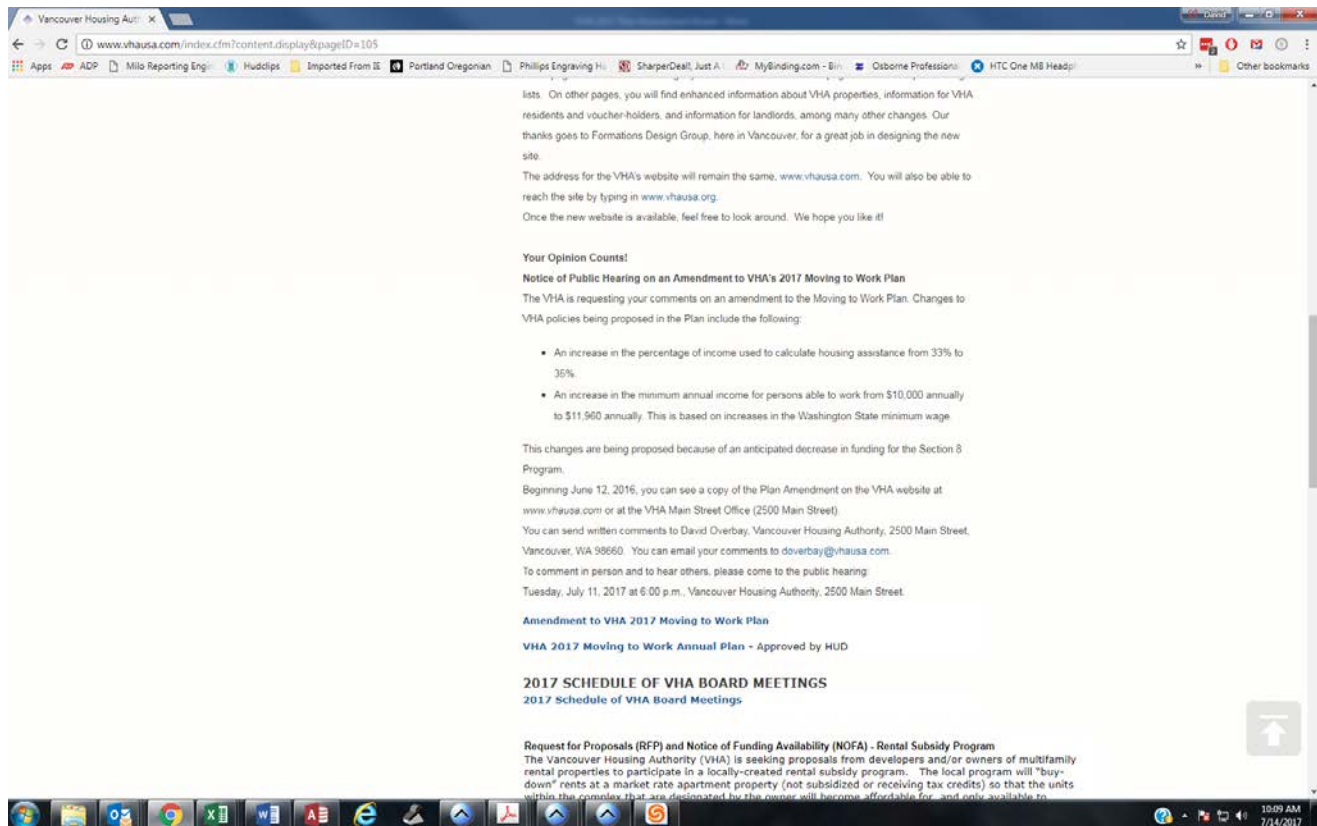

Signature

7/27/2017
Date

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

APPENDIX B. PUBLIC PROCESS

As soon as VHA decided that an amendment to our 2017 Plan was necessary, the members of our Resident Advisory Board (RAB) and our Moving to Work Advisory Committee were notified of the proposed changes along with a request for input. Then a draft of the amended plan was made available for 30 days beginning on June 12, 2017. A public hearing was held on July 11, 2017. Notification of the public comment period and the public hearing was made on the VHA website and in our resident newsletter. Two written comments were received and are included in this appendix along with a summary of the comments made and a response from the VHA. No residents or members of the public attended the public hearing.



ness. Encourage your child to switch feet when he kicks.

Blow Bubbles – Seems simple enough, but blowing bubbles is actually a tricky skill for preschoolers to master. Their lips have to be in just the right position and they have to blow the correct way in order to form bubbles. Most kids aren't able to do this proficiently until about age 3 or so. Offer a variety of homemade wands (fly swatters, berry baskets and pipe cleaners all work well) and show your child how to dip the wand and wave it to make bubbles.

Hula Hoop – Using a Hula Hoop the way it was designed to be played with can be frustrating for a preschooler, but there are a lot of ways to play with a hula hoop that offer your little one a chance to develop physical skills. Here are just a couple of fun games you can play with Hula Hoops:

- Toss beanbags into Hula Hoops that are staggered around your yard.
- Encourage them to use the Hula Hoop as a steering wheel – see what types of adventures they take you on!
- Lay a bunch of Hula Hoops side-by-side in a path. Have your preschooler jump, skip, hop on one foot, or even crawl between them.

Make the Outdoors Your Canvas – Art projects take on a greater magnitude outside. With sidewalk chalk and paint, help your child to create—hopscotch boards, race tracks, a storefront and more. Practice tracing one another and then draw faces and clothing on the empty forms.

