

# Boulder Housing Partners



*Providing Homes, Creating Community, Changing Lives*

## Moving to Work



## 2013 Annual Plan

# Boulder Housing Partners

## Moving to Work 2013 Annual Plan

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**Boulder Housing Partners provides assistance to nearly 2,000 households through five housing programs. The agency's portfolio represents one-third of the affordable housing units in Boulder County. In 2009, BHP's Board of Commissioners endorsed a goal to make BHP the nation's first net-zero energy housing authority.**

# **2013 MTW Year Two Annual Plan**

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**Revised February 2013 to include HUD's comments.**

# SECTION I. INTRODUCTION AND SUMMARY

Boulder Housing Partners is one of the two newest housing authorities selected to participate in the MTW program and this 2013 plan represents our second year in the demonstration.

When Congress created MTW in 1996, it clearly stated its objectives for the demonstration and Public Housing Agencies (PHAs) participating in it. These objectives are:

- . To reduce cost and achieve greater cost effectiveness in federal expenditures;
- . To give incentives to families with children whose heads of household are either working, seeking work, or participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and
- . To increase housing choices for low-income families.

These objectives form the centerpiece of BHP's MTW initiatives, along with two additional goals that are unique to Boulder's needs:

- Pilot a rent policy that will encourage self-sufficiency, assure accurate reporting of income and ensure that customers are not overly rent burdened; and
- Preserve, transform and revitalize our public housing.

Over the past year, both BHP and our customers have experienced the potential of MTW flexibility to streamline process and reduce regulatory burden related to our customer experience. In the first six months of 2012 we have implemented:

- . Rent reform for elderly households and households with persons with disabilities;
- . Rent simplicity measures for all households;
- . Voucher reform for all households: elimination of the 40% cap on income and implementation of a flat utility allowance; and
- . Public housing conversion with the submission of a proposal to HUD to convert the balance of our public housing to conventional financing supported by project-based vouchers.

With this initial group of activities we can clearly see the potential for the 2013 Plan to continue our goal of meeting the growing need for quality affordable housing that provides a strong focus on outcomes for our residents.

In its August 2010 "Moving to Work Report to Congress", HUD captured perfectly the power and effectiveness of MTW in saying that:

*MTW is currently the only HUD program through which public housing authorities can wholly transform their operations, programs and housing. The broad flexibility to waive statute and regulations allows these agencies to better serve and house their residents and broader communities while streamlining their internal operations.*

In our short experience, we have come to understand that MTW flexibility will allow us to truly become a strategic organization. We can evaluate our opportunities and our challenges and respond. Our 2013 Plan

follows quite closely the strategy that we articulated in our application. This Plan provides detail on the following proposed activities:

- 2013 - 1: Housing Quality Standard (HQS) Inspections Schedule
- 2013 - 2: Eliminate Utility Reimbursement Payments
- 2013 - 3: Local Voucher Program in Partnership with Safehouse Progressive Alliance for Non-Violence
- 2013 - 4: Use Replacement Housing Factor Funds for other Affordable Housing

# SECTION II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

## Section A:

AMP	Property Information	Number of Public Housing Units	Studio Units	1 BR units	2 BR units	3 BR units	4 BR units
<b>AMP I</b>	<b>BHP Family Sites</b>						
CO016333333	Arapahoe Court 951 - 953 Arapahoe Ave	15		15			
	Diagonal Court 3265 - 3273 30th Street	30			25	5	
	Iris Hawthorne Iris and Hawthorne Ave	14				7	7
	Kalmia 3500 - 3525 Arthur Courts	55		6	32	17	
	Madison 1130 - 1190 35th Street	34		12	14	8	
	Manhattan 660 - 690 Manhattan Ave	44		18	18	8	
<b>AMP 1 Total</b>		<b>192</b>		<b>51</b>	<b>89</b>	<b>45</b>	<b>7</b>
<b>AMP2</b>	<b>BHP Senior Sites</b>						
CO016777777	Northport 1133 Portland Place	50	20	30			
	Walnut Place 1940 Walnut Street	95	58	36	1		
<b>AMP 2 Total</b>		<b>145</b>	<b>78</b>	<b>66</b>	<b>1</b>		
<b>Totals</b>		<b>337</b>	<b>78</b>	<b>117</b>	<b>90</b>	<b>45</b>	<b>7</b>

<b>Current Project Based Vouchers Properties</b>	<b>Program description</b>	<b>Number of Vouchers</b>
Woodlands Community	Housing for participants in the Family Self-Sufficiency Program. On-site services include case management, child care and career support.	35
Holiday Neighborhood	Housing for individuals who are chronically homeless and dually diagnosed. Partnership between BHP and Mental Health Partners	10
Broadway East	Converted public housing at Broadway East which provides services through the I Have a Dream Foundation, the Youth Services Initiative program, the Parks & Rec Department and the Regional Transportation District.	44

<b>Housing Stock Information</b>	
Number of public housing units at the beginning of the year	337 (assumes conversion to project-based assistance has not commenced)
General description of any planned significant capital expenditures by development	MTW renovation hard costs for PH renovation BHP has continued to defer capital work pending approval of the Section 18 disposition application. That includes retaining a significant portion of the 2012 CFP grant. We have over \$12 million of work in deferred maintenance and substantial renovation that will be prioritized if we do not get approval for Section 18 disposition from HUD which will use 100% of the remaining 2012 and all of the 2013 CFP funds and more.
Agency's total budgeted capital expenditures for the fiscal year	\$355,006
Description of any new public housing units to be added during the year by development (specifying bedroom size, type, accessible features, if applicable)	none
Number of public housing units to be removed from the inventory during the year by development specifying the justification for the removal (see below for justification)	337: to be converted from public housing to project-based assistance
Number of MTW Housing Choice Vouchers (HCV) units authorized	600
Number of non-MTW HCV units authorized	253 (181 Non Elderly Disabled vouchers , 50 Mainstream vouchers and 22 McKinney Vouchers in the Housing First Program)
Number of HCV units to be project-based during the Plan year, including description of each separate project.	Apart from any public housing conversion action involving project-based vouchers, no additional vouchers will be project-based.

