

2018

Moving To Work ANNUAL PLAN



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Section I.

Introduction

In 1999, Keene Housing (KH) became one of the nation's first 12 Moving to Work (MTW) agencies. Established by Congress in 1996, the Moving to Work Deregulation Demonstration provides high-performing public housing agencies (PHAs) selected by the Department of Housing and Urban Development (HUD) the ability to de-silo their funds and shed many unnecessary and burdensome regulations to create better, more responsive housing and resident services programs. In exchange for this flexibility, MTW agencies are subject to a rigorous planning and reporting structure, and are required to meet specific statutory requirements.

Over the intervening years, our group of 12 has grown to 39, and the innovations that have come from this group have revolutionized how we think about, and do the business of, housing our low and moderate income neighbors. Through the MTW Demonstration Program, KH has:

- Effectively reduced administrative costs;
- Developed collaborations with community partners to address and support the end to homelessness for residents in the Monadnock Region;
- Continually refined its activities to increase potential self-sufficiency for our work-able families;
- Expanded our affordable housing portfolio; and
- Increased the overall effectiveness of the agency.

Through collaboration with a broad range of community stakeholders, made possible by MTW's flexibilities, KH has continually taken bold steps in supporting the Monadnock Region through program innovation and organizational responsiveness. Following are some examples that demonstrate KH's commitment to MTW's three statutory goals: increasing affordable housing choice, providing self-sufficiency supports for work-able households, and developing administrative efficiencies.

Increasing Affordable Housing Choices

The financial flexibility and budgetary security provided by our MTW participation gives KH a strong position in leveraging funds for development and in maintaining our existing housing stock. Over the last 18 years as an MTW agency, KH has:

- Increased our affordable housing stock by 300%;
- Converted our public housing stock to project based vouchers ensuring the long term financial viability of those properties; and
- Made significant capital investments into our portfolio.

Promoting Self-Sufficiency

Helping our work-able families build wealth and become economically self-sufficient has been a core goal of our MTW program from the beginning. Our Resident Self-Reliance (RSR) program connects non-elderly, non-disabled households to Resident Service Coordinators (RSC) and a host of community partners through a robust referral system. Together, the household and RSC develop an individualized road map to a better economic, educational, and healthy future. On average, our RSR participants have higher employment rates, shorter stays in subsidized housing, and fewer negative housing outcomes, than their counterparts in our non-RSR programs.

Reduce Administrative Costs

While increasing housing choice and providing a path to self-sufficiency are important aspects of our MTW work, the administrative efficiencies we've developed and the significant financial savings they've produced cannot be understated. The savings we've garnered from taking a common-sense approach to our day-to-day operations are instrumental in funding our self-sufficiency and development goals.

Beyond the statutory goals, however, participation in MTW has allowed us to expand our reach beyond that of an affordable housing property owner into an active, engaged member of our community. Through our MTW flexibilities we:

- Provide critical funds to combat homelessness through both the shelter system and our rapid rehousing program;
- Close the "Activity Gap" by ensuring that children served by KH have access to the same extracurricular and educational activities as their peers so they have better outcomes as adults¹; and
- Work to close the digital divide by providing free internet access in our community spaces.

MTW's Future

In 2016, Congress extended our MTW agreement until 2028 and directed HUD to add an additional 100 agencies to the MTW program, a decision enthusiastically supported by KH, policy makers, advocates and PHAs across the country. As time passed, however, we have become concerned with HUD's approach to the expansion. Congress was unambiguous in its support for the existing MTW program when it instructed HUD to extend the existing MTWs' MTW Agreements and to expand the program in its current form. Disappointingly, the Department appears to be using the expansion as an opportunity to pare the program's flexibilities back and in so doing, undermine future MTW Agencies' ability to use MTW as a tool to help address some of their community's most daunting housing problems.

The expansion is our chance to create a richer, more powerful program that can reaffirm what the existing MTW PHAs have already demonstrated, that affordable housing programs based on local decision making with strong private and public participation, can be catalysts for effecting meaningful and lasting community change. Instead, HUD has proposed an entirely new MTW program that falls far short from the expectations set out by Congress in 1996 and reaffirmed in 2016. We urge the Department not to sacrifice the program's future effectiveness for the sake of administrative ease and to memorialize programmatic restrictions that were rejected by the existing MTWs and Congress in years past.

¹ 2014. The Engagement Gap. Grusky, et al. The Annals of the American Academy of Political and Social Science Vol 657, Issue 1. pp. 194 - 207

KH's Long Term Goals

The 2015-2020 Strategic Plan outlines our priorities and goals for the future. Of those goals, KH has spent much of the last few years focused on program refinement, improving our housing stock, and resident services.

In addition to this work, we have made substantial progress in reducing our energy costs and environmental impact. In 2016, we saw a 5% reduction in energy and water usage across the portfolio. Our solar initiatives have moved forward with us expecting to bring our first solar array on-line in early 2018.

The work so far has shown a positive impact on our participants and begun to move the needle on many of the issues facing our community including homelessness, food insecurity, and under-employment, to mention a few. While the work on all of these goals and objectives will continue, it is time for us to turn our attention to other issues and concerns that we face.

Like much of the country, the last few decades have seen a rapid greying of the state and region. In 2016, New Hampshire tied Vermont as the second oldest state in the country, surpassed only by Maine. While in 2000 the median age in Cheshire County was 30, today that age is 42.8 and climbing, with the median age forecasted to be in the 50s by 2020².

Our wait lists reflect this demographic shift from younger families with children to smaller, older single and two-person households. This shift reveals the growing need for new housing that promotes independent living for individuals who are elderly and/or disabled. In response, we are turning our attention to development and acquisition strategies to meet this community need.

The 2018 MTW Plan

Our 2018 MTW Plan reflects the agency's evolving focus and the need to continue evaluating our existing programs and activities before implementing additional changes. We are proposing no new activities for 2018, only one change to our existing activities, and are suspending one activity.

For our existing MTW activities, we propose providing additional supports to our work-able households participating in the joint Stepped Subsidy and Resident Self-Reliance activities. For those families looking to improve their economic outlook through education, we intend to suspend a household's progression in Stepped Subsidy during the period in which they pursue an educational goal if they remain employed and in good standing with their educational program. A full discussion of the proposed changes to the Stepped Subsidy activity can be found on pages 16 through 18.

The Landlord Self-Inspection activity permits landlords to self-certify Housing Quality Standards (HQS) compliance after the unit passes an initial KH-conducted HQS inspection. Landlord certified units must continue to pass quality control inspection to continue in the program. This activity has long been underutilized, and after careful consideration, we have decided to close the activity in 2018.

A review of all suspended and closed activities can be found on pages 28 through 30.

² 2016. United States Census Bureau. 2015 American Community Survey

Section II.

General Operating Information

From our hard units to the programs that support them, KH's affordable housing portfolio has evolved into something unimaginable 18 years ago. Our portfolio has grown 300% since 2000, from a small number of public housing and Multifamily units to an impressive mix of units utilizing a variety of funding and subsidy streams. Today KH owns or manages 551 units of affordable housing including two homeless shelters, 155 units under a HUD Multifamily Project Based Section 8 contract, six Low Income Housing Tax Credit (LIHTC) properties, two homes for individuals diagnosed with chronic mental illness, and ten former public housing developments. Not only has the type and variety of units we owned changed, but so to has how we use our funding to manage our housing portfolio.