Go for a Walk – Whether you take a stroll around the neighborhood, the local park or even through your sprinkler, walking and running develops leg muscles and gets your

little one moving. When it's appropriate, take off their shoes and socks for a sensory experience—let them feel the cool grass, the grainy sand or even the rough sidewalk.

Take a Swing – An obvious choice, playgrounds offer a host of activities. A favorite of many children are the swings, but learning to pump can be difficult as the motion requires balance, strength, and good timing. To teach your child to pump, you may want to hop on the swings yourself at first to demonstrate the technique. Then when it is their turn, describe what it is that you want them to do.

COULD THE I-BEST PROGRAM HELP YOU?

Clark College presents the new Integrated Basic Education Skills Training (I-BEST) courses for the Summer & Fall 2017 quarters. This program is for students who:

- Have tested below college level in reading or math
- May need extra support to succeed
- Meet CASAS testing requirements
- Are highly motivated and committed to achieve career and educational goals

In the I-BEST program, students will have the benefit of two to three instructors who combine coursework in a small class size of 20-25 students. They will enroll in credit-bearing college classes (e.g. English, Interpersonal Communications, Intro to Early Childhood Education). Students will also enroll in the I-BEST support class which will strengthen their academic skills. Students will learn together and have the benefit of study groups, friendships and a vested interest in each other's success.

You are invited to schedule a one-on-one informational appointment. Offices are located on the Clark College main campus in the T-Building, Room 201. You can schedule an appointment by calling Nicole Hopkins, Transitional Studies Coach, at (360) 992-2762.

YOUR OPINION COUNTS!

NOTICE OF PUBLIC HEARING ON AN AMENDMENT TO VHA'S 2017 MOVING TO WORK PLAN

The VHA is requesting your comments on an amendment to the Moving to Work Plan. Changes to VHA policies being proposed in the Plan include the following:

- An increase in the percentage of income used to calculate housing assistance from 33% to 35%.
- An increase in the minimum annual income for persons able to work from \$10,000 annually to \$11,960 annually. This is based on increases in the Washington State minimum wage.

This changes are being proposed because of an anticipated decrease in funding for the Section 8 Program.

Beginning June 12, 2016, you can see a copy of the Plan Amendment on the VHA website at www.vhausa.com or at the VHA Main Street Office (2500 Main Street).

You can send written comments to David Overbay, Vancouver Housing Authority, 2500 Main Street, Vancouver, WA 98660. You can email your comments to doverbay@vhausa.com.

To comment in person and to hear others, please come to the public hearing:

Tuesday, July 11, 2017 at 6:00 p.m., Vancouver Housing Authority, 2500 Main Street.

David Overbay

From: Sherry Warren [REDACTED]
Sent: Sunday, July 02, 2017 4:58 PM
To: David Overbay
Subject: Proposed Plan Amendment

Hello David, hope you had a wonderful July 4th holiday weekend.

These are my concerns regarding the increase in percentage income used to calculate housing assistance from 33% to 35%.

1. These same people also will be facing increased premiums for medical insurance through the exchange with decreased benefits coverage due to anticipated decreased funding of healthcare by the same folks who are going to reduce HUD funding. Both will increase their out-of-pocket expenses, while SSDI/SSI benefits are stagnant, essentially.

2. These same people who will experience an increase in medical expenses also will experience a decrease in food support, due to anticipated decreased funding of food programs by the same folks who are going to reduce medical and HUD funding.

3. I am aware that most working families without housing supports are expending a greater percentage of their income for housing all across the nation, at times 50% or more. It is a precarious position and places so many at risk of homelessness and hunger. I understand the reasoning that those with housing assistance should also pay an increased percentage of their income. But, just as \$12 has a greater impact for me than for most working individuals/families, the financial burden of increased housing costs, along with increases in medical and food costs will create an overwhelming crisis for most of your clients.

Many of your clients have little freedom of choice regarding work opportunities and are therefore extremely vulnerable at this time. I understand funding challenges and the impact they have on agencies that serve these clients. I'm not sure what the answers are. Perhaps, public-private partnerships, and supportive employment opportunities are some avenues to explore.

I urge you to carefully consider these concerns as your agency makes these critical decisions.

Sherry Warren



Northwest Justice Project

500 W. 8th Street, Suite 275
Vancouver, WA 98660
Tel. (360) 693-6130
Fax (360) 693-6352

Toll Free 1-888-201-1020
www.nwjustice.org

César E. Torres
Executive Director

July 10, 2017

VIA EMAIL AND FIRST CLASS MAIL

Roy Johnson
Executive Director
Vancouver Housing Authority
2500 Main Street, Suite 200
Vancouver, WA 98660-2697

Art Miles
Chair, VHA Board of Commissioners
Vancouver Housing Authority
2500 Main Street, Suite 200
Vancouver, WA 98660-2697

Re: 2017 Moving To Work Annual Plan Amendment

Dear Mr. Johnson and Commissioner Miles:

I am writing to share Northwest Justice Project's (NJP) comments on VHA's proposed amendments to its 2017 Moving to Work (MTW) Annual Plan. We offer these comments because of the potential impact the proposed amendments will have on our clients.

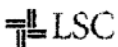
Introduction

NJP is a private, nonprofit law firm with regional offices throughout Washington. NJP is funded to provide free legal services in civil matters to low-income individuals and seniors. Many of our clients are extremely-low income or very-low income, with incomes below 125% of the federal poverty guidelines. Finding and maintaining decent, safe and affordable housing is an enormous challenge for our clients. The majority of our clients are individuals with disabilities and seniors on fixed incomes, survivors of domestic violence, and families with children.