MTW operational flexibilities that were approved in the 2012 MTW Annual Plan and those that are being requested in this plan have been and will be applied to all the special purpose vouchers, as there are not

any inconsistencies between the MTW provisions and the appropriations act or requirements of the NOFA under which those special purpose vouchers were awarded.

### ***Justification for Disposition***

As part of our Moving to Work Plan, we propose to dispose of these sites outside of the public housing program in order to effectively utilize our public housing as a platform from which to deliver MTW-envisioned services; and to enable the full rehabilitation of these sites, ensuring their long-term viability as affordable housing for low income families and individuals. The disposition, conversion to project-based voucher subsidy, and rehabilitation are essential to achieving HUD's goals for Moving to Work Demonstration Agencies: the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, increase housing choices for low-income families,

The preservation, transformation and revitalization of our public housing through disposition, conversion and rehabilitation are one of BHP's central goals for us as a Moving to Work agency. We plan to finance a robust resident services program through the annual operating structure of these sites, which will allow us to "achieve 100% service enrichment at all of our public housing properties".

By disposing of these eight sites, BHP will be able to use various affordable housing financing tools to perform comprehensive rehabilitation at the eight sites. Rehabilitation will be supported through the sale of 4% low income housing tax credits (LIHTC) and private activity bonds (PAB). BHP's anticipated level of rehabilitation for these eight sites would not be possible utilizing Capital Funds or other funding mechanisms associated with the public housing program. Leveraging the sale of LIHTCs in combination with private activity bonds is the most effective mechanism for enabling this level of rehabilitation while still providing affordability. Rehabilitation will eliminate any deferred maintenance and will bring substantial capital improvements to the sites, reducing the site's ongoing maintenance costs. Any energy and water efficiency measures included as part of the rehabilitation will reduce monthly energy bills, improving the operating performance of these sites and maintaining the affordability of this housing for our residents. Rehabilitation at the family sites will allow us to refurbish units into viable community gathering spaces, another BHP goal under Moving to Work.

These community centers will support after-school programming for youth and a place for their parents to meet. The project financing will allow BHP to fund substantial replacement reserves, to prepare for the future needs of these sites. In addition, the improvements performed will make the sites more desirable places for our residents to call home.

At disposition, all housing will be converted into BHP's project-based voucher program which will support comparably affordable rents for low-income families and individuals into the future. The historic level of subsidy plus rent that BHP has received from these sites under the public housing program has been lower than needed in order to bring significant capital improvements, operating reserves, and service-enrichment to all residents at all sites. Participation of these eight sites in the project-based voucher program will secure the sites' operating stability in the long-term by generating more rental and subsidy revenue at these eight sites to be used for future operations, capital investment and resident services. The rental subsidy offered under the project-based voucher program will preserve the sites as affordable housing for the community.

## Section B:

Leasing information, Planned – this information is estimated and may be subject to change during the Plan year.	
Anticipated total number of MTW PH units leased in the Plan year	330 (2% budgeted vacancy)
Anticipated total number of non-MTW PH units leased in the Plan year	none
Anticipated total number of MTW HCV units leased in the Plan year	588 (2% budgeted vacancy)
Anticipated total number of non-MTW HCV units leased in the Plan year	253
Description of anticipated issues relating to any potential difficulties in leasing units (HCV or PH)	In the event that disposition of Public Housing is approved, a Relocation Specialist will be in charge of relocating residents from current public housing units that will undergo renovation. Depending on the amount of renovation for each of the eight properties, the majority of relocations should be temporary and may include the use of hotels and vacant units. The current wait list for public housing would be depleted prior to converting to project-based voucher lists, or some other system.
Number of project-based vouchers in use at the start of the Plan year – described in previous section.	89

## Section C:

Waiting List Information	
Description of anticipated changes in waiting lists (site-based, community-wide, HCV, merged)	No anticipated changes for 2013
Description of anticipated changes in the number of families on the waiting list(s) and/or opening and closing of the waiting list(s).	No anticipated changes for 2013

In 2011, BHP converted from a waiting list to the lottery process for the Section 8 Housing Choice Voucher Program. In April 2012, the lottery was open for a period of fifteen business days, during which time a total of 1,366 lottery forms were received. From the total, 50 were selected and placed into the lottery pool. The goal is to process all selected applicants from the pool within a 12-month period.

Of the 1,366 households that applied:

- 90.2% are extremely low-income (under 30% of the area median income)
- 50.2% are families, 37.2% are elderly households, and 12.6% are individuals with disabilities

- 41.4% are one-person households, 23.1% are two-person households, 16.1% are three-person households, 10.2% are four-person households, and 7.7% are five+-person households.