KH was one of the first PHAs to recognize the potential pitfalls of how the public housing program is funded and, in 2007, stepped away from the public housing model. By converting our entire public housing portfolio to conventional financing with MTW Project-Based Vouchers (PBVs) we were able to protect this important community resource from the slow decay caused by years of federal disinvestment.

Beyond public housing, we recognized that LIHTC rents are still out of reach for many low-income households. For this reason, many of our LIHTC properties include MTW PBV subsidies. The deep subsidy the PBVs provide expands the housing available to extremely low-income households who could not otherwise afford LIHTC rents. For those who we are unable to help through our traditional assisted housing programs due to homelessness, our homeless shelters utilize shallow subsidies provided through our Transitional Housing Assistance Subsidy Program (THASP, page 16) and our rapid rehousing program Project MARCH (page 26).

To continue ensuring that affordable housing stays livable and affordable, our the Affordable Housing Preservation Program (AHPP, page 22) allows us to convert Multifamily properties that would otherwise become market rate, while our Affordable Housing Preservation and Modernization activity (page 24) provides us the funds needed to address our capital needs. For a clearer picture of which units benefit from our participation in MTW, please see the table provided on page 12.

Housing Stock Information

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

KH does not intend to add any public housing units to our portfolio in 2018.

AMP Name and Number	Bedroom Size							Total Units	Population Type *	Fully Accessible	Adaptable
	0	1	2	3	4	5	6+				
N/A	0	0	0	0	0	0	0	0	N/A	0	0
Total Public Housing Units to be Added								0			

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

If Other, please describe: N/A

If Other, please describe: N/A

Planned Public Housing Units to be Removed During the Fiscal Year

KH does not own any public housing units.

PIC Dev. #/Amp and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
N/A	0	N/A
Total Public Housing 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
N/A	0	N/A

Anticipated Total New Vouchers to be Project-based*		0	Anticipated Total Number of PBVs Committed at the End of the Fiscal Year	339
			Anticipated Total Number of PBVs Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year	324

*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

Other Changes to the Housing Stock Anticipated During the Fiscal Year

KH does not anticipate any other changes to our housing stock in FY2018.

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

KH does not have any public housing units and is ineligible for Capital Funds at this time.

Leasing Information

Planned Number of Households Served at the End of 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 Utilized	587	7044
Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	62	744
Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	20	240
Total Households Projected to be Served	669	8028

* 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

Keene Housing is in compliance with all statutory MTW requirements.

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

General Operating Information

KH does not anticipate any issues relating to leasing in any of its MTW programs for FY2018.

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
N/A	N/A

Wait List Information

Housing Programs(s)*	Wait List Type**	Number of Households on Wait List	Waitlist Open, Partially Open, or Closed***	Are There Plans to Open the wait List During the Fiscal Year?
Federal MTW HCV Units (Tenant Based)	Community-Wide	465	Open	N/A
Federal MTW HCV Units (Tenant Based)	Program Specific (PBV Mobility)	32	Partially Opened	No
Federal MTW HCV Units (Tenant Based)	Program Specific (NED)	254	Open	N/A
Federal Non-MTW HCV Units	Program Specific (Mainstream)	227	Open	N/A
Federal MTW HCV Units (Project Based)	Site-based (Unduplicated)	776	Open	N/A

* 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 PBV Mobility Waitlist is only available to households leased up in a PBV unit interested in obtaining a tenant-based voucher.

If Local, Non-Traditional Housing Program, please describe: N/A

If Other Wait List Type, please describe: N/A

Section III.

Proposed MTW Activities

Keene Housing is not proposing any new activities for Fiscal Year 2018.

Section IV.

Approved MTW Activities

Activity Numbering System

KH utilizes a numbering system to assist readers in finding specific activities or identifying an activity's purpose. The Plan approval year is the first section of the activity number. The second number refers to the activity number for that year. The final two letters indicate the statutory objective the activity relates to – Housing Choice (HC), Cost Effectiveness (CE), and Self-Sufficiency (SS). In cases where an activity falls under more than one objective, KH's primary goal in initiating the activity is used.

Implemented Activities

1999.01.HC Eligibility Administration Guidelines

Plan Year Approved: 2000

Year Implemented: 2000

KH uses a two-tiered system for determining eligibility for our MTW HCV program. First, we calculate a household's anticipated income by applying all applicable income sources as described at 24 C.F.R. 5.609. If the calculated income is 80% Area Median Income (AMI) or less, the household is eligible for assistance under the first threshold. KH then applies an asset threshold of \$100,000 as a second layer for eligibility determination. Applicant households with assets of \$100,000 or more are not eligible for assistance even if the applicant's anticipated income falls at or below the 80% AMI threshold.

The \$100,000 asset threshold does not apply to inaccessible assets, such as irrevocable trusts. KH applies income from inaccessible assets to a household's income for determining income eligibility as if this threshold did not exist.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.03.CE Rent Reasonableness Neighborhood Analysis Discontinuance

Plan Year Approved: 2000

Year Implemented: 2000

To comply with C.F.R. 24 902.507, Public Housing Authorities (PHAs) typically develop and maintain, or purchase, a database of rental units in the PHA's jurisdiction which they use to determine if an owner's proposed rent is reasonable compared to similar, unassisted units. Developing a reasonableness database often requires

extensive administrative time or is accompanied by the high costs of hiring an outside contractor to provide the necessary data. KH found that the high annual administrative and financial costs of this task provided little value, as the region's rental market varies little from year to year and almost not at all across neighborhoods.

Dictating to participants what is a reasonable rent is also contrary to KH's philosophy of empowering participants to make decisions based on their needs, rather than to comply with arbitrary requirements set by KH or HUD. It is KH's belief that the household, not KH, is the best judge of what an appropriate rent is (see 40% Affordability Discontinuance activity on page 18). To ensure HCV holders are not being charged unreasonable rents, KH compares our participants' rents against the Market Analysis released regularly by the New Hampshire Housing Finance Authority.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.07.HC Reasonable Rent Determination Discontinuance

Plan Year Approved: 2000 Year Implemented: 2000

KH believes that the determination of rent reasonableness for a unit is best left in participants' hands, as determined by each household's priorities, income, and needs. Instead of determining if a rent is reasonable for the participant, KH staff educates applicants on how factors relating to rent reasonableness – such as location, unit size, unit type, accessibility, amenities, tenant paid utilities, and maintenance – contribute towards a reasonable rent, and provides support, if necessary, during the participant's negotiations with the owner.