Comments

I. Minimum Income Rent Reform Initiative

We ask VHA to balance its stated need to address an anticipated funding shortfall with this initiative's potential adverse impact by incorporating the safeguards described below. These measures will ensure minimum wage earners who: 1) face a reduction in hours or job loss as



July 10, 2017
 Comments on 2017 MTW Annual Plan Amendment
 Page 2

a result of the upcoming increase in minimum wage or 2) need a reasonable time to increase working hours to meet this escalation in housing cost are able to do so.¹

Recommended Safeguards:

1. Provide an automatic stay of the imposition of the higher imputed income standard for a reasonable time to secure new employment if a program participant experiences a job loss or reduction in hours as a result of the increase in minimum wage. An automatic stay may introduce some administrative savings because it eliminates the need for a hardship exemption panel review and process.
2. Phase in the increase at each participant's next annual recertification. This will allow a reasonable time for families to prepare for this change, reduce the likelihood of early terminations of lease (which can be very costly for tenants) or evictions, and eliminate the need for revised HAP contracts and interim re-certifications.
3. Evaluate the impact of the minimum wage change on our community (within the first ninety (90) days of implementation and frequently thereafter) and rescind this initiative if VHA determines that the impact results in participants being unable to meet the higher imputed income standard and/or thirty-five percent contribution rule.

Our request for these safeguards is based on the following:

First, how the change in minimum wage will impact our community and VHA's program participants is uncertain.² We do not know, for instance, whether some employers will respond to the new minimum wage by cutting employee hours and/or cutting positions.³ The increase in minimum wage may not lead to higher income for all low-wage earners in VHA's programs. Nor does an increase in minimum wage indicate a correlative increase in the number of jobs available for low-wage earners subject to the imputed income rule.

According to Washington State's Employment Security Department, Clark County's unemployment rate has exceeded the state and national averages since 2000; it is currently at five percent (5%). As of May 2017, nearly 11,000 Clark County residents are unemployed.⁴ Additionally, predictions for job growth in our area are weak in manufacturing and other low-wage industries. Furthermore, we were unable to readily find any reliable data/reports showing that an increase in minimum wage will have a positive impact on unemployment rates.

¹ The proposed Amendment does not state how much funding VHA anticipates losing or whether the proposed initiatives, along with its measure to freeze vouchers, will meet or exceed the funding loss.

² We also do not yet have a clear picture of whether the initiatives comport with VHA's duty to affirmatively further fair housing.

³ As a result of Seattle's minimum wage increase, some employers have cut jobs and/or reduced hours, although the latter seems to be at a low rate. Economists are still debating the overall impact in the Seattle area. We have not seen any reliable predictions, positive or negative, for Clark County.

⁴ See "Washington State Resident Civilian Labor Force and Employment" report, May 2017.

July 10, 2017
 Comments on 2017 MTW Annual Plan Amendment
 Page 3

Second, the impact of this initiative should not be considered in isolation, but in combination with the proposed thirty-five percent (35%) rent contribution initiative. This is of concern because a tenant's portion of rent is based on gross income (minus allowable deductions) and the imputed income initiative does not account for taxes or other mandatory deductions from wages that may significantly decrease the actual amount of income available to meet the imputed income standard and the thirty-five percent (35%) contribution rule.

Finally, according to VIIA's data, increasing the imputed minimum annual income to \$11,960 will result in the following monthly rent increases for "work-able" households:

# of Households	Monthly Increase @ 33% Contribution Rate	Monthly Increase @ 35% Contribution Rate
4	\$211-216	\$286-295
16	\$161-162	\$207-222
1	\$148	\$207
95	\$100-115	\$135-174
5	\$84-91	\$122-129
6	\$60-79	\$96-128
283	\$50-57	\$69-96
31	\$20-49	\$40-100
19	\$4-19	\$22-56
556*	\$0	\$0

*Households with incomes above the minimum imputed amount.

The Amendment also indicates that less than fifty percent (50%) of the households currently subject to imputed minimum income have adequate income to meet VHA's existing imputed minimum income guidelines.

II. 35% Household Share Rent Reform Initiative

We ask VHA to incorporate the following safeguards in its initiative to increase the percentage of total tenant payment to thirty-five percent (35%) of a tenant's adjusted gross income.

a. *Exempt Seniors and Individuals with Disabilities.*

We ask VHA to exempt Seniors and individuals with disabilities whose source of income is equal to or less than the 2018 SSI level (and each subsequent year's level thereafter) unless those participants receive an increase in income that exceeds four percent (4%) of their income.

Participants in this category are in the greatest need of long-term affordable housing due to their inability to be gainfully employed or grow their income to meet ever-increasing demands on their incomes. Most households on fixed incomes of \$735 (current SSI level) or less receive modest or no annual increases in income. Generally, the Social Security

July 10, 2017

Comments on 2017 MTW Annual Plan Amendment

Page 4

Administration's cost of living adjustment (COLA), when one is provided, is extremely low; the adjustment for 2017 was .3%. This modest COLA is intended to cover rising costs in essential needs, including utilities, food, transportation, medical and housing. Such a low adjustment, assuming there will even be one in 2018, is plainly inadequate to meet a two percent (2%) increase in rent contribution. And, for individuals with disabilities whose fixed income is from another source, e.g., \$197/month from Washington's Aged, Blind and Disabled (ABD) program, there are no COLAs or anticipated increases in ABD funds for the foreseeable future.

VHA should also exempt households subject to the imputed minimum income rule until those households' actual income can support a 35% contribution rate.

b. Phase in the Increase.

