

Moving to Work 2018 Annual Plan



Vancouver Housing Authority

Amendment Approved by VHA Board – November 16, 2017

Revised and resubmitted to HUD – January 24, 2018

Moving to Work 2018 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 Moving to Work (MTW) demonstration. 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 MTW 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 2018 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 2018 that are specific to MTW. This year VHA is seeking approval for a significant change to one existing MTW Activity. The existing MTW activity that sets a minimum income for work-able households is being changed to a minimum *earned* income. This policy change should motivate more work-able households to obtain employment helping to reduce to cost of providing housing assistance. More detail on the proposed change is found in Section III.

VHA is currently working a new public housing project. Isabella Court is a 49-unit multi-family homeless project that will be developed by REACH Community Development. REACH will utilize Low Income Housing Tax Credits and WA Housing Trust Funds to finance the construction of the project. REACH is a nonprofit that was created in 1982. REACH has developed housing in OR & WA. REACH has requested rental subsidy on 30-49 of the units that will be constructed in 2018/2019. VHA would utilize mixed finance to establish the units as public housing. Future rental subsidy would be provided to REACH for operational support.

VHA is also in the process of planning a Section 32 Homeownership program or a Section 18 disposition for a site that was previously public housing. Although the units were converted under the Rental Assistance Demonstration (RAD) and their subsidy transferred to another location, the property retains the HUD deed of trust.

VHA recognizes and appreciates that the MTW demonstration is a valuable tool for meeting the housing needs of Vancouver and Clark County and looks forward to another year of providing housing assistance and services in keeping with the program's and VHA's objectives and goals.

Amendment to the 2018 MTW Annual Plan

On November 16, 2017 the VHA Board of Commissioners approved amending the 2018 Plan to include a new proposed MTW activity that will enable VHA to set local payment standards that may fall outside of the range normally allowed under regulation. VHA has frequently found that the HUD determined Fair Market Rents (FMR) for the Portland-Vancouver-Hillsboro, OR-WA Metropolitan Statistical Area do not always accurately reflect the rents in Vancouver as Vancouver rents are typically less than those across the river in Portland. The most recent increase in the FMR will force VHA to increase payment standards even though over 80% of HCV program participants are renting units that rent below the VHA's current payment standard and fall below 90% of the new FMR. Without this new activity VHA will suffer increased and unnecessary per-unit-costs at a time where current program funding is static and future funding is uncertain. A full description of the proposed activity is located in Section III if this plan.

In addition to the new activity, VHA is including an updated description of our planned Caples Terrace Public Housing Mixed Finance Development in this amendment as requested by HUD staff. Caples Terrace was first described in our 2015 MTW Annual Plan. Since then it has been included as a planned Public Housing Development in Section II of every subsequent Annual Plan. It now appears certain that construction will start on the project in early 2018. The project will be a single building with 28 residential units along with a common area and office space for on-site staff. The project will have a site-based waiting list with a local preference. Preference on the waiting list will go to applicants identified and referred by another local agency, the Council for the Homeless, as persons in need of the services offered at the site. Through establishment of a local preference, the project will address the local need for housing for both youth aging out of foster care and homeless unaccompanied youth ages 18 to 24. Services for residents of the project will be provided by two local agencies; Janus Youth Services and the YWCA. VHA plans to use single fund flexibility to partially fund the services offered at Caples Terrace. VHA no longer plans to develop this project as blended subsidy as described in previous MTW Annual Plans.

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
Isabella II AMP Number TBD	0	34	15	0	0	0	0	49	General	3	46
Total Public Housing Units to be Added								77			

* 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
Fruit Valley	0	30 public housing units were already removed and the subsidy transferred under RAD. VHA is planning a Section 32 Homeownership program for the 30 former public housing units on the site, which will include the sale of the underlying land which currently retains a restricted use deed of trust.
Total Number of Units to be Removed	0	

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
The Meadows	23	A 30 unit property owned and operated by 2nd Step Housing. Currently under construction with completion anticipated in July 2018.
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. Currently under construction with completion anticipated in June 2018.
Rhododendron Place	30	A new 30-unit project to be developed by a VHA affiliated non-profit, Columbia Non-Profit Housing. Construction expected to begin in late 2018 with completion by June 2019.
Isabella II	30	Phase II of a project owned by Reach Community Development. Phase I is complete and contains 10 PBV in a 60 unit building. Construction on Phase II has been delayed and is now expected to start in 2019.
Anticipated Total New Vouchers to be Project-Based	98	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year
		731*
		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 is planning to use 2012-2017 Replacement Housing Funds \$1,038,897, and 2016 Capital Funds of \$257,161, towards the construction of Caples Terrace Apartments which is planned to begin construction in the spring of 2018.