To further support participant independence, KH does not execute Housing Assistance Payment (HAP) contracts or negotiate rents with owners on participants' behalf. Instead, KH pays the HAP directly to the participant with the understanding that the participant is expected to pay full rent, not just their portion, to the owner. Participants who fail to pay their full rent are subject to eviction, removed from the HCV program, and any remedies available to KH for recovering misspent HAP.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.08.HC 40% Affordability Discontinuance

Plan Year Approved: 2000 Year Implemented: 2000

KH does not require participants to maintain a rent burden of less than 40% when leasing a unit or negotiating rents with an owner. Instead, we allow the participant to be the judge of his or her priorities in relation to housing

choice and rent burden. Participants are counseled during the issuance briefing on acceptable rent burdens relative to rent reasonableness and the consequences of choosing a unit that creates a high rent burden. Once a unit is chosen, KH calculates the proposed rent burden and, if it exceeds 40%, KH allows the participant an opportunity to demonstrate how they will afford their rent without sacrificing other household necessities. Households whom KH permits to lease-up with a rent burden exceeding 40% are not eligible for Safety Net unless an unanticipated change in circumstances, such as income loss or change in household composition, causes a rent burden in excess of their rent burden at lease-up.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

2005.03.HC MTW Homeownership Flat Subsidy

Plan Year Approved: 2005 Year Implemented: 2005

Keene Housing provides participants interested in homeownership the opportunity to purchase a home while keeping their MTW HCV through the MTW Homeownership Program. KH's program generally mirrors the traditional HUD homeownership program by requiring households to meet specific requirements in order to be eligible for the program, including homeownership counseling. Under the traditional HUD homeownership program, a non-elderly, non-disabled household may receive assistance for up to 15 years on a 20 year or longer mortgage (10 years for a shorter mortgage). This assistance continues regardless of income after the initial income eligibility determination.

In our experience, the lengthy approval process sometimes results in an eligible household finding themselves over the 80% AMI threshold by the time a home is located and a lender secured. Additionally, households sometimes increase their income above 80% AMI after obtaining a home.

While KH believes that supporting a household's homeownership goals and maintaining homeownership is important, we also believe that continuing to assist households after they no longer need assistance is contrary to our mission and an inefficient use of tax payer funds. To balance these two goals, in addition to HUD's standard term limits, KH initiated a flat subsidy for households in the program with incomes between 80% AMI and 140% AMI. By adopting both a flat subsidy and term limits, KH promotes participants' efforts to increase financial stability while holding them to a higher standard than HUD's traditional homeownership program.

With the economic and housing market instability in 2008, Keene Housing initiated a policy change that permitted homeownership families to request an interim recertification if their incomes changed. This policy change prevented at least two foreclosures and remains in place.

As of July 2017, no new Homeowner Vouchers were issued, although 2 households purchased a home without our assistance. Five households currently participate in the Homeownership program.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.06.HC Transitional Housing Assistance Subsidy Program

Plan Year Approved: 2000 Year Implemented: 2000

KH's Transitional Housing Assistance Subsidy Program (THASP) helps homeless and hard-to-house individuals and families access stable housing through partnerships with local service providers. THASP partners receive fixed subsidies to offset the costs of maintaining shelters for the region's homeless, re-entry, and domestic violence populations. In exchange, partners agree that THASP participants do not pay more than 30% of their income for shelter and receive case management and counseling to help gain long-term housing.

THASP has become a critical component of Keene's homeless and domestic violence shelter system. KH provides fixed subsidies for 4 transitional housing programs – a Men's Homeless Shelter, a Family Homeless Shelter, Second Chance for Success transitional housing program for individuals leaving incarceration, and the Monadnock Center for Violence Prevention (MCVP) shelter for individuals fleeing domestic violence and sexual assault. Three of the shelters – the men's shelter, family shelter, and Second Chance – are managed by Southwestern Community Services (SCS), the local Tri-Cap agency.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.04.CE Stepped Subsidy Rent Reform

Plan Year Approved: 2000 Year Implemented: 2000

In KH's experience, non-elderly, non-disabled households coming off the wait list are often in need of more support and financial assistance than those who have been receiving assistance for a longer period of time. The Stepped Subsidy Rent Reform responds to this need by providing a deep Housing Assistance Payment (HAP), with households only paying 20% of gross income towards rent for the first two years of housing assistance (see table on page 13 for 2018 Stepped Subsidy amounts).

During this time participants are also enrolled in the Resident Self-Reliance (RSR) program (page 22) where they receive supportive services from KH's Resident Service Coordinators (RSCs). Households work with RSCs throughout their time with us to identify barriers to self-sufficiency and to develop a plan for moving towards financial security and, eventually, out of housing assistance.

Proposed MTW Activities

# BR	VPS	Step 1 HAP	Step 2 HAP (65% of VPS)	Step 3+ HAP (45% of VPS)
0	\$797	VPS-20% Gross Income = Subsidy	\$520	\$360
1	\$851	VPS-20% Gross Income = Subsidy	\$550	\$380
2	\$1067	VPS-20% Gross Income = Subsidy	\$690	\$480
3	\$1287	VPS-20% Gross Income = Subsidy	\$840	\$580
4	\$1566	VPS-20% Gross Income = Subsidy	\$1020	\$700

We have found that calculating HAP based upon a household's earnings punishes them for increasing their income by responding to the increased income with an in-kind increase in tenant rent payment. This is a serious disincentive for a household to increase its income and has been found to result in employment instability and under reporting of income. It has also been found to negatively impact a household's ability to save or plan for the future, both of which are contrary to KH's mission.

To promote long-term employment and financial stability, after the first two years of assistance the amount of HAP a household receives is disconnected from their earnings and is instead calculated as a percentage of the voucher payment standard (VPS) the household for which the household is eligible. In Year 3 the household receives a monthly HAP equal to 65% of the VPS. The HAP is reduced again in Year 4 to 45% of VPS.

Stepped Subsidy is mandatory for all non-elderly, non-disabled households in the MTW HCV and PBV programs, although both elderly and disabled households may opt-in to the program. Currently 141 households have their subsidy calculated under the Stepped Subsidy Rent Reform.

Stepped Subsidy households are subject to the Reasonable Rent Determination Discontinuance activity (page 17). HAP is paid directly to the household and it is the household's responsibility to pay the full rent to the owner; KH does not execute a HAP contract with the owner. In addition, all Stepped Subsidy participants are required to participate in the RSR program as long as they receive housing assistance.

KH monitors rent burden quarterly to ensure participation in Stepped Subsidy does not cause excessive burdens to participating households. On average, 5% of Stepped Subsidy households maintained a burden of 40% or higher in 2016. These households are predominately choosing to rent a unit that exceeds the VPS or unit size for which the household is eligible.

Changes Proposed for FY2018

In an effort to promote and support our participant's educational goals, KH proposes to "freeze" a Step 1 or Step 2 household's progression in the Stepped Subsidy program at their current level if the head of household, spouse, or co-head is:

- Employed at least part-time, and
- Enrolled full-time in a post-secondary program and maintaining a passing GPA, as defined by the institution.

A household's subsidy will remain frozen until such time that the eligible participant has completed their educational program, are no longer employed at least part-time, their enrollment drops below full-time, or their GPA drops below passing. In addition, the household must remain in compliance with all other voucher program obligations, including all requirements of the Resident Self-Reliance (RSR) program. Ongoing compliance will be reviewed at the household's quarterly RSR meeting. Should KH determine a participant is no longer eligible for the freeze, the household's Step Subsidy progress will resume on the first day of the month after a 30 day notification of non-compliance. There is no limitation on how long a household may remain at the frozen level.