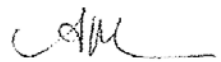
Additionally, VHA should phase in the proposed contribution rate to all participants at a maximum of one percent (1%) each year, giving participants a reasonable time to adjust to the escalated costs. In the interim, VHA can use other resources, e.g., revenue from its LIHTC properties, to offset the delay in immediate savings caused by a phase-in and replenish its reserves with the savings achieved by this initiative in 2019.

c. Eliminate the Proposed Reductions if the Shortfall can be Otherwise Met.

Finally, we ask VHA to commit to eliminating these proposed reductions in assistance if, after further evaluation or implementation of these changes, VHA determines that other costs-savings measures, i.e., existing voucher freeze, administrative efficiencies, and/or other local resources are sufficient to address the anticipated shortfall.

Thank you in advance for considering our comments.

Sincerely,


Amy McCullough
Attorney at Law

Comment	VHA Response
People will be facing increased premiums for insurance in addition to any rent increase.	While this may be true, the VHA is not in a financial position that would enable it to make up for funding shortfalls for medical care.
People with increased medical expenses will also face a decrease in food programs.	As with the previous comment, VHA does not have resources should the funding for SNAP be reduced as well. In addition, keeping the individual amounts of housing assistance the same would likely require terminating many participant's housing completely in order to meet our financial obligations.
Paying a greater percentage of income for rent will have a greater impact on people you serve.	Thank you for your comment. VHA knows that these proposals will have a significant impact on our participants.
VHA should incorporate safeguards into the minimum income rent reform.	Both of these proposed changes will fall under the existing hardship policy.
Provide an automatic stay if a tenant experiences job loss or reduction in hours due to the increase in the minimum wage	It would be difficult to know and verify that an income change was attributable to an increase in the State minimum wage, particularly with an "automatic" stay. VHA believes the hardship policy will address this particular type of event, should it occur.
Phase in the increase at each participant's next annual recertification	We have not made a final decision regarding implementation, but our projections lead us to think that a full implementation on January 1, 2018 will be necessary in order to realize the savings required to meet the shortfall.
Evaluate the impact of the minimum wage change on our community after 90 days and frequently thereafter.	VHA does not have the resources or expertise to evaluate the impact of the minimum wage on the community. Will monitor the impact of our proposed activities as least every 90 days.
Exempt Seniors and Disabled from the 35% household share.	About 70% of the HCV program is either an Elderly or Disabled Household type. To achieve the same savings we would have to increase the percentage on non-elderly/disable housing to over 40%.
Exempt those subject to the minimum income from the 35%.	It does not make sense to VHA to provide a lower percentage of income to work-able households over elderly and disabled households. In addition, having multiple percentages adds a level of complexity resulting in an administrative burden. (We looked into having multiple percentages and found it too difficult to manage with existing resources.)
Phase in the increase to 35% at 1% per year.	As previously noted, our projections lead us to think that a full implementation on January 1, 2018 will be necessary in order to realize the savings required to meet the shortfall.
Eliminate the proposed increases if the shortfall can otherwise be met	It is possible that VHA will learn that we can expect a significant increase in funding for 2018. Should that occur, we will consider rescinding the proposed changes.

APPENDIX C. ADVISORY COMMITTEES

RESIDENT ADVISORY BOARD

Joy Howard, Chair	Housing Choice Voucher Participant
John Glenn, Vice Chair	Public Housing Resident
Evelyn Hallett	Project-Based Voucher Participant
Stacey Paggett	Housing Choice Voucher Participant
Michael Ralston	Project-Based Voucher Participant
Billie Reed	Housing Choice Voucher Participant
Michael Yancy	Housing Choice Voucher Participant

MOVING TO WORK ADVISORY COMMITTEE

Jennifer Blechschmidt	Vancouver School District
Armetta Burney	Clark College
Debby Dover	Second Step Housing
Kevin Gillette	Community Housing Resource Center
Nicole Loran-Graham	Vancouver School District
Amy McCullough	Northwest Justice Project
Amy Reynolds	Share
Peggy Sheehan	City of Vancouver
Andy Silver	Council for the Homeless
Tamara Shoup	Vancouver School District
Michael Torres	Clark County

APPENDIX D. HUD 50075.1

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

APR 2016 U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary PHA Name: Vancouver Housing Authority Grant Type and Number: Capital Fund Program Grant No: WAI6P00859116 Replacement Housing Factor Grant No: _____ Date of CFP: _____		FTY of Grant 2016 FTY of Grant Approval: 2016			
Type of Grant: <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disaster/Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: _____ <input type="checkbox"/> Revised Annual Statement (revision no: _____) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Original	Total Estimated Cost Revised ¹	Obligated	Total Actual Cost ¹ Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ²				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1413 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs	\$257,161.00			
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

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

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

Part I: Summary		PHFA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: WAI600850116 Replacement Housing Factor Grant No: Date of CFP:		FY of Grant: FY of Grant/Approval: 2016	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report					
Performance and Evaluation Report for Period Ending:							
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost			
		Original	Revised	Obligated	Expended		
18a	1501 Collateralization or Debt Service paid by the PHA						
18ba	9006 Collateralization or Debt Service paid Via System of Direct Payment						
19	1302 Contingency (may not exceed 8% of line 20)						
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$257,161.00					
21	Amount of line 20 Related to LBP Activities						
22	Amount of line 20 Related to Section 504 Activities						
23	Amount of line 20 Related to Security - Soft Costs						
24	Amount of line 20 Related to Security - Hard Costs						
25	Amount of line 20 Related to Energy Conservation Measures						
Signature of Executive Director		Date 3/24/16		Signature of Public Housing Director Sue Pearson		Date 4/13/16	

* To be completed for the Performance and Evaluation Report.
* To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
* PHAs with under 250 units in management may use 100% of CFP Grants for operations.
* RHF funds shall be included here.