BHP continues to maintain a chronological wait list for our public housing and section 8 project-based properties. There are separate waiting lists for each community that has project-based vouchers. The public housing waiting lists are divided into two lists: one for the near-elderly public housing site and one for the family sites. The wait list opens on an annual basis and was most recently open from April 9 – April 27, 2012 (the same time as the lottery for Section 8 Housing Choice Vouchers). As of August 2012, there are 1,416 households on the public housing wait lists.

Of the 1,416 households:

- 90.7% are extremely low-income (under 30% of the area median income)
- 51.4% are families, 8.9% are elderly households, and 30.9% are individuals with disabilities
- 37.1% are one-person households, 25.7% are two-person households, 19.8% are three-person households, 9.8% are four-person households, and 7.6% are five+-person households.

When BHP receives approval for the Public Housing Disposition, the public housing wait lists would no longer be active, and all applicants on those lists would be offered housing at the project-based voucher site that had been converted from public housing.

# SECTION III. NON-MTW RELATED HOUSING AUTHORITY INFORMATION

## Section A: Planned sources and uses of other HUD or other Federal Funds

<b>A. Non-MTW Related Housing Authority Information</b>	
<b>A. List planned sources and uses of other HUD or Federal Funds (excluding HOPE VI)</b>	
<b>SOURCES</b>	
<b>Section 8 Mainstream Voucher Funding</b>	
Housing Assistance Payments	\$ 423,720
Administrative Funding	\$ 35,076
<b>Housing Choice Voucher Funding (181 NED vouchers)</b>	
Housing Assistance Payments	\$ 1,346,640
Administrative Funding	\$ 115,659
Section 8 Project Based Contract - Canyon Pointe	\$ 485,850
Section 8 Project Based Contract - Glen Willow	\$ 200,775
Housing First	\$ 274,260
McKinney Vento	\$ 29,000
Public Housing Family Self Sufficiency-ROSS	\$ 63,000
ROSS – Service Coordinator	\$ 67,000
<b>TOTAL SOURCES</b>	<b>\$ 3,040,980</b>
<b>USES</b>	
<b>Section 8 Mainstream Voucher Funding</b>	
Housing Assistance Payments	\$ 423,720
Administrative Funding	\$ 35,076
<b>Housing Choice Voucher Funding (181 NED vouchers)</b>	
Housing Assistance Payments	\$ 1,346,640
Administrative Funding	\$ 115,659
Section 8 Project Based Contract - Canyon Pointe Salaries and Property Costs	\$ 485,850
Section 8 Project Based Contract - Glen Willow Salaries and Property Costs	\$ 200,775
Housing First Housing Assistance Payments	\$ 182,120
Housing First Program Expense	\$ 79,080

Housing First Grant Management Fee and Salary	\$ 13,060
McKinney Vento	\$ 28,286
Administrative Expense	\$ 714
Public Housing Family Self Sufficiency-ROSS	\$ 63,000
ROSS – Service Coordination	\$ 67,000
<b>TOTAL SOURCES</b>	<b>\$ 3,040,980</b>

**B. Description of non-MTW activities proposed by the Agency, including applications to other competitive HUD offerings and the agency's associated proposals addressing HUD's Strategic Plan priority goals**

Section 8 Mainstream Voucher Funding	BHP has 50 vouchers through this grant. This grant was awarded to BHP in 1997 when a public housing development was designated as elderly or near-elderly only. These vouchers are designated to provide housing to the population that was excluded from this development (young/disabled population).
Section 8 Project Based Contract - Canyon Pointe	Canyon Pointe is a Section 8 New Construction property with 81 one-bedroom units and 1 two-bedroom unit for elderly residents.
Section 8 Project Based Contract - Glen Willow	Glen Willow is a HUD 221(d)(3) property with 34 units ranging from studios to 4-bedroom apartments providing housing for very low-income families.
McKinney-Vento funds: Award 1	McKinney funds allowed for the construction of ten apartments at the Holiday Neighborhood to house individuals who have been chronically homeless and dually diagnosed. Holiday is operated in partnership with Mental Health Partners. McKinney funds continue to provide operating support for case management.
McKinney-Vento funds: Award 2	McKinney funds provide rental assistance support to our Boulder County Housing First program, providing housing and case management support to 22 chronically homeless, dually diagnosed individuals. BHP partners with the Boulder Shelter for the Homeless to run this program. BHP provides the housing assistance and the Boulder Shelter for the Homeless provides the case management services for these individuals to obtain housing and remain successfully housed.
Public Housing Family Self Sufficiency-ROSS	BHP is in its third year of administering the FSS program for the public housing program.

## **SECTION IV. LONG-TERM MTW PLAN**

Boulder Housing Partners continues to use five MTW goals to frame our long-term thinking. In addition BHP has developed the following principles that have guided our MTW plan. With MTW flexibility, BHP plans to be able to:

- Use federal housing resources as compelling tools to create positive change for families,
- Manage converted public housing as a real estate asset and a vital part of our community's infrastructure,
- Encourage the community, and our prospective customers, to perceive public housing as a place to Live, Learn, and Earn,
- Accelerate the shift of staff focus from paper to people,
- Complete the transformation of a public agency from bureaucratic to entrepreneurial,
- Accelerate changes in outcomes for families from tepid to catalytic,
- Enhance our role in the industry from thinkers to doers, and
- Provide a more complete continuum of housing choices.

BHP became an MTW Agency as of January 1, 2012. In the past eight months, the major focus has been on rent reform, regulatory streamlining and beginning the shift of staff focus from paper to people. This shift will continue to happen as we implement the 2013 Activities.