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	2186	26232
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	0	0
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	2216	26592

* 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

Housing Choice Vouchers

Public Housing Program

Local Non-Traditional Units

Description of Anticipated Leasing Issues and Possible Solutions

As this plan is being written, VHA is anticipating a reduction in funding for the HCV program in 2018. VHA has currently suspended issuing new vouchers to allow the program size to reduce through attrition and does not anticipate issuing any new tenant-based vouchers throughout 2018.

VHA does not anticipate any Public Housing units available to lease in FY 2018. Caples Terrace is now not expected to be completed until Spring 2019.

VHA does not foresee any leasing issues with the School Stability Subsidy Program and plans to keep it at its current size of about 30 households through 2018 unless VHA is funded at higher amounts than currently forecast.

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	481	Partially Open	No
Federal MTW HCV Program (PBV)	Site-Based (Camas Ridge)	2103	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Van Vista)	1513	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Vista Court)	335	Partially Open	No
Federal MTW HCV Program (PBV)	Site-Based (RAD-VHA Apt)	904	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (RAD-Skyline)	2326	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (RAD-Millcreek)	2691	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Fruit Valley)	2090	Open	NA
Federal MTW HCV Program (PBV)	Site-Based (Isabella Court)	219	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.

VHA anticipates opening a new site-based Public Housing wait list for the Caples Terrace Project towards the end of 2018. The wait list will have a local preference for applicants referred by the Council for the Homeless as applicants in need of the services provided at the site for youth aging out of foster care and homeless unaccompanied youth.

SECTION III: PROPOSED MTW ACTIVITIES

VHA initially proposed a significant change to one previously approved activity. VHA is amending the 2018 plan to include a proposed new activity.

Activity 2018-02: Local Payment Standards

Description

VHA is seeking authority to establish payment standards for the HCV program outside of the basic range required by HUD of between 90 percent and 110 percent of the published Fair Market Rent (FMR). Initially VHA plans to use this authority to keep payment standards at the 2017 established payment standard level despite the recent 7.1 percent increase in the FMR for the Portland Metropolitan Statistical Area (MSA). VHA is currently experiencing a funding shortfall and has taken a number of measures to reduce both program size and per unit cost, including a freeze on issuing new vouchers to applicants on the waiting list. In this environment it makes little sense to increase payment standards at this time.

VHA conducts an analysis of our payment standards at least annually and considers a number of factors, including rent burdens of participating households, lease-up time and success rate of new households, local rents, vacancy rates, rent increases and funding when setting our payment standards. Historically, rents in our area run lower than those in Portland and as a result our payment standards usually end up set at the lower end of the HUD allowed range. However, when local rents began to increase a few years ago, the HUD published FMRs for our area remained low and VHA began increasing payment standards in relation to the FMR, culminating in 2015, when VHA set payment standards at the maximum allowed 110 percent. Also in 2015, VHA joined with other housing authorities in the Portland MSA and commissioned our own market rent study and successfully lobbied HUD to revise the FMR for the Portland MSA. The new FMRs for 2016 were 28 percent higher than the previous year. This allowed VHA to again set local payment standards toward the lower end of the allowed range.

As of November 2017, rent burdens are too low to justify an increase in the payment standard. Less than 20 percent of voucher holders living in units with the same number of bedrooms as their voucher pay more than 33 percent of income for rent (VHA uses MTW to set the Total Tenant Payment at 33 percent rather than 30 percent). In addition, VHA is not issuing new vouchers at this time due to the funding shortfall, so there is a reduced need for higher payment standards to assist those searching for housing. VHA's current payment standards are shown in the following table in comparison with the FMR:

Bedrooms	Studio	1	2	3	4	5
FY2017 Fair Market Rents	946	1053	1242	1808	2188	2516
FY2018 Fair Market Rents	1026	1132	1330	1935	2343	2694
Increase over Previous FMR	8.5%	7.5%	7.1%	7.0%	7.1%	7.1%
Current VHA Payment Standards	889	990	1167	1700	2057	2365
VHA PS as Percent of FY2017 FMR	94%	94%	94%	94%	94%	94%
VHA PS as Percent of FY2018 FMR	87%	87%	88%	88%	88%	88%

VHA will set local payment standards within a range between 80 and 120 percent of the HUD published FMR. VHA will monitor rent burdens and other relevant factors, such as lease-up time and success rate, local market rent amounts and vacancy rates, and funding availability. These evaluation will be done on a quarterly basis and VHA will adjust local payment standards if rent burdens for participating households increase to the point where more than 40 percent of households are paying more than 35% of their income for shelter.. VHA believes that a local approach to setting payment standards will result in the best balance between available funding and local needs.