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

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

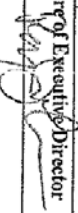

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		FY of Grant: 2016 FY of Grant Approval: 2016	
PHA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: WA16R00850116 Date of CFP:	
Type of Grant: <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disaster/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:			
Type of Grant: <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disaster/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Original	Total Estimated Cost
1	Total non-CFP Funds		
2	1405 Operations (may not exceed 20% of line 21) *		
3	1408 Management Improvements		
4	1410 Administration (may not exceed 10% of line 21)		
5	1411 Audit		
6	1415 Liquidated Damages		
7	1430 Fees and Costs		
8	1440 Site Acquisition		
9	1450 Site Improvement		
10	1460 Dwelling Structures		
11	1465.1 Dwelling Equipment—Nonexpendable		
12	1470 Non-dwelling Structures		
13	1475 Non-dwelling Equipment		
14	1485 Demolition		
15	1492 Moving to Work Demonstration		
16	1495.1 Relocation Costs		
17	1499 Development Activities *	\$190,492.00	

* To be completed for the Performance and Evaluation Report.
 * To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
 * PHAs with under 250 units in management may use 100% of CFP Grants for operations.
 * RHFF funds shall be included here.

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

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

Part I: Summary		PHFA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: WAI6R0850116 Date of CFPP:		FY of Grant: 2016 FY of Grant Approval: 2016	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:				<input type="checkbox"/> Reserve for Disaster/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost	Revised ²	Obligated	Total Actual Cost ¹	Expended	
18a	1501 Co-lateralization or Debt Service paid by the PHA						
18ba	9000 Co-lateralization or Debt Service paid Via System of Direct Payment						
19	1502 Co-lateralization (may not exceed 8% of line 20)						
20	Amount of Annual Grants: (sum of lines 2 - 19)	\$190,492.00					
21	Amount of line 20 Related to LBP Activities						
22	Amount of line 20 Related to Section 504 Activities						
23	Amount of line 20 Related to Security - Soft Costs						
24	Amount of line 20 Related to Security - Hard Costs						
25	Amount of line 20 Related to Energy Conservation Measures						
Signature of Executive Director 		Date 2/29/16		Signature of Public Housing Director 		Date 4/13/16	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFPP Grants for operations.
⁴ RHP Funds shall be included here.

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

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Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
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OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		PHA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: WA16R00850115		FFY of Grant: 2015 FFY of Grant Approval: 2015	
Type of Grant: <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Original	Total Estimated Cost	Obligated	Total Actual Cost ¹	Expendable	
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ²						
3	1408 Management Improvements						
4	1410 Administration (may not exceed 10% of line 21)						
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition						
15	1492 Moving to Work Demonstration						
16	1495.1 Relocation Costs		\$201,816.00				
17	1499 Development Activities ⁴						

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

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

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

Part I: Summary			
PHA Name: Vancouver Housing Authority	Grant Type and Number: Capital Fund Program Grant No: Replacement Housing Factor Grant No: WA16S00850115 Date of CERP:	FFY of Grant: 2015 FFY of Grant Approval: 2015	
Type of Grant: <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: Summary by Development Account	<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report		
Line		Total Estimated Cost	Total Actual Cost
18a	1501 Collateralization of Debt Service paid by the PHA	Original	Revised ²
18ba	9000 Collateralization of Debt Service paid Via System of Direct Payment		Obligated
19	1502 Contingency (may not exceed 8% of line 20)		Expended
20	Amount of Annual Grant: (sum of lines 2 - 19)		
21	Amount of line 20 Related to LBP Activities	\$201,816.00	
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Emergency Conservation Measures		
Signature of Executive Director PH <i>James Pearson</i>		Date 4/2/15	Signature of Public Housing Director <i>Mark H</i>
			Date 3/13/15

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CERP Grants for operations.
⁴ RHP funds shall be included here.

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

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

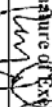
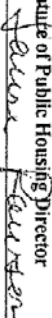
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires: 8/31/2011

Part I: Summary		PHA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: WAI6R008S0114 Date of CFPP:		FFY of Grant: 2014 FFY of Grant Approval: 2014	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disaster/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:				<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Original	Total Estimated Cost	Revised ²	Obligated	Total Actual Cost ¹	Expended
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ³						
3	1408 Management Improvements						
4	1410 Administration (may not exceed 10% of line 21)						
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1463.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition						
15	1492 Moving to Work Demonstration						
16	1493.1 Relocation Costs	208,064.00					
17	1499 Development Activities ⁴						

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RIF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/31/2011

Part I: Summary		PHA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: VAI6R00850114 DME of CFP:	FY of Grant: 2014 FY of Grant Approval: 2014
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Summary by Development Account <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Description	Original	Revised²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	5000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	208,064.00			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 3/25/14		Signature of Public Housing Director 	
		Date 7/3/14			

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary		PHA Name: Vancouver Housing Authority		Grant Type and Number Capital Fund Program Grant No. WVA16R00850113 Replacement Housing Factor Grant No: Date of CFP:		FFY of Grant: 2013 FFY of Grant Approval: 2013	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no.)		<input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Original	Total Estimated Cost	Obligated	Total Actual Cost ¹	Expended	
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ²						
3	1408 Management Improvements						
4	1410 Administration (may not exceed 10% of line 21)						
5	1411 Audit						
6	1413 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition						
15	1492 Moving to Work Demonstration						
16	1495.1 Relocation Costs						
17	1499 Development Activities ⁴	\$205,672.00					

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

APPENDIX F. RENT REFORM IMPACT ANALYSIS

▶ Minimum Income Rent Reform

Annual Reevaluation of Impact on Households Served

David Overbay ▶ Vancouver Housing Authority ▶ 6/30/2016

Introduction

In 2012 the Vancouver Housing Authority (VHA) proposed a change to the way housing assistance and tenant rent is calculated in our Housing Choice Voucher (HCV) and Public Housing programs. This proposal utilized the authority under the terms of the Moving to Work (MTW) agreement between VHA and the Department of Housing and Urban Development (HUD) and was approved by HUD as part of the VHA FY 2013 MTW Annual Plan. The approved proposal, Minimum Income Rent Reform, was implemented on June 1, 2013 for all applicable households after a six-month period of outreach.