The centerpiece of our vision for MTW flexibility hinges on receiving a positive response to the Public Housing Disposition application that was submitted to HUD in February 2012. Provided disposition is granted, we will be able to continue with the principles that are outlined above.

Our long-term goals and expectations are described below. The Moving to Work program has three statutory goals. BHP's program includes an additional two goals that better articulate our program, and are consistent with the statutory goals. Not every item listed below requires MTW flexibility. We include these items in order to tell a more complete story of what we are trying to achieve.

Goals in Year Two are described in detail below in the discussion about proposed MTW Activities.

### **MTW Goal I**

#### **Reduce cost and achieve greater cost effectiveness in federal expenditures**

##### **In Year I, we:**

1. Streamlined and simplified the rent calculation and re-certification process for elderly households and people with disabilities,

2. Simplified the process for income and asset verification for all households,
3. Changed from a 30% of income-with-adjustments-to-rent system, to a 26.5% of rent with no deductions for elderly households and people with disabilities,
4. Implemented a flat utility allowance,
5. Excluded income from assets with a value less than \$50,000 and disallowed participation for households with assets greater than \$50,000,
6. Created an MTW Resident Advisory Committee to assist us in longer-term thinking and program evaluation, and
7. Structured our evaluation metrics and benchmarks.

### **In year 2, we plan to:**

1. Implement an HQS inspection schedule that follows the recertification schedule, and
2. Complete our planning to implement a flat/tiered rent program for families, including the design of a rent reform controlled study with a control group (implementation in year 3).

### **In years 3 - 10, we expect to:**

#### **1. Implement the revised rent system for family households and conduct the controlled study**

Working in conjunction with HUD, we propose to devise a rent structure that will reward increased income, remove penalties for reporting income and mirror the private market so that the transition from assisted housing to market rate housing is easier. At the same time, we plan to have a control group in order to better measure the outcomes of the revised rent structure.

#### **2. Make standard documents more customer friendly**

The focus will be the legal documents associated with the programs beginning with the lease and the HAP contract. Customers currently find the documents cumbersome and difficult to follow. The result is that they miss the key requirements and suffer the consequences.

#### **3. Make the voucher program lease length more flexible**

Many university towns, like Boulder, have a leasing season centered on the school year. This creates many situations in which a landlord is unwilling to sign a one-year lease.

#### **4. Revise and simplify our portability policy**

The industry has long discussed a variety of needed changes to the administration of portable vouchers. We would like to use MTW flexibility to experiment with a number of ideas that would make local administration more streamlined.

## MTW Goal 2

### Create incentives for families to work, seek work or prepare for work

#### In Year 1, we:

1. Streamlined and simplified the rent calculation and re-certification process for households with earned income, and
2. Simplified the process for income and asset verification for all households.

#### In year 2, we plan to:

1. Complete our planning to implement a flat/tiered rent program for families,
2. Complete planning for our resident mobility program,
3. Complete planning for community center construction, and.
4. Expand the staffing of our Resident Services program so that every public housing is assigned a service coordinator and voucher households will begin to have access to the Resident Services Department.

#### In years 3 – 10, we plan to:

- 1. Create a service delivery center at each of our family housing sites.**

With Public Housing conversion, BHP plans to create a community center at three communities and expand the center we currently have at another of our communities. We believe that service delivery close to home is a more highly leveraged and effective platform.

- 2. Expand the program that provides college tuition to BHP students participating in the ‘I Have a Dream’ program partnership.**

The I Have A Dream (IHAD) program continues to affirm its intention to place a classroom of “Dreamers” at every public housing site that can accommodate their classroom programming needs. In other words, if we build it, they will come. We are strongly committed to doing everything we can to make this opportunity available for our kids.

- 3. Expand our Community Service and Section 3 programs to build social capital by greater involvement in the community.**

BHP residents who have long been out of the workforce need to update their skills and experience and build networks in order to make re-entry more possible and successful. We propose to expand our community service and Section 3 programs as a pre-employment training program.

- 4. Create a system to reward households for progress towards self-sufficiency.**

BHP will work with residents to create a system that rewards their progress towards self-sufficiency and their efforts to make their home and neighborhood a better place to live. We will

work with residents to create this system. We will suggest that we model it after the Cornerstone Rental Equity program<sup>1</sup>. This program matches many of the ideas we have about enhancing the benefits of renting a home and engaging residents in building equity.

**5. Revise our Public Housing Family Self Sufficiency program to address a lower-skilled population.**

BHP is home to many families that are not yet ready to meet the requirements associated with the Family Self Sufficiency program. We want to develop an FSS program that targets families much earlier in the self-sufficiency continuum. Families who need to gain basic literacy and life management skills are currently under-served.

**6. Expand our current work with the Bridges Out of Poverty program.**

The Bridges Out of Poverty model examines the sources and impact of generational poverty on families, reveals the hidden rules and norms of social class, and supports families as they learn how they can change their behavior to embrace a mental model of prosperity. BHP wants to use MTW to test the part of the theory that housing solutions will be compromised unless we are addressing the intrinsic beliefs that people hold about being poor.

## **MTW Goal 3**

### **Increase housing choices for low-income households**

#### **In Year 1, we:**

1. Removed the cap on income spent on rent in the voucher program.

#### **In Year 2, we plan to:**

1. Use MTW funding flexibility to create 31 newly constructed units of permanent supportive housing for chronically homeless individuals, and
2. Design a process to test mobility for residents from a Multi-Family Property with a Section 8 Project-Based Contract using Section 8 Housing Choice Vouchers.