By freezing or leveling the subsidy, these families are not forced out of their educational program due to an increase in their portion of rent as they move from one step to another. These households are subject to all ongoing program eligibility criteria as are households who do not qualify for the frozen subsidy.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

1999.05.SS Resident Self-Reliance Program

Plan Year Approved: 2000 Year Implemented: 2000

Participants in the Stepped Subsidy Program are required to participate in KH's Resident Self-Reliance (RSR) program. RSR's central premise is that to become financially stable and self-sufficient, households must achieve the following five Foundational Proficiencies: Household Stability, Wellness and Healthy Relationships, Education and Training, Financial Management, and Employment and Household Management.

Each household is assigned a Resident Service Coordinator (RSC) who provides service coordination and case management to help participants understand and remove the obstacles keeping them from building wealth and achieving self-sufficiency. The RSCs are funded through HUD's Housing Choice Voucher (HCV) Family Self-Sufficiency (FSS) Grant Program.

Individualized Goal Setting

New participants meet with their RSC to complete an initial Proficiencies Assessment. The assessment helps the household and RSC develop an individualized 3-year Goal Action Plan. The plan includes actionable goals and milestones tailored to the assessment findings, with concrete dates for completion. Participants are encouraged to anticipate scheduled increases in rent, as described in the Stepped Subsidy activity (page 20), or other potential financial changes, such as changes in benefits due to increases in earnings, when developing their Goal Action Plan. By anticipating and planning for these changes, participants avoid the so-called "cliff effects" that can often derail self-sufficiency progress as a household's personal income increases and public assistance declines. Upon completion of a 3-year Goal Action Plan, the participant and RSC establish a new 3-year plan. This process continues until the household leaves the MTW program.

Development Grants and Rent Credits

KH created the Development Grants and Rent Credit (DGRC) fund in 2014 to help offset the costs associated with attaining household goals and to provide RSR participants financial rewards for attaining them. The amount

of DGRC funds available to each household is determined annually, based upon MTW funding availability. RSR participants can receive DGRC funds both as Development Grants and Rent Credits.

Development Grants help households pay the costs associated with achieving goals in their 3-year Goal Action Plan. Examples of Development Grants include help with tuition, textbooks, exams, childcare, and even car repairs.

Rent Credits are designed to provide a financial reward to households that meet an established milestone or goal from their 3-Year Goal Action Plan. Upon completing a goal, the household receives a credit towards the following month's rent. Rent credit amounts are agreed upon by RSC based upon the difficulty of the goal and the amount of funding available. Households may receive a Rent Credit for meeting any goal, even if they utilized a Development Grant to achieve it.

Development Grants and Rent Credits are available to all RSR participants who are in compliance with the RSR program and the Obligations of the Family agreement, which outlines all the responsibilities a voucher household is required to fulfill, as well as all prohibited actions.

Participant Compliance

Once a household establishes a 3-Year Goal Action Plan, the household and RSC meet quarterly to discuss the household's progress and any barriers that have arisen since the last meeting. Attending these meetings is mandatory. Participants who miss three (3) quarterly meetings are terminated from the RSR, Stepped Subsidy, and MTW HCV programs.

RSR Waivers

Prior to 2014, participants who completed the RSR program requirements or had completed 5 years in the RSR program received an RSR Waiver. Those households remained in the Stepped Subsidy program but were no longer required to attend meetings with their RSC or participate in RSR workshops. When the RSR program was restructured in 2014 we discontinued this practice. RSR Participants that received a waiver prior to the restructuring are permitted to keep their waiver unless they:

- Apply for hardship through Safety Net;
- Are found non-compliant with their lease or Obligations of the Family; or
- The Step 3 Total Tenant Payment (TTP) is less than 30% of the household's gross income.

As of June 2015, all waived households have moved to active status.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

2005.01.CE Elderly and Disabled Household Alternative Recertification Schedule

Plan Year Approved: 2005 Year Implemented: 2005

KH uses a streamlined recertification process for elderly and disabled households receiving 100% of their income from any fixed income source that do not have net assets exceeding \$50,000. Instead of the traditional recertification, KH relies on the published Cost of Living Adjustment (COLA) and Enterprise Income Verification (EIV) system to calculate each household's income.

Households receive a notification via mail of their new tenant share and subsidy without attending a recertification appointment. Included with this notice is the standard Authorization for Release of Information/Privacy Act Notice (HUD form 9886). All elderly and disabled households may request an interim at any time.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2005.02.CE Stepped Subsidy Recertification Schedule

Plan Year Approved: 2005 Year Implemented: 2005

Instead of the traditional annual recertification process, participants whose subsidies are calculated under the Stepped Subsidy Rent Reform are recertified at each Step change, typically Years 3 and 4.

Once a household reaches Step 3, KH replaces the recertification process with an Enterprise Income Verification (EIV) systems check to test if the family has met the \$0 HAP threshold (page 26), and for processing recertifications.

All Stepped Subsidy households also participate in the Resident Self-Reliance Program (RSR) and are required to attend quarterly meetings with their Resident Service Coordinator (RSC). Participants and RSCs review income and employment data at these meetings. This data is used to ensure program eligibility and to measure each household's progress towards their 3-Year Goal Action Plan. If necessary, RSCs also collect new Authorization for Release of Information/Privacy Act Notices (HUD form 9886) at this time.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2008.01.HC Project-based Voucher Program

Plan Year Approved: 2008 Year Implemented: 2008

KH project-bases at least 75% plus any funding received for units project based through the AHPP activity (page 27). In addition, KH waives the required public process for project-basing units within KH owned and managed

properties and those project-based through the AHPP activity. KH also uses its MTW flexibility to project base up to 100% of the units within a property.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2008.02.CE Restrictions on Section 8 Portability

Plan Year Approved: 2008 Year Implemented: 2008

KH restricts the ability of participants in the RSR program to port out of the Monadnock Region unless they have a verifiable need for a reasonable accommodation, are the victim of domestic violence, or can show that, consistent with the RSR program's intent, such a move would demonstrably increase their financial stability, such as new employment or enrollment in an educational program. There are no portability restrictions for elderly/disabled MTW HCV, NED, or MTW PBV households.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2013.01.SS \$0 HAP Rent Burden Test

Plan Year Approved: 2013 Year Implemented: 2013

KH encourages participants to increase their income and move towards self-sufficiency. However, we understand that the fear of a sudden loss of important safety nets, such as housing subsidy, may hold participants back from pursuing opportunities to change jobs and/or increase income. Even if a household increases their income so that they no longer need housing assistance, there are many obstacles that they may face in the first few months after the household loses housing assistance. However, as an agency dedicated to helping our low-income neighbors reach permanent financial independence, we recognize that we should not continue helping households that no longer need our assistance.