The proposal requires a minimum income for any household that contains one or more work-able family members. Work-able is defined as an adult under the age of 62 who is not disabled, a dependent, or a full-time caretaker for a disabled household member. The minimum income is currently \$9000 annually for each work-able family member. For example, a household with one work-able member would have a minimum income of \$9000; a household with two workable members would have minimum income of \$18,000, and so on. If the household's actual annual income as determined under the program regulations falls below the minimum income, tenant rent and housing assistance is calculated using the minimum. If the household's actual income is greater than the minimum, the actual income is used and the minimum income is not a factor. A household subject to the minimum is still able to have any income deductions they might be eligible for under HUD regulations (or as modified by other VHA MTW policy) deducted from the minimum income as part of the rent calculation.

This policy is intended to meet the objectives of the MTW program by providing an incentive for participants to obtain earned income and move toward self-sufficiency. It also is intended to diminish any disincentive that may exist when a participant loses income (whether intentionally or not) and is able to get their rent reduced or eliminated altogether. Additionally, there are cost savings both from the reduction in assistance resulting from increased tenant rent, but also as a result of participants obtaining new employment.

Impact Analysis

VHA completed an Impact Analysis of the proposed minimum income in 2012. At that time, it was anticipated that there were 1270 households that met the definition of Work-able and who would potentially be impacted by the proposed rent reform. The following table shows a comparison between

the 2012 estimated impact on tenant rents for work-able households versus the actual current impact of the minimum income on tenant rent for work-able households:

Comparison of Projected and Actual Impact on Tenant Rent of Minimum Income				
Increase in Tenant Rent Due to Minimum Income	Projected Impact from June 2012 Analysis		Actual Impact from June 2016 Analysis	
	Number	Percent	Number	Percent
No Change in Tenant Rent	643	50.63%	687	70.25%
\$1 to \$50 Tenant Rent Increase	129	10.16%	82	8.38%
\$51 to \$100 Tenant Rent Increase	133	10.47%	43	4.40%
\$101 to \$150 Tenant Rent Increase	133	10.47%	51	5.21%
\$151 to \$200 Tenant Rent Increase	108	8.50%	75	7.67%
\$201 to \$250 Tenant Rent Increase	36	2.83%	17	1.74%
\$251 to \$300 Tenant Rent Increase	27	2.13%	4	0.41%
\$301 to \$350 Tenant Rent Increase	11	0.87%	6	0.61%
\$351 to \$400 Tenant Rent Increase	34	2.68%	8	0.82%
Over \$400 Tenant Rent Increase	16	1.26%	5	0.51%
Totals	1270	100.00%	978	100.00%

The anticipated total number of work-able households in 2012 was quite a bit higher than the current number. When the original impact analysis was completed VHA's vouchers were leased at close to 100% of the contracted number. A short time later VHA experienced a funding shortfall under sequestration. That, along with rising rents, contributing to lower utilization and a lower number of work-able households on the program. In fact, the number of work-able households was down to 1039 just prior to implementation on June 1, 2013.

However, the more significant change since 2012 is the percentage of work-able household unaffected by the minimum income; from 50% to 70% in four years. As shown by additional data to follow, this is due to an increase in the number of households with earned income and an increase in the average amount of that income.

The next table from the 2012 analysis shows work-able households potentially impacted by the minimum income compared to those not expected to be impacted by different characteristics. Presenting the data in this way was intended to reveal if there were unintended discriminatory effects resulting from the policy. The columns labeled "Impacted" show the distribution of work-able households that we anticipated would have a rent increase due to the minimum income in numbers and by what percentage households with that characteristic represent of all impacted workable households. The columns labeled "Not Impacted" show the distribution for those work-able households that we expected to not have any rent change due to the policy. In comparing the percentages for impacted, not impacted and the total we would expect the percentages shown for each characteristic to be relatively the same unless households with that characteristic were disproportionately impacted by the policy. The only two characteristics with significant discrepancies were those where the head of household was elderly or disabled. Those two categories are disproportionately not impacted by the policy. However, this is expected because these households are only considered workable because they contain other members who are work-able and the elderly or disabled members typically receive income from Social Security that reduces the chances they would be impacted by the minimum income.