#### **In Years 3 – 10, we expect to:**

- 1. Increase the cap on project-basing vouchers to dedicate up to 60 vouchers for housing for individuals re-entering the community following homelessness or incarceration.**

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<sup>1</sup> Cornerstone Renter Equity is a management system where residents have a stake in the property where they live by using their contributions to maintain and improve property values and rental income with compensating financial equity. Residents sign a contract with Cornerstone that enables them to earn up to \$10,000 in financial equity in ten years, provided they complete routine work assignments, attend management meetings, and fulfill lease commitments. Residents receive a monthly statement of their earnings, but they must stay in their homes for five years before their credits are vested and are eligible for cash payments. After becoming vested in the Renter Equity Fund, individuals may borrow up to 80% of the value of their credits for any reason.

BHP has seen the need to provide a supported setting in which people can re-gain skills to live more successfully in the community.

- 2. Use resources leveraged from the conversion of public housing, along with MTW flexibility, to create at least 100 new affordable units renting to families at 40% of the area median income.**

Another critical gap in the housing continuum is the lack of options for households ready to move off of federal housing subsidy. Using the flexibility provided to us under the MTW program we propose to increase our Boulder Affordable Rentals inventory by 24%.

- 3. Implement a damage claim for landlords participating in the voucher program.**

A key component of our MTW plan is to make the voucher program more attractive to private landlords. As part of a recruitment tool, we propose to use HAP funds to create a fund for damage claims.

- 4. Create a Section 8 homeownership program in partnership with the city of Boulder and Thistle Community Housing.**

Creation of a homeownership program may not require MTW flexibility, but doing so will round out the critical interventions that BHP can make in the housing ladder. We propose to partner with Thistle Community Housing because of their long track record of developing affordable homeownership opportunities. Thistle is Boulder's largest non-profit housing developer specializing in mixed-income homeownership opportunities and community land trust development.

## **MTW Goal 4**

**Pilot a rent policy that will encourage self-sufficiency, assure accurate reporting of income and ensure that customers are not overly rent burdened**

### **In Year 1, we:**

For elderly households and people with disabilities:

1. Adopted a simplified rent based on 26.5% of gross income,
2. Eliminated all deductions,
3. Excluded income from assets below \$50,000,
4. Began scheduling re-certifications so that they will occur every three years,
5. Eliminated third-party verifications except at admissions and for audited files,
6. Eliminated all interim increases, except for increases in unearned income, and
7. Limited to one the number of interim decreases.

For family households:

1. Excluded income from assets below \$50,000,
2. Eliminated third-party verifications except at admissions and for audited files, and
3. Eliminated earned income disregard and interim recertifications for increases in income.

**In Year 2, we will:**

1. Plan for the implementation of the flat/tiered rent system for the work-able households.

**In Years 3 – 10, we plan to:**

1. Implement a flat/tiered rent system for families households,
2. Implement the rent reform controlled study with the treatment and control groups to test the alternate rent strategies, and
3. Monitor and evaluate the new rent structures for all households.

## **MTW Goal 5**

### **Preserve, transform and revitalize our public housing**

**In Year 1, we:**

1. Amended the process for project-based vouchers, and
2. Submitted the application for Public Housing Disposition.

**In Year 2, we expect to:**

1. At a minimum, complete our planning for public housing conversion.

**In Years 3 – 10, we plan to:**

- 1. Use MTW flexibility to project base 337 units in former public housing developments converted into a 4% tax credit partnership.**

We are currently in the review process under the 2011 rules of the Section 18 disposition process. If we are successful in securing approvals to dispose of public housing, we will begin phased implementation and renovation in MTW Year 3 (2014).

- 2. Test three mobility options for families in the converted public housing properties: none, full and conditional.**

BHP wants to use MTW flexibility to test whether families who are able to move with vouchers will achieve greater outcomes than those whose mobility is limited.

## **SECTION V. PROPOSED MTW ACTIVITIES**

### **Activity 2013-I Housing Quality Standards Inspection Schedule**

#### **A. MTW Initiative Description**

This activity's main objective is to replace Activity 2012 – 7: Implement a landlord self-certification system for the Housing Quality Standards (HQS) Inspections. This activity will align the HQS Inspection with the recertification schedule. In 2012, all households who are elderly or persons with disabilities were recertified and then organized on a triennial recertification schedule. Beginning in 2013, these households will have an HQS inspection conducted at the same time as their triennial recertification. For work-able households, the inspections will continue to follow the recertification schedule, which at this time is annual. When a rent reform activity is created, the inspection schedule will follow the same recertification schedule that is approved at that time.

The goal of this activity is to reduce costs, as well as minimize disruption for the Section 8 Housing Choice Voucher participants. As BHP is able to create more efficiency for the Section 8 occupancy caseworkers, they will be able to conduct in-home recertifications and inspections at the same time for all voucher holders. This activity will also act as a reward for participants who are stable residents and are in compliance with their lease by maintaining their apartment in good condition.

BHP will reserve the right to conduct inspections outside of the recertification schedule in the following situations:

- There are complaints from the participant that the unit is not in compliance with Housing Quality Standards; or
- There are inquiries from the landlord about whether the unit continues to be in compliance with Housing Quality Standards; or
- A unit has failed in the most recent inspection cycle.