The \$0 HAP Rent Burden Test provides us a way to meet that delicate balance. When a Stepped Subsidy household reaches economic independence, measured as having a gross rent or eligible VPS at or below 30% of gross income, KH reduces the HAP to \$0 for 6 months. If the household does not experience an unanticipated change in income within the \$0 HAP period, housing assistance is terminated. This provides households a period to adjust to life without housing assistance, while also ensuring we are being responsible stewards of the tax payers' investment.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2014.01.HC Affordable Housing Preservation Program

Plan Year Approved: 2014 Year Implemented: 2015

AHPP provides property owners the ability to opt-out of an expiring Project Based Rental Assistance (PBRA) contract and execute to a AHPP PBV HAP contract with KH. As vouchers sometimes provide higher payments than older PBRA contracts, entering into a AHPP PBV HAP contract can provide owners access to additional rental revenue and new potential funding opportunities for capital improvements. In addition, the AHP program is much easier and less expensive for owners to comply with than HUD's multifamily program. This results in reduced overhead for owners, which when combined with competitive PBV rents, makes the AHP program very attractive to owners of expiring use properties as well as investors interested in purchasing and preserving them. At opt-out, KH provides residents the option of remaining in place and converting their Enhanced Vouchers to PBVs, staying in-place with their Enhanced Vouchers, or taking their vouchers to the private market.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2014.02.CE Medical Deduction Threshold

Plan Year Approved: 2014 Year Implemented: 2014

Using HUD's traditional medical deduction formula, elderly and disabled households may claim unreimbursed medical expenses over 3% of their annual income as a deduction when their income is being calculated for the purpose of rent determination. Prior to implementing this initiative KH found that most households did not need the deduction or were using it to offset costs not covered by Medicaid or Medicare. With the implementation of the Affordable Care Act (ACA), KH found that fewer households needed the lower medical deduction threshold for out-of-pocket medical expenses and were primarily using the deduction for optional private insurance coverage. KH decided to align its medical deduction threshold to that used by the Internal Revenue Service and increased the threshold to 7.5% for elderly and disabled households' unreimbursed medical expenses. This change created a buffer for households that suffer unusually high out-of-pocket medical expenses while ensuring that limited housing dollars were not being used to subsidize private insurance.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2014.03.SS Asset Exclusion Threshold

Plan Year Approved: 2014 Year Implemented: 2014

When a household's assets total \$50,000 or less, KH does not include the imputed value of the household's assets as income when determining the household's total tenant payment. This allows voucher participants the opportunity to establish and increase assets without being penalized by a corresponding rent increase. KH continues calculating the imputed value for all assets in the income calculation when a household's total assets exceed \$50,000.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2014.04.SS Keene Housing Kids Collaborative

Plan Year Approved: 2014 Year Implemented: 2015

Keene Housing Kids Collaborative (KHKC) is a 501(c)(3) non-profit organization KH created in 2015 to provide educational and other services to children living in KH owned or managed properties, as well as children living in privately owned housing with assistance from an MTW Housing Choice, Non-Elderly Disabled, or Mainstream voucher. No child for whom KH provides any sort of support is excluded from participating in KHKC programming or community partnerships.

After many years of operating a small after school program with just a handful of children participating, KH, through its support for KHKC, is now fully engaged in the very difficult work of providing KH youth the educational, social and emotional tools and experiences they need to flourish in school and in the community so that, once they complete high school and move on to secondary or vocational school, they will be prepared to succeed. KHKC's task is to make sure that children growing-up in KH or KH assisted housing will not need housing assistance when they become adults.

To that end, KHKC has already forged important partnerships with various providers of educational, social, athletic, and other programming for children, with an initial focus on preschool to elementary-aged children. KHKC is engaging local academics with interest in issues of child development and generational poverty to study how KHKC's interventions with support from KH, can effect the economic outcomes of children living in KH-assisted housing. The hope is that much can be learned by exploring how, thanks to MTW, KH is combining its focus on adult self-sufficiency in the RSR program with the work KHKC is doing with the children of RSR families in particular, to effect multi-generational economic development.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2014.05.HC Affordable Housing Preservation & Modernization Program

Program Year Approved: 2014 Year Implemented: 2014

The Affordable Housing Preservation and Modernization Program allows KH to use savings realized from MTW rent, programmatic, and administrative reforms to address KH, and KH-affiliate owned properties' growing capital needs. These funds allow KH to respond to the portfolio's needs in a rational way, with a predictable schedule, based on greatest need and economies of scale, rather than in reaction to unpredictable and uncertain grant opportunities. With planned capital expenditures for 2018 of more than \$1 million, MTW is playing a critical role in preserving the lion's share of Keene's affordable units.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2015.01.CE Affordable Housing Preservation Program Rent Reform

Plan Year Approved: 2015 Year Implemented: 2015

The AHPP Rent Reform provides a streamlined methodology for calculating rent while providing households an opportunity to increase income and assets without immediate increases in rent. As in the traditional PBV program, subsidy is calculated based upon 30% of a household's adjusted annual income. However, the activity alters the current methodology for calculating rent and the recertification schedule with the following streamlined strategies:

- Triennial recertifications for all households.
- Interim recertifications are limited to household composition changes and cases where the total household income permanently drops by \$50 per month or more, with access to Safety Net for short term financial hardship.
- The Utility Allowance in effect at the effective date of the last regular recertification is used to calculate rents at interim recertifications.
- Household assets with a total net value of \$50,000 or less are disregarded.
- Earned Income Disregard (EID) is eliminated.
- Utilizes the published Cost of Living Adjustment (COLA) and the Enterprise Income Verification (EIV) system to calculate household income for elderly and disabled households.

By simplifying the recertification and rent calculation process, the activity reduces KH's administrative burden by lowering administrative costs and staff time. In addition, this policy allows participant households the opportunity to increase earnings and assets without being discouraged by corresponding increases in rent. As evidenced by KH's successful Stepped Subsidy Activity, disconnecting a household's rent from increases in earnings or assets often leads to positive household outcomes.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Activity Metrics Information

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

Hardship Case Criteria

Households affected by this policy are provided two options when they experience a hardship that increases their rent burden. First, should a household experience a decrease in household income of \$50 or more per month, it may request that KH, or the administering agency, perform an interim recertification to recalculate the household's share of the rent.

Second, if a household experiences a temporary, unforeseen rent burden increase to 45% or higher of adjusted income, the household may apply to the Safety Net program which provides a short-term reduction in the tenant share of the rent while the household recovers from whatever event created the need for Safety Net. KH has operated Safety Net since first joining MTW in 2000 as part of the Stepped Subsidy activity.

2015.02.CE Affordable Housing Preservation Program Alternative Inspection Schedule

Plan Year Approved: 2015 Year Implemented: 2015

Properties participating in AHPP (page 27) use the following alternative schedule for Housing Quality Standards (HQS) inspections:

- All units converting to AHPP are inspected by the administering agency for HQS compliance no more than 90 days before initial conversion.
- If all units pass initial inspection, KH inspects 20% of the units biennially.
- Should any unit fail initial or biennial HQS inspection, the property is subject to an annual inspection of 100% of units until all pass HQS inspection, at which time the property returns to a 20% biennial inspection schedule.
- Properties subject to a higher inspection protocol than HQS may use that protocol in lieu of a biennial (not initial) HQS inspection.
- Properties that fail an inspection based upon a higher standard protocol are subject to an annual HQS inspection of all (100%) units until all units pass HQS or a higher inspection protocol.
- A household may, at any time, request a HQS inspection from the administering agency should the tenant believe that their unit does not meet HQS.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Activity Metrics Information

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

2015.03.CE Earned Income Disregard Discontinuance

Plan Year Approved: 2015 Year Implemented: 2015

KH discontinued allowing new households to claim the Earned Income Disregard (EID) from the calculation of tenant rent. All households claiming EID as of January 1, 2015 were permitted to do so until the natural end of their EID allowance, as required by regulation.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Activity Metrics Information

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

Hardship Case Criteria

All households are eligible for assistance under KH's Safety Net program. Safety Net permits households who experience unanticipated increases in rent burden due to a loss of income or increase in medical expenses to apply for a temporary reduction of their tenant share. In addition, the population eligible for the EID are generally not in the Stepped Subsidy program and can request an interim recertification for long-term income changes at any time.