Relation to Statutory Objectives

This activity is anticipated to reduce costs for the VHA and provide greater cost effectiveness in the administration of the HCV program.

Impact on Statutory Objectives

Initially the activity will allow the VHA to retain HCV payment standards at the current level despite a 7.1% increase in Portland MSA FMRs. This will prevent an increase in HAP expense that would otherwise occur, particularly for units at the upper range of the market and/or where the household is over-housed.

Metrics and Data Collection

For this activity VHA will collect data and report outcomes under the following HUD standard metrics. 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 #2: Staff Time Savings

HC #5: Increase in Resident Mobility

Authorizations

This activity is authorized under Attachment C, Section D.2.a. and waives 24 CFR § 982.503.

Activity 2013-01: Minimum Earned Income Rent Reform

Description

This activity currently utilizes a minimum income when calculating rent for households that contain 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 proposed change to this activity is to change the minimum income to a minimum *earned* income. This means that work-able households will no longer be able to offset all or part of the minimum income with household income that does not fall under one of the income codes for wages in the form HUD-50058.

For example, a work-able household may contain both work-able and not work-able members, and may have income from both earnings and from other non-wage sources. Under the current policy the rent is based on the greater of the minimum income or the actual household income. A household with a minimum income of \$10,000 due to one work-able member and an actual income of \$12,000 from another member's Social Security would have their housing assistance calculated on the \$12,000. Under the new policy, a household with one work-able member would have a minimum earned income of \$10,000 (or whatever the minimum earned income was set to at the time) and the housing assistance would be based on the minimum earned income plus any other non-wage household income. In this example the housing assistance would be based on an annual income of \$22,000 (the minimum earned income of \$10,000 plus the household non-wage income of \$12,000). The household would still have their income adjusted to reflect any deductions they might be eligible for under HUD regulations (or as modified by VHA MTW policy).

The reason for this recommended change is that a significant percentage (83%) of the work-able households that do not report any earned income do report income from other sources. In most cases, that other non-earned income either exceeds or greatly offsets the effect of the minimum income. For these household the minimum income, as currently configured, provides no incentive toward self-sufficiency.

Relation to Statutory Objectives

This proposed activity will provide incentives to households 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. 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

SS #1: Increase in Household Income

SS #3: Increase in Positive Outcomes in Employment Status

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

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. A revised Impact Analysis of this proposal is included as an appendix to this Plan.

SECTION VI: 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 (35%)	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
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
2009-15	Owners Restricted to Annual Rent Increases	FY 2009 Plan Amendment
2009-13	Reset of 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	No verification of assets less than \$50,000	FY 2009 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 meant to replace the traditional program nor is it intended to siphon any potential applicants from that program. Rather it is aimed at 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 2016. VHA is not planning any significant changes or modification to this activity in 2018 or to the metrics and authorization/s employed.

Activity 2015-02: Alternative TTP Calculation

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. The TTP is normally determined by taking 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 has changed the percentage of adjusted monthly income from 30% to 35%.

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.

Status Update

This activity was implemented starting on October 1, 2015, as staff completed required reexaminations for participating households. The policy initially set the percentage of adjusted income at 33%. In 2017 VHA increased the percentage to 35% with an amendment to the 2017 MTW Annual Plan.

2014-06 Alternative Project-Based Voucher Program

Description

In 2014 VHA consolidated a number of previous MTW policies regarding VHA's Project-Based Voucher (PBV) program into this single MTW Activity. VHA's Alternative PBV program utilizes the existing regulations under 24 CFR § 983 with the following exemptions authorized under MTW:

- 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 and VHA complies for those projects).
- 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 (added and approved in the VHA 2017 MTW Plan).

Status Update

This activity will be ongoing in 2018.

Activity 2014-05: Interim Verification Policy

Description

This activity changes the way interim reexaminations for changes in family income and composition are verified and their effective dates. 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 2018. 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 provides 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

VHA is currently anticipating that this activity will end after March 2018. This is due in part to concerns about future program funding and possible limits on the use of the single fund flexibility that is utilized for this program.