BHP will not require landlords or residents to submit a self-certification. If BHP receives a complaint from a resident that the unit is not in compliance with HQ standards, an inspection will be conducted. In order to ensure compliance with units in the off years, BHP will conduct random quality assurance inspections on units which would not be scheduled for an HQS inspection due to the recertification schedule. The quality assurance inspections will be done on an annual basis for 5% of the total units.

Section 8 Occupancy Specialists have all been trained by an outside source (NAHRO, Nan McKay, etc.) on the task of conducting HQS Inspections. This training will become a biennial event for all Occupancy Specialists.

## B. MTW Statutory Objective

This activity will:

1. Reduce cost and achieve greater cost effectiveness in federal expenditures.

## C. Anticipated Impacts

BHP anticipates that this activity will:

- Reduce outside contractor costs annually by 80% (BHP will continue to contract with an outside inspector to allow for emergency situations where staff would be unable to inspect in a reasonable amount of time)
- Allow for inspections to occur at the time of recertification, rather than months prior to the recertification
- Shift more responsibility to residents to ensure adequacy of the unit in which they live. With less emphasis on annual inspections, participants living in the units would be encouraged to take a greater lead in resolving issues with the landlord around problems in their units, instead of depending on the Section 8 program to find issues that do not necessarily rise to the level of an HQS inspection and relying on our staff to initiate action.
- Increase in staff interaction with participants

Potential negative consequences include:

- Increase in HQS issues in the years between inspections
- More potential complaints from participants
- More staff time spent training participants on Housing Quality Standards
- Increase in inspections due to complaints from participants

## D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation schedule
Cost of inspections by outside contractor	\$29,500 annually	\$5,900 annually (80% reduction)	Policy will go into effect on January 1, 2013, benchmark reached by end of first year.

Number of units failing HQS inspections	8	No increases	Partial results shown by end of MTW year two. Full results by December 31, 2015.
Number of participant complaints regarding unit HQS standards	9	No increases	Partial results shown by end of MTW year two. Full results by December 31, 2015.

**E. Data Collection Metrics and Protocols**

BHP will pull the data needed from its financial statements and data base. To help evaluate the success of this activity, BHP will track the number of inspections conducted, requests for special inspections, and the percentage of failed HQS inspections.

**F. Authorization Cited**

From Standard MTW Agreement, Attachment C, Statement of Authorizations, Sections:

D. 5, the Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD.

**G. Rent Reform Initiative Information**

Not applicable.

**Activity 2013-2 Eliminate Utility Reimbursement Payments**

**A. MTW Initiative Description**

This activity’s main objective is to ensure that all residents and participants are contributing towards their rental payment (or at a minimum to ensure that participants are not receiving payment to live on housing assistance), and to increase efficiency. In January 2013, Boulder Housing Partners sent utility reimbursement payments (URP) to 42 households (all in the Section 8 Housing Choice Voucher Program). The average monthly payment was \$25.

In April 2013, the households who receive a URP will be notified that these payments will be eliminated as of April 1, 2014. Of the 42 households that receive reimbursements, the average amount of time those 42 households have been receiving a URP is 12 months. BHP will continue to provide a URP to those households receiving one as of April 1, 2013 for 12 more months or until their income increases and they would no longer qualify for a reimbursement. Notices will be sent on April 1, 2013

informing these households that the last reimbursement will be sent on March 1, 2013. Subsequent notices will be sent in October and January reminding households of the change. A referral to work with a Resident Services Caseworker will be made to ensure the household is aware of all the benefits available to them. Information regarding the Low Income Energy Assistance Program (LEAP), Xcel Budget Billing, and Longs Peak Energy Conservation Weatherization program along with energy conservation techniques will be provided.

After April 1, 2013, no new instances of URPs will be allowed. If a household experiences a situation where the income falls to an amount where they would have a negative rent (or be eligible for a utility reimbursement payment) the rent will be equal to zero. This will apply to households in both the Public Housing and Section 8 Housing Choice Voucher Programs.

## **B. MTW Statutory Objective**

This activity will:

1. Reduce cost and achieve greater cost effectiveness in federal expenditures.

## **C. Anticipated Impacts**

BHP anticipates that this activity will:

- Encourage residents and participants to look for apartments that are more energy efficient, or where utilities are included in the rent
- Ensure that all residents or participants are contributing to their portion of the rent and not being “paid” to receive housing assistance
- Connect affected residents and participants to resident services to educate them on all possible benefits and assistance available in the community
- Increase households’ reported income (if there is no cash benefit to not report all household income, it is believed that households will accurately report income that is not tracked via the normal methods (such as EIV, etc.)). We believe that the elimination of this cash benefit and the subsequent interaction with our Resident Services department will cause families to understand either the benefits they can be receiving to increase their income, or will help initiate job training or workforce involvement.
- Create efficiency by reducing the amount of checks that are sent every month

Potential negative consequences include:

- Create a rent burden for households who are experiencing very low or no income

## D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation schedule
Number of URP checks sent per month	42 as of January 1, 2013	Zero	No URPs sent as of April 1, 2014.
Number of families contributing towards rent	95% (769)	100% (811)	Beginning April 2014, with results by April 2015.
Number of new participants receiving service coordination assistance related to elimination of URP	0	20% (10)	Beginning in April 2013, all results in by April 2014.

## E. Data Collection Metrics and Protocols

BHP will pull the data needed from its data base. Households will be monitored semi-annually to ensure that they are connected to Resident Services and receiving information for LEAP, Xcel Budget Billing, and Longs Peak Energy Conservation Weatherization program along with energy conservation techniques.