2016.01.CE Project-Based Unit Agency Conducted Inspections

Plan Year Approved: 2016 Year Implemented: 2016

Section 8(o)(11) of the 1937 Housing Act and 24 CFR 983.103(f)(1) requires PHAs to contract with a third party inspector for PHA owned PBV units. Due to KH's inability to locate a third party inspector, KH waived the third party inspection requirement under Section 8(o)(11) of the 1937 Housing Act and 24 CFR 983.103(f)(1) in our 2016 Plan.

Each year KH publishes an Request for Proposals (RFP) for third party HQS inspections. IN 2017, we recieved one response to the RFP. KH awarded a one-year contract to the inspection firm for Quality Control (QC) inspections. The vendor will re-inspect five (5%) percent of all initial and annual inspections performed each quarter as a QC mechanism. If, after the initial contract year, KH is satisfied with the firm's work, in terms of both thoroughness of inspections and customer service, KH may expand the firm's scope of work, pursuant to KH's Board approved procurement policy, to include inspection of all KH and KH affiliate owned PBV units. Should that occur, KH may elect to suspend this activity in the appropriate MTW Plan year.

KH's Director of Facilities and Assets continues to certify all KH owned and managed Project PBV units to Uniform Physical Condition (UPC) Standards at turnover. In addition, a KH inspector certifies that these units meet Housing Quality Standards (HQS) as specified in KH's MTW HQS activities: 2011.01.CE Housing Quality Standards (HQS) Biennial Inspection Schedule and 2013.01.CE Housing Quality Standards (HQS) Alternative Inspection Protocol. Additionally the Director of Programs and Services, who has not been involved in routine inspections, monitors the quality of inspections conducted by the KH inspector and contracted inspection vendors.

Changes Proposed for FY2018

KH proposes no changes for this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2016.02.HC Project MARCH (Monadnock Area Resources Curing Homelessness)

Plan Year Approved: 2016 (Amended)

Plan Year Implemented: 2016

Project MARCH uses a Housing First model that provides partner agencies fixed subsidies to secure and maintain private market housing for their homeless clients. The first Project MARCH Partner is Southwestern Community Services (SCS). SCS is our region's Community Action Agency, and our largest THASP partner (page XX). KH pledged up to twenty (20) Project MARCH subsidies to SCS in 2016. This commitment expands affordable housing options in the community and provides options beyond the shelters for those who may otherwise find it difficult to secure permanent, affordable housing.

Project MARCH utilizes preferences to prioritize homeless veterans, followed by chronic homeless households, then homeless households. Every household who receives housing through Project MARCH is also offered two months of supportive services from SCS. SCS continues working with households who request additional services after the mandatory two month services period ends.

The Project MARCH partner is responsible for creating and enforcing eligibility and continued occupancy policies. Such policies must, at minimum, meet the following requirements:

- Ensure that no policies or procedures violate any federal, state, or local regulation or statute.
- Certify that no Project MARCH participant has been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- Require that at least one member of the participating household has established citizenship or eligible immigration status.
- Confirm that all units leased through Project MARCH meet Housing Quality Standards (HQS) protocols and are subject to KH's HQS quality control protocols.
- Ensure that a Project MARCH participant's rent burden will not exceed 45% of monthly income.
- Certify that no Project MARCH participant's annual income will exceed 80% of the Area Median Income (AMI) at eligibility.

- Verify that the partner will not impose a time limit for participation, but will require Project MARCH participants to apply for housing assistance with KH as part of the Project MARCH eligibility process.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2017.02.HC PBV Mobility Wait List

Plan Year Approved: 2017

Plan Year Implemented: 2013

Keene Housing increased the tenancy requirement for PBV households from one to two years. In addition, we established a ratio whereby every sixth tenant-based voucher issued will go to an eligible PBV household that has requested a tenant-based voucher by opting in to our Mobility wait list.

The policies ensure equitable access to housing by households waiting for assistance as well as by assisted households looking to move to the private market. This initiative meets the Housing Choice statutory objective and increases the number of units available to all low-income households by ensuring that availability of PBV units are not a barrier to those needing assistance. And it reduces wait times by ensuring that those on the wait list are assisted before those already being assisted.

For administrative purposes, all PBV households who applied for our tenant-based wait list prior to the implementation of this policy were automatically moved to the Mobility Wait List in the order of their original application. At lease-up, all PBV households are informed of their right to a tenant-based voucher after two-years of tenancy and given the choice to opt-in to our Mobility Wait List. PBV households may request to be placed on the Mobility wait list at any time.

PBV households are still eligible for transfers within the KH PBV portfolio during the two-year tenancy requirements if such a transfer is approved by the PBV owner. In addition, KH waives the PBV Mobility Wait List requirements for PBV households that meet the eligibility criteria for a tenant-based voucher under KH's Violence Against Women Act (VAWA), Reasonable Accommodation, or Government Displacement/Natural Disaster Preference policies.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

2017.02.HC Local Payment Standard

KH sets its own Local Payment Standards based on actual market data, rather than HUD's FMRs, using the same Rent Comparability Study methodology used for our HUD Multifamily properties. The Local Payment Standard

activity increases the mandated Payment Standard cap to 175% of FMR, waives the requirement to utilize HUD's FMRs when determining the agency's Payment Standards, and allows KH to self-approve rents exceeding its Board-approved VPS, when necessary.

Changes Proposed for FY2018

KH proposes no changes to this activity.

Metrics Changes for FY2018

KH will outline any changes to metrics or baselines for this activity in the FY2018 Report.

Not Yet Implemented Activities

All KH MTW activities have been implemented.

Activities on Hold

No KH MTW activities are on hold.

Closed Out Activities

2006.01.CE Standard Deductions

Plan Year Approved: 2006 Year Closed: 2013

In 2006, KH adopted a flat deduction for all elderly and/or disabled households. Households who believed their unreimbursed medical expenses were above the 3% medical deduction threshold could request that KH calculate their medical deduction instead of applying the standard deduction.

Since the process of verifying and calculating medical deductions can often be administratively burdensome, it was believed that using a flat deduction would provide administrative savings to offset any potential HAP loss. Delays in implementation and data collection resulted in KH being unable to determine the impact of this activity until 2012. A 2012 analysis showed that the loss in HAP funds due to households receiving medical deductions that they would not otherwise be eligible for far outweighed any administrative savings.

In 2013, KH discontinued application of the standard deduction for households with no unreimbursed medical expenses or expenses below the medical deduction threshold.

2011.01.CE Housing Quality Standards Biennial Inspection Schedule

Plan Year Approved: 2011 Year Closed: 2017

KH uses a biennial schedule for units that have passed an initial or annual inspection for HQS compliance. Any property that fails an initial or biennial inspection is held to an annual inspection schedule until such time that all units pass an annual inspection.

Due to changes in 24 CFR 982.405, which now permit all public housing authorities to utilize a biennial inspection schedule, KH closed out this activity in FY2017.