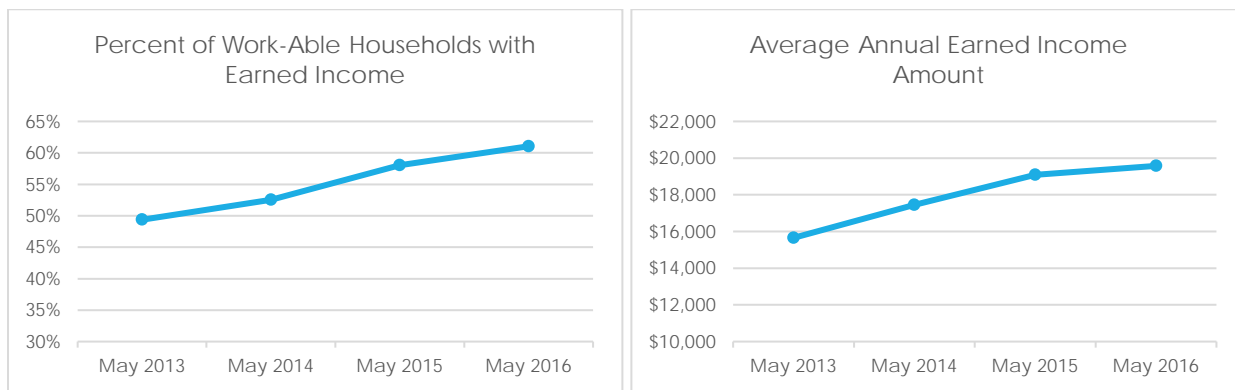
Work-Able Households Impacted by Minimum Rent by Characteristic in 2012						
	Impacted - 630		Not Impacted - 643		Total - 1273	
	Number	Percent	Number	Percent	Number	Percent
HOH is Elderly	14	2.22%	39	6.07%	53	4.16%
HOH is under age 62 and Disabled	66	10.48%	114	17.73%	180	14.14%
HOH is female	520	82.54%	523	81.34%	1043	81.93%
HOH is only adult in household	364	57.78%	357	55.52%	721	56.64%
Households with children	506	80.32%	542	84.29%	1048	82.33%
HOH is White	481	76.35%	480	74.65%	961	75.49%
HOH is Black	93	14.76%	106	16.49%	199	15.63%
HOH is American Indian/Alaska Native	12	1.90%	8	1.24%	20	1.57%
HOH is Asian	10	1.59%	23	3.58%	33	2.59%
HOH is Native Hawaiian/Pacific Islander	34	5.40%	26	4.04%	60	4.71%
HOH is Hispanic or Latino	49	7.78%	45	7.00%	94	7.38%

Recreating the same chart with data from June 2016 shows relatively the same distribution of households with each characteristic as was projected in the original impact analysis. There is no indication that the minimum income policy results in any significant discriminatory effect by disproportionately impacting households with a particular characteristic. The only significant difference after four years is that instead of about 50% of work-able households impacted by a rent increase, today only about 30% are.

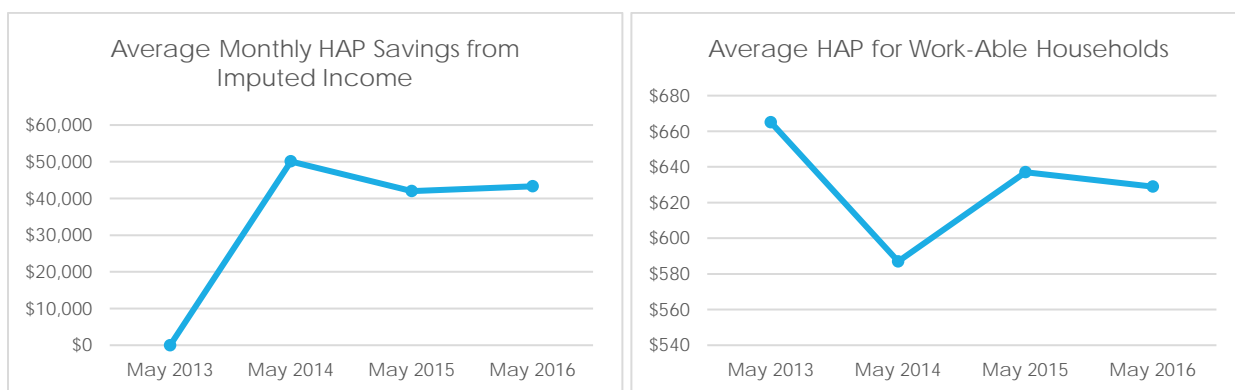
Work-Able Households Impacted by Minimum Rent by Characteristic in 2016						
	Impacted - 291		Not Impacted - 687		Total - 978	
	Number	Percent	Number	Percent	Number	Percent
HOH is Elderly	2	0.69%	33	4.80%	35	3.58%
HOH is under age 62 and Disabled	23	7.90%	131	19.07%	154	15.75%
HOH is female	246	84.54%	537	78.17%	783	80.06%
HOH is only adult in household	182	62.54%	368	53.57%	550	56.24%
Households with children	236	81.10%	526	76.56%	762	77.91%
HOH is White	208	71.48%	514	74.82%	722	73.82%
HOH is Black	47	16.15%	102	14.85%	149	15.24%
HOH is American Indian/Alaska Native	7	2.41%	13	1.89%	20	2.04%
HOH is Asian	7	2.41%	16	2.33%	23	2.35%
HOH is Native Hawaiian/Pacific Islander	23	7.90%	41	5.97%	64	6.54%
HOH is Hispanic or Latino	21	7.22%	64	9.32%	85	8.69%

Metrics

The primary metrics used to measure the impact of this activity on the MTW objective of increasing economic self-sufficiency are the number of work-able households reporting earned income at their eligibility reexaminations and the average amount of that income. Since the minimum income policy was implemented in June 2013, the percentage of work-able households with earned income has increased from 49% to 61%. The average amount of earned income went from \$15,653 to \$19,576. This is a 25% increase in just three years for both metrics. And while there are certainly other factors in addition to the minimum income that may have contributed to the increase (for example, the Clark County unemployment rate went down 3 points during the same period and VHA's own efforts at employment assistance), this is still a significant achievement.