## F. Authorization Cited

From Standard MTW Agreement, Attachment C, Statement of Authorizations, Sections:

C. 11. The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, the utility reimbursements and tenant rent, and to adopt and implement any reasonable policies for setting rents in public housing including establishing definitions of income and adjusted income, or earned income disallowance, and

D. 2. a. the Agency is authorized to adopt and implement any reasonable policies to establish payment standards, rents or subsidy levels for tenant-based assistance and to calculate the tenant portion of the rent that differ from the currently mandated program requirements,

## G. Rent Reform Initiative Information

### 1. Agency's Board approval of policy

The BHP Board's approval of this rent policy is included in the Board's resolution adopting the MTW Year Two 2013 Annual Plan.

## 2. Impact analysis

In our analysis of the 42 households who received a Utility Reimbursement Payment on January 1, 2013, we found:

- The average amount of time households receive an URP is 12 months
- Two (2) households were elderly households, eleven (11) households were persons with disabilities and twenty-nine (29) were work-able households
- Of the 29 work-abled households, 25 had one work-abled member and 4 had two work-abled members.

Amount of URP:	Total #	% of total
\$2 - 10	9	21%
\$11 - 20	19	45%
\$21 - 30	5	12%
\$31 - 40	2	5%
\$41 - 50	3	7%
\$51 - 60	2	5%
\$61 - 70	0	0%
\$71 - 80	0	0%
\$85	1	2%
\$91 - 100	0	0%
\$101 - 110	0	0%
\$111 - 120	0	0%
\$125	1	2%

## 3. Annual reevaluation of rent reform initiative

If, in the course of 2013, we find that the elimination of the URP imposes an undue hardship and intervention with service assistance is not sufficient, we will propose a new hardship policy.

## 4. Hardship case criteria

On April 1, 2013, all households who are receiving a URP will receive notification that they will continue to receive the URP through March 1, 2014, unless there is an increase in income which would disqualify them for the URP. Households will be referred to Resident Services where they can choose to meet one-on-one with a case worker to determine if there are income-providing benefits they would be eligible to receive. In October, households who continue to receive an URP will be sent a reminder. A third reminder will be sent in January. Based on our review of the data, which indicates that the average utility reimbursement duration is 12 months, BHP will not allow any hardship requests after the 12-month waiver

period.

## **5. Transition period**

As of April 1, 2013, no new cases of URP will be allowed. All households who receive a URP as of April 1, 2013 will transition to no URP by April 1, 2014.

## **6. Documentation of public hearing**

BHP provided PHA resident and participant, as well as community, participation in developing its MTW Year Two Plan. Meetings were held at each Public Housing community. Two meetings were held for Section 8 participants. Public hearings will be held on September 20 and 21, 2012, prior to the Board of Commissioners' adoption of the Plan.

# **Activity 2013-3 Local Voucher Program in Partnership with Safehouse Progressive Alliance for Nonviolence**

## **A. MTW Initiative Description**

This activity's main objective is to continue to provide dedicated housing to victims of domestic violence with the support of the Safehouse Progressive Alliance for Nonviolence (SPAN). In 2012, Boulder Housing Partners discontinued a site-based program that consisted of eight apartments that housed victims of domestic violence who were housed through BHP and received case management services through SPAN. This activity will substitute vouchers for site-based housing. The program will consist of a maximum of eight families at any given time.

Families participating in this program will be chosen by SPAN from their pool of eligible applicants. BHP will determine eligibility for the applicants under the current Section 8 Housing Choice Voucher rules. Families will be required to receive case management services from SPAN during a period of time up to two years in order to receive the housing assistance. These services include, but are not limited to:

- Case management: weekly or bi-weekly case management meetings with a Bilingual Transitional Services Advocate during which a case plan will be created that addresses the barriers that may be prohibiting the families from moving forward. A plan for housing at the end of the two-year period will also be established. Successful participants will be offered admission to the public housing program, the section 8 Housing Choice Voucher Program, Boulder Affordable Rentals, affordable rentals outside of BHP within the community, market-rate housing, etc.
- Counseling: adults and children in the family will have access to individual and/or group counseling during the period of housing assistance. The number of sessions is not limited. Through counseling, SPAN ensures that the family is being supported at the emotional level in

order to work through the domestic violence trauma.

- Skill Building Workshops: weekly workshops offered to provide clients with critical thinking skills and tools for everyday life. Topics include domestic violence dynamics; parenting skills; resume building; interviewing skills; writing workshops; self-care; etc.
- Legal Advocacy: clients may receive legal support and information regarding divorce, custody, immigration or criminal cases.
- Other: clients are also invited to attend SPAN-sponsored activities such as fund-raising events, celebrations, award/community appreciation events, etc.

The program will consist of a maximum of eight families at any given time. SPAN's housing program partnership with BHP is intended to create temporary housing stability in order for clients to address immediate barriers and negative effects resulting from their experience with domestic violence. SPAN will measure success through an evaluation conducted every 90 days which will determine client's progress in the two following areas:

1. Skill Sets obtained from various support groups and classes offered through SPAN and other community organizations-such as skill building group, interview skills, parenting skills, financial skills, etc.
2. Emotional and Psychological stability which will be a self-assessment of ten questions to determine client's emotional well-being and their ability to cope with various forms of stress in every-day life.