2013.02.CE Housing Quality Standards Alternative Inspection Protocol

Plan Year Approved: 2013 Year Closed: 2017

KH permits units that pass an inspection held to a stricter protocol than HQS – REAC, UPCS, State Finance Authority, etc. – to use the stricter protocol to demonstrate compliance with the property’s biennial HQS inspection requirement.

Due to changes in 24 CFR982.405, which now permits all public housing authorities to use a higher protocol to verify HQS compliance, KH closed out this activity in FY2017.

1999.02.CE Housing Quality Standards Landlord Self-Certification Inspection Protocol

Plan Year Approved: 2000 Year Closed: 2018

Property owners are permitted to self-certify HQS compliance of units that pass an initial KH HQS inspection in lieu of a KH administered biennial inspection. This self-certification is completed by the owner certifying a unit has been maintained to HQS standards or by providing evidence that a unit has passed a third party inspection with criteria that are equal to or at a higher standard than HQS, such as REAC or UPCS.

KH performs quality control inspections on a randomly selected number of owner certified units biennially. HCV participants receive information on HQS standards at lease-up and may request special inspections anytime they believe a unit violates HQS. Units that fail a biennial, quality control, or participant requested inspection return to a KH administered annual inspection schedule until the unit receives a ‘Pass’ status.

Landlord self-certified units are held to the same schedule or standards as other units.

Changes Proposed for FY2018

During 2018 no landlords opted to self-certify their unit for HQS compliance. KH is closing out this activity in FY2018 due to continued low landlord participation.

Metrics Changes for FY2018

Any changes to metrics or baselines for this activity will be outlined in the FY2018 Report.

Section V.

Sources and Uses of Funding

This section describes the agency's projected revenue and expenditures for MTW funds for 2018 and reflects use of MTW Block Grant Single-fund Flexibility.

Estimated Sources of MTW Funding for the Fiscal Year

The following table summarizes estimated MTW sources of funds for 2018 by Financial Data Schedule (FDS) line item, as required by new HUD guidance on MTW Plans and Reports. Since HUD's FY2018 funding levels have yet to be established, the following estimates assumes no additional proration in HUD funding.

FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300 + 70400)	Total Tenant Revenue	\$0.00
70600	HUD PHA Operating Grants	\$5,289,520.00
70610	Capital Grants	\$0.00
70700 (70710 + 70720 + 70730 + 70740 + 70750)	Total Fee Revenue	\$0.00
71100+72000	Interest Income	\$0.00
71600	Gain or Loss on Sale of Capital Assets	\$0.00
71200 + 71300 + 71310 + 71400 + 71500	Other Income	\$0.00
70000	Total Revenue	\$5,292.693.00

Estimated Use of MTW Funding for the Fiscal Year

The next table summarizes estimated MTW expenditures of funds for 2018 by FDS line item. The FDS line item format captures only select capital costs. The table does not include funds utilizing Single Fund Flexibility and/or allocated to programs and activities outside traditional operations, for example KH's Affordable Housing and Modernization Program. As a result, comparing totals of the two tables will not provide a clear picture of KH's financial outlook. Expenses which are not captured within the table are described within the narrative of the individual activities which utilize MTW funds in ways not captured by FDS.

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500 +91600+91700+91800+91900)	Total Operating – Administrative	\$505,110.00
91300+91310+92000	Management Fee Expense	\$ 0.00
91810	Allocated Overhead	\$ 0.00

Administrative

92500 (92100+92200+92300+92400)	Total Tenant Services	\$181,639.00
93000 (93100+93600+93200+93300+ 93400+93800)	Total Utilities	\$ 0.00
93500+93700	Labor	\$ 0.00
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$ 0.00
95000 (95100+95200+95300+95500)	Total Protective Services	\$ 0.00
96100 (96110+96120+96130+96140)	Total insurance Premiums	\$2,000.00
96000 (96200+96210+96300+96400+ 96500+96600+96800)	Total Other General Expenses	\$ 0.00
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ 0.00
97100+97200	Total Extraordinary Maintenance	\$ 0.00
97300+97350	Housing Assistance Payments + HAP Portability-In	\$4,024,700.00
97400	Depreciation Expense	\$1,000.00
97500+97600+97700+97800	All Other Expenses	\$ 0.00
90000	Total Expenses	\$4,714,449.00

Single Fund Flexibility

KH does not own any public housing and therefore does not combine Section 8 and Section 9 funds. KH relies solely on Section 8 funds and administrative fees to administer our programs.

Local Asset Management Plan

Is the PHA allocating costs within statute? YES

Is the PHA implementing a local asset management plan (LAMP)? 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? NO

Keene Housing does not own or manage any public housing units and is not required to implement or submit a Local Asset Management Plan.

Section VI.

Administrative

Public Notice

Keene Housing (KH) invites the community-at-large to review and provide comments regarding Keene Housing's DRAFT Moving to Work (MTW) Annual Plan for Fiscal Year 2018. The DRAFT 2018 MTW Annual Plan includes one proposed initiative and changes to two existing activities. The public comment period is open from 8:30 am on Tuesday, August 1, 2017 until 4:30 pm on Thursday, August 31, 2017. KH welcomes written comments during the public comment period.

Keene Housing is holding three (3) public hearings prior to finalizing the 2018 MTW Annual Plan. All meetings will occur at the Community Room of a KH-owned or managed property unless otherwise noted.

Date:	Wednesday, August 2nd @ 1:00p
Location:	Harper Acres Mill Building at 168 Castle Street, Keene
Date:	Wednesday, August 9th @ 5:30p
Location:	Brookbend Pavilion at 27 Ivy Drive, Keene
Date:	Wednesday, August 23rd @ 5:30p
Location:	Keene Housing Main Office at 831 Court Street, Keene

A copy of the DRAFT MTW Plan is available for review at our Administrative Office located at 831 Court Street, Keene, starting from August 1st until August 31st during normal business hours. Electronic versions can be downloaded from www.keenehousing.org or e-mailed to interested members of the public upon request by contacting April Buzby, Planning and Policy Analyst, at (603) 352-6161 or abuzby@keenehousing.org.

Total Attendees: 1

Comments received during the Public Comment period are located in Appendix II.

Agency Directed Evaluation of Demonstration

Keene Housing has not engaged any outside evaluators to review our program as a whole. The agency does engage outside evaluators on an as-needed basis.

Annual Statement/Performance Evaluation Report

Keene Housing does not own or manage any public housing units or receive any Capital Fund Grants. As such, KH is not subject to submittal of the Annual Statement/Performance Evaluation Report.

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 Annual Moving to Work Plan for the PHA fiscal year beginning 01/01/2018, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The 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.

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.

Keene Housing

PHA Name

NH010

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)

Lee Robator

Name of Authorized Official



Signature

Chairperson

Title

10-11-17

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.