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. 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 will be ongoing in 2018. 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 2018. VHA does not anticipate changes or modification to this activity significant enough to change the metrics and authorization/s employed.

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 2018. 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 2018. 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 2018. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-19: Special Admission Procedure 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 2018. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

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 2018. VHA is not planning any significant changes or modification to this activity or to the metrics and authorization/s employed.

Activity 2009-13: Reset of Required Reexamination After Interim Reexamination

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 2018. 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 2018. 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 tenant-based Housing Choice Vouchers. This provides households searching for a unit foreknowledge of their maximum rent and saves cost through a reduction in the number of denied Request for Lease Approvals. 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 2018. 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 2018. 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 2018 and no changes are planned to the activity, the metrics used to determine outcomes, 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. In 2016 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 2018 with completion occurring in 2019, however VHA no longer plans to use blended subsidy for the Caples Terrace project as it was not compatible with the requirements of the tax credits awarded to the project.

Timeline for Implementation

VHA no longer has any projects currently under development that plan to utilize blended subsidy.

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 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

Implementation of this activity is dependent on whether suitable project is found and developed.

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

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

VHA has suspended leasing new households under this activity in 2017 due to funding concerns. Before leasing is resumed, VHA plans a reevaluation of this activity in 2018.

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				
Number	Activity Name	Plan Year Approved	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
2009-16	Renter Education Required for Applicants	FY 2009 Plan Amendment	FY 2017	Concluded
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

Closed Out Activities

Number	Activity Name	Plan Year Approved	Closed	Reason
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	15,956,173
70610	Capital Grants	-
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	1,393,362
71100+72000	Interest Income	-
71600	Gain or Loss on Sale of Capital Assets	-
71200+71300+71310+71400+71500	Other Income	3,621,089
70000	Total Revenue	20,970,624

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	1,855,585
91300+91310+92000	Management Fee Expense	177,327
91810	Allocated Overhead	-
92500 (92100+92200+92300+92400)	Total Tenant Services	257,443
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	3,716
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	19,480,615
97400	Depreciation Expense	-
97500+97600+97700+97800	All Other Expenses	23,000
90000	Total Expenses	21,797,686

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.
- 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 deposit assistance program for New Voucher Admissions.
- Funding for tuition and incentive for HCV Participants taking Rent Well classes.
- Funding for navigation and referral services to be provided for applicants on the HCV tenant-based waiting list while voucher issuance is suspended.
- Use of public housing reserves for HCV program HAP expense.
- Funding for services provided at Caples Terrace (may not occur until 2019)

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. 3188

RESOLUTION TO APPROVE THE AMENDED MOVING TO WORK ANNUAL PLAN FOR FISCAL YEAR 2018

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 November 1, 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 2018 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 16th day of November 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, 2018, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The 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

11-16-2017
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

A draft of the amendment to the 2018 MTW Annual Plan was made available for public comment for 30 days beginning on October 2, 2017. A public hearing was held on November 1, 2017. Notification of the comment period and the hearing was made on the VHA website and in the resident newsletter. No written comments were received during the public comment period and no one attended the public hearing.

APPENDIX C. ADVISORY COMMITTEES

RESIDENT ADVISORY BOARD

Joy Howard, Chair	Housing Choice Voucher Participant
Evelyn Hallett	Project-Based 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

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

[illegible]

APPENDIX E. RENT REFORM IMPACT ANALYSIS

Activity 2013-01: Minimum Earned Income Rent Reform

DESCRIPTION

This activity currently utilizes a minimum income when calculating rent for households that contain 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 proposed change to this activity is to change the minimum income to a minimum *earned* income. This means that work-able households will no longer be able to offset all or part of the minimum income with household income that does not fall under one of the income codes for wages used in the form HUD-50058.

For example, a work-able household may contain both work-able and not work-able members, and may have income from both earnings and from other non-wage sources. Under the current policy the rent is based on the greater of the minimum income or the actual household income. A household with a minimum income of \$10,000 due to one work-able member and an actual income of \$12,000 from another member's Social Security would have their housing assistance calculated on the \$12,000. Under the new policy, a household with one work-able member would have a minimum earned income of \$10,000 (or whatever the minimum earned income was set to at the time) and the housing assistance would be based on the minimum earned income plus any other non-wage household income. In this example the housing assistance would be based on an annual income of \$22,000 (the minimum earned income of \$10,000 plus the household non-wage income of \$12,000). The household would still have their income adjusted to reflect any deductions they might be eligible for under HUD regulations (or as modified by VHA MTW policy).