The Skill Set assessment constitutes 40% of the overall assessment and the Emotional and Psychological assessment the remaining 60%. Each assessment will be scored on a 0-10 scale. Success is defined by each individual depending on their unique history and background. Each client will be given the opportunity to access the necessary support systems that are needed in order to become self-sufficient.

## **B. MTW Statutory Objective**

This activity will:

1. Increase housing choice for low-income families, and
2. Create incentives for families to work, seek work or prepare for work.

## **C. Anticipated Impacts**

BHP anticipates that this activity will:

- Allow families who are victims of domestic violence to transition through this situation with case management services and housing assistance

- Continue the partnership that BHP and SPAN have had in effect since 1995
- Encourage self-sufficiency for these families to move forward by tying the continuation of housing assistance to successful completion of a case plan

Potential negative consequences include:

- Reduction of eight vouchers available to the general public (1.3% of total number of vouchers in regular voucher program)

#### D. Baseline and Benchmarks

Metric	Baseline	Benchmark	Implementation schedule
Number/percent of families who successfully complete program within two years	Zero	4 (50%)	Results realized by December 31, 2015

#### E. Data Collection Metrics and Protocols

BHP will work closely with SPAN to collect data and information on the number of families participating in the program, the number who are in compliance with the program (both case management and housing assistance) and the number successfully graduating from the program. Due to the low number of participants, it may take years to produce meaningful data.

#### F. Authorization Cited

From Standard MTW Agreement, Attachment C, Statement of Authorizations, Sections:

B. 4, the Agency may develop and adopt new short-term transitional housing programs, consistent with an eligible use of section 8 and 9 funds, with supportive services in collaboration with local community-based organizations and government agencies.

#### G. Rent Reform Initiative Information

Not applicable.

## Activity 2013-4 Use of Replacement Housing Factor Funds for other affordable housing

#### A. MTW Initiative Description

Under the Use of MTW Funds and Use of Replacement Housing Factor (RHF) Funds and RHF Option 3 for Development Authority in the Standard MTW Agreement Attachment D, Boulder

Housing Partners (BHP) will use both increments of existing Replacement Housing Factor (RHF) funds to provide capital for the Housing First project known as 1175 Lee Hill. Construction is expected to begin in October 2013 on 31 units of permanent supportive housing.

In addition, BHP plans to use RHF funds that derive from the proposed disposition of the balance of our public housing, combined with MTW block grant funds and other financial resources such as Low Income Housing Tax Credits, local funding, etc. in order facilitate the purchase, financing, and/or development of new properties. 100% of RHF funds will be spent on the construction and/or purchase of new affordable housing units. All sites will follow BHP’s process for the acquisition and construction of new properties and comply with HUD requirements as set forth in PIH Notice 2011-45. Appendix A of this Plan provides further detail regarding the first project using RHF Funds for other affordable housing.

**B. MTW Statutory Objective**

This activity will:

1. Increase housing choices for low-income households by facilitating the creation of additional housing opportunities

**C. Anticipated Impacts**

BHP anticipates that this activity will:

- Enable the development of new housing for low-income families who fall under 80% of the Area Median Income
- Allow BHP to serve a broader band of income groups up to 80% of the Area Median Income
- Create housing to meet local community needs and serve hard-to-house families

Potential negative consequences include:

- None anticipated.

**D. Baseline and Benchmarks**

Metric	Baseline	Benchmark	Implementation schedule
Create more units of affordable housing	Zero	Produce 100 new units	Dependent on Public Housing Disposition
Create 31 Housing First units	Zero	Produce 31 new units	Occupancy by December 2014

## **E. Data Collection Metrics and Protocols**

BHP will use internal resources to monitor the creation of new properties and the number of households served.

## **F. Authorization Cited**

From Standard MTW Agreement, Second Amendment to Amended and Restated Moving to Work Agreement between U.S. Department of Housing and Urban Development and Boulder Housing Partners, Attachment D, Use of MTW Funds and Use of Replacement Housing Factor Funds for Development.

## **G. Rent Reform Initiative Information**

Not applicable.

## SECTION VI. ON-GOING MTW ACTIVITIES

Prior-year activities	Update	Anticipated changes	Outside evaluators
2012-1: Public Housing conversion	Public Housing disposition application submitted in February 2012	None	None
2012-2: Rent simplification for elderly/disabled households  Flexibilities include: triennial recertifications, rent based on gross income, and elimination of medical deductions.	By December 2012, all households will be recertified using 26.5% of gross income and organized on a triennial recertification cycle.	No changes anticipated, 7% hardship will continue.	None
2012-3: Rent simplification for family households  Flexibilities include:  Elimination of interim recertifications in cases where current income has increased and elimination of earned income disallowance.	Increases in income have been disregarded. Planning for the flat/tiered rent has been put on hold.	Planning for flat/tiered rent put on hold.	None
2012-4: Rent simplification for all households  Flexibilities include:  Self-certifications of assets less than \$50,000 and using source documents received by residents.	Income from total assets less than \$50,000 has been eliminated. Source documentation is being used. Households whose assets total more than \$50,000 at admission to the program are being determined ineligible for the program.	None	None

2012-5: Eliminate the 40% cap in the voucher program	Participants are being informed about this change and counseled if choosing to pay more than 40% of income towards rent.	None	None
2012-6: Implement a flat utility allowance	Flat utility allowance was implemented.	None	None
2012-7: Implement landlord self-certification system for inspections in the voucher program	This activity was not implemented and is being re-written as Activity 2013-1.	See Activity 2