Extract of the Minutes of the Meeting of the
Keene Housing Board of Commissioners
September 21, 2017

Members Present: Lee Robator, Chairperson
J.B. Mack, Vice Chairperson
Tom Moses, Commissioner
Pam Slack, Commissioner

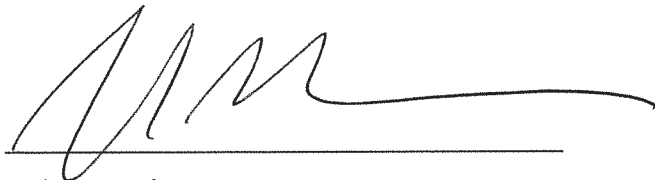
Resolution No. 589 – Approval of Fiscal Year 2018 Annual Moving to Work (MTW) Plan

RESOLVED, that the Keene Housing Board of Commissioners approves and adopts Keene Housing's Fiscal Year 2018 Annual Moving to Work Plan; and further authorizes the Executive Director to make any technical corrections necessary pursuant to the memorandum dated September 11, 2017 from April A. Buzby, Planning and Policy Analyst, to Joshua Meehan, Executive Director.

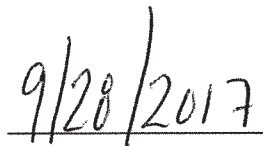
Motion to adopt: Ms. Slack

Motion seconded by: Mr. Mack

Motion, upon being put to vote, was passed unanimously.



Joshua Meehan, Executive Director



Date

APPROVED
J. B. Mack, Vice Chairperson
September 21, 2017

APPROVED

APPROVED

APPROVED

Appendix 1

MTW Activities Record of Changes

Activity Number	Activity Name	Plan Year Approved	Current Status	Change Year	Change	Reasoning
1999.01.HC	Eligibility Administration for Section 8 HCV Program	FY1999	Active	2014	Set a \$100,000 asset cap for program eligibility	Allows KH to serve those in greatest need first. Households which meet this threshold may still apply and be on the wait list.
1999.02.CE	HQS Landlord Self-Certification Inspection Program	FY1999	Inactive			
1999.03.CE	Rent Reasonableness Neighborhood Analysis Discontinuance	FY1999	Active			
1999.04.CE	Stepped Subsidy Rent Reform	FY1999	Active	2013	Extend Step 1 from one to two years for households whose sole adult member is currently enrolled in degree or trade program	Provides households pursuing continuing education or professional training additional support to complete program.
					Extended Step 1 to two years and decreased Step 2 to one year for all households	Decrease the number of rent burdened households at year 2.
					Implementing a freeze on step progression for Step 1 and 2 households where the employed at least part time, maintaining a passing GPA in a postsecondary program.	Support a head of household's ability to pursue educational goals.

Activity Number	Activity Name	Plan Year Approved	Current Status	Change Year	Change	Reasoning
1999.05.SS	Resident Self-Reliance Program	FY1999	Active	2013	Increased mandatory participation from 3 years to 5 years before a waiver would be considered	Families that received a waiver after 3 years consistently struggled with tenancy issues, such as paying rent on time and lease compliance. Determined that 3 years was not sufficient to gain self-supports needed to succeed.
					Implemented individualized goal plans.	
				2014	Establish Development Grants and Rent Credit fund. New compliance rules and meeting schedule. Removed waiver option for all households.	Provide RSR participants more individualized options for attaining financial stability and self-sufficiency.
1999.06.HC	Transitional Housing Assistance Subsidy Program (THASP)	FY2000	Active	2016	Require households that received a waiver prior to 2015 return to RSR program is their Step 3 TTP exceeds 30% of gross income.	On average, waived households remain in housing assistance longer than no waived households. Provides access to RSCs and DGRC funds to promote greater self-sufficiency.
1999.07.HC	Rent Reasonableness Determination Discontinuance	FY1999	Active			
1999.08.HC	40% Affordability Discontinuance	FY1999	Active			

Activity Number	Activity Name	Plan Year		Current Status	Change		Reasoning
		Approved	Year		Year	Change	
2005.01.CE	Elderly and Disabled Household Alternative Recertification Schedule	FY2005	Active		2013	Added COLA certification for household's whose sole income source is SS/SSI and asset value is less than \$5,000.	Cut recertification processing time by 1 hour per recertification for households that would qualify for a COLA recertification, saving approximately 100 staff hours.
					2014	Eliminates triennial certifications. Self-certification only for households with Pensions or Assets over \$50,000. Creates annual Well Checks.	Administrative cost savings of nearly \$5,000 and staff time reduction of 330 hours per year.
2005.02.CE	Stepped Subsidy Recertification Schedule	FY2005	Active		2014	Eliminates triennial recertifications for households who have reached Step 3. KH will use annual EIV check to determine if a family has met the \$0 HAP threshold.	Reduce administrative costs and provide households the opportunity to increase income and savings without concern about rent increases
2006.01.CE	Standard Deductions	FY2006	Inactive		2013	Discontinued	

Activity Number	Activity Name	Plan Year		Current		Change		Reasoning
		Approved	Status	Status	Year	Year	Change	
2008.01.HC	Project-Based Voucher Program	FY2008	Active		2011		Increased percentage of KH's MTW allocation available for PBV use from 50% to 60%.	Expand and/or improve affordable housing options
							Percentage of voucher funding available for PBVs, in excess of 60%, will increase equal to funding approved through the Affordable Housing Preservation Program.	Expand and/or improve affordable housing options
							Percentage of voucher funding available for PBVs, increased to 75% plus any AFFH funding	
2008.02.CE	Restrictions on Section 8 Portability	FY2008	Active		2014		Added "ability to demonstrate an economic opportunity" to permitted reasons for porting.	Provide households an opportunity to pursue economic opportunities without potentially losing housing assistance
							Removed portability restrictions for elderly and disabled households.	Expand and/or improve affordable housing options
							Extend home value as asset exclusion from 10 years to life of participation	
2005.03.HC	MTW Homeownership Flat Subsidy	FY2005	Active		2017			
2011.01.CE	Housing Quality Standards (HQS) Biennial Inspection Schedule	FY2011	Inactive					

Activity Number	Activity Name	Plan Year Approved	Current Status	Change Year	Change	Reasoning
2013.01.SS	\$0 HAP Rent Burden Test	FY2013	Active	2016		Change criteria for \$0 HAP eligibility from Gross Rent to the lesser of gross rent or eligible VPS
2013.02.CE	HQS Alternative Inspection Protocol	FY2013	Inactive			
2014.01.HC	Affordable Housing Preservation Program (AHPP)	FY2014	Active			
2014.02.CE	Medical Deduction Threshold	FY2014	Active			
2014.03.SS	Asset Exclusion Threshold	FY2014	Active			
2014.04.SS	Keene Housing Kids Collaborative	FY2014	Active			
2014.05.HC	Affordable Housing Preservation and Modernization Program	FY2014	Active			
2015.01.CE	AHPP Rent Reform	FY2015	Active			
2015.02.CE	AHPP Alternative Inspection Protocol	FY2015	Active			
2015.03.CE	Earned Income Disallowance (EID) Discontinuance	FY2015	Active			
2016.01.CE	Project-Based Unit Agency Conducted Inspections	FY2016	Active			
2016.02.HC	Project MARCH	FY2016	Active			
2017.02.HC	PBV Mobility Waitlist	FY2017	Active			

Appendix 2

Public Comments

Comment (C): One commenter requested KH consider including a spouse or co-head pursuing an educational program under the Stepped Subsidy proposed change.

Response (R): KH adopted the suggestion after careful consideration as it is consistent with our goal that Resident Self Reliance participant households improve their earning potential by pursuing additional education.