Increased tenant income also results in reduced costs for the VHA; households with higher income require less housing assistance. However, it is difficult to estimate the actual savings from higher wages since new earned income often replaces other household income, such as TANF and even the imputed minimum income. But, savings resulting from the additional imputed income added to actual household income to bring them up to the minimum can be estimated. The chart below shows that monthly savings in Housing Assistance Payments (HAP) resulting directly attributable to imputed income averages between \$40,000 and \$50,000 per month. In addition, the average HAP for all work-able households went down significantly the first year and despite rapidly rising rents (and corresponding increases in payment standards) are still well below what they were prior to the policy change.



Another metric we are tracking is the reason that households leave the program. These reasons are divided into three broad categories of positive, negative and neutral. Of particular concern to many prior to implementation of the minimum income was the number of households evicted or terminated because of nonpayment of rent. VHA received a number of critical comments speculating that more

households would be unable to pay the new rents resulting from the minimum income and program exits due to eviction or termination for non-payment would increase. This has not been the case. Not only has the number of exits for non-payment gone down, a closer examination shows that 80% of households terminated for non-payment did not have a minimum income at all.

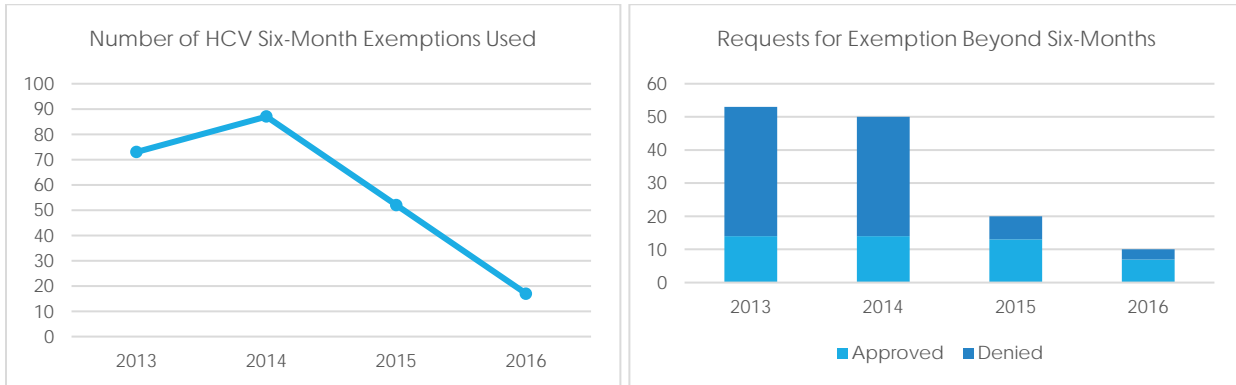
VHA Housing Choice Voucher and Public Housing Program Exits				
Reason for Exit	2012	2013	2014	2015
Criminal/Drug Activity	3	0	1	1
Eviction Other Reason	3	1	8	4
Fraud	7	3	1	0
Tenant Failure to Comply	48	53	44	20
Eviction Non payment	11	14	7	5
Skipped	14	11	12	4
Expired Move Voucher	19	40	44	32
Total Negative Program Exits	105	122	117	66
Time limit reached (Case Managed TBTL)	0	15	19	18
Deceased	35	44	35	35
Health Reasons	16	12	18	16
Port-In Returned to Initial HA	7	12	4	0
Total Neutral Program Exits	58	83	76	69
Voluntary	71	69	66	62
Bought Home	0	2	3	1
Zero HAP/Over Income	18	22	26	26
Total Positive Program Exits	89	93	95	89
Total Program Exits	252	298	288	224

Hardship Policy

With the implementation of minimum income, VHA created a new two-part hardship policy for those having difficulty with any rent increase resulting from the minimum income. Each household impacted by this activity is given a one-time six-month period of exemption from the policy. To use all or part of this exemption the household just has to complete a form requesting the exemption. No approval from VHA is required. Once the six months is exhausted, households are still eligible to request an additional hardship exemption from the VHA. These requests are reviewed and approved by a panel that includes both a VHA resident and the Executive Director.

To date about 250 households have used all or part of their six-month exemption. Many households used their exemption as soon as they could, but even more opted to save their six-month exemption period for a later date and just paid their increase in rent resulting from the minimum income. Today, only a small number of households are utilizing their six-month exemption and these are mostly new households from the waiting list.

Regarding the second type of hardship exemption, 101 households have made 133 requests for an additional hardship exemption from the minimum rent in the three years since the policy started. Of the 133 requests, 10 households were approved for a long-term exemption, 38 were approved for a short-term exemption and 83 were denied. However, it should be noted that during the first year or so of the policy most of those denials were for requests from households who had not even utilized their six-month exemption.



Conclusion

Four years ago, when VHA proposed adopting the minimum income policy, there was a great deal of concern, even alarm, expressed from residents and other members of the community. It was said that there were few jobs available and our residents would be unable to find work, landlords would opt-out due to concerns that tenants couldn't pay their share of rent and that many households would end up evicted and homeless. One commenter went so far as to predict that hundreds of families would be evicted as a result of the minimum income.

Fortunately, none of these predictions have occurred. Instead, more households are employed and those employed are making more money. Evictions for non-payment have actually gone down with only five occurring in 2015. Although changes in the local rental market have made finding a unit much more difficult, there is no indication that landlords are opting out due to the minimum income policy. And finally, VHA's costs for providing housing assistance for work-able households are far less than they would have been absent the policy.