TRACKING AND DOCUMENTING IMPACT

VHA will utilize reporting from our housing database to track the number of households affected by this activity and the resulting financial impact. In addition the number of program exits and the reasons for those exits will be monitored as well as the number of hardship requests. A reevaluation of the rent reform will be completed each year and included in the annual MTW report.

IMPACT ANALYSIS

In order to analyze the impact on participants a report was created that shows data for participants including demographics, income and rent. The report was exported to a spreadsheet and trial calculations were made to show the result on tenant rent under a change from the minimum income requirement to the proposed minimum earned income. This report identified 1013 households that contain one or more work-able members. 600 of these households would see no change in rent from the proposed policy. 413 households are impacted with an average increase in tenant rent of \$181. The following table provides detail of the potential rent increases. Households with a projected increase greater than \$275 all contain multiple work-able members.

Households with One or More Work-Able Members *Impact on Tenant Rent		
	Number	Percent
No Change	600	59.23%
\$1 to \$50 Increase	58	5.73%
\$51 to \$100 Increase	57	5.63%
\$101 to \$150 Increase	53	5.23%
\$151 to \$200 Increase	35	3.46%
\$201 to \$250 Increase	79	7.80%
\$251 to \$300 Increase	117	11.55%
\$301 to \$350 Increase	5	0.49%
\$351 to \$400 Increase	1	0.10%
Over \$400 Increase	8	0.79%

*Projection assuming a change from a minimum annual income to a minimum earned annual income for each work-able member and no hardship exemptions.

The next table shows a comparison of households with work-able members potentially impacted by the change to a minimum earned income to those not impacted. Included are comparisons by a number of protected classes tracked by the VHA including sex, familial status, race and ethnicity. A comparison between the percentage impacted against the percentage not impacted and the total may review if there are any unintended discriminatory effects of the policy change.

All MTW Households with One or More Work-Able Members						
	*Impacted		Not Impacted		Total	
	Number	Percent	Number	Percent	Number	Percent
HOH is Elderly	24	5.81%	9	1.50%	33	3.26%
HOH is under age 62 and Disabled	73	17.68%	34	5.67%	107	10.56%
HOH is female	350	84.75%	492	82.00%	842	83.12%
HOH is only adult in household	195	47.22%	314	52.33%	509	50.25%
Households with children	304	73.61%	483	80.50%	787	77.69%
HOH is White	311	75.30%	422	70.33%	733	72.36%
HOH is Black	64	15.50%	80	13.33%	144	14.22%
HOH is American Indian/Alaska Native	12	2.91%	8	1.33%	20	1.97%
HOH is Asian	6	1.45%	16	2.67%	22	2.17%
HOH is Native Hawaiian/Pacific Islander	8	1.94%	17	2.83%	25	2.47%
HOH is Hispanic or Latino	35	8.47%	69	11.50%	104	10.27%
Total Work-Able Households	413	40.77%	600	59.23%	1013	100%

* Projection assuming a change from a minimum annual income to a minimum earned annual income for each work-able member and no hardship exemptions.

In this case households where the head is elderly or disabled appear to be impacted at a much higher rate than other categories of work-able household. However this is an expected outcome since these households are likely to have unearned income in the form of Social Security or SSI that under the previous policy offset the minimum income applied to the work-

able members of the household. One of the intended impacts of this proposed change is to change this very situation where the work-able member of a household headed by an elderly or disabled person with income was not impacted by the minimum income policy.

METRICS

In order to measure the impact of this activity on the MTW objective of increasing economic self-sufficiency we will track the number of households with earned income and the average amount of that income. We will also track the number and percentage of impacted households to see if they diminish over time due to increased income.

The impact on cost will be measured by tracking the total amount of minimum income used in calculation of rental assistance and the savings that amount would imply. In addition we will track the average HAP payment in the HCV program both overall and for impacted households.

Other metrics will include the number of hardship requests and the results of those requests as well as program exit numbers and reasons, particularly successful exits and non-payment evictions.

TRANSITION PLAN

Assuming this activity is approved for 2018, notice will go out to potentially impacted households beginning in January 2018. In addition to informing the household of the new rent and effective date, the notice will include information on the hardship policy and the right to an informal hearing. Impacted households will also periodically receive notification of any employment or training opportunities identified or developed by VHA's Work Opportunity program.

HARDSHIP POLICY

The existing VHA hardship policy for minimum income will be utilized for this proposed change. If the household has not utilized the additional hardship exemption for a one-time six month period of exemption, they will still be able to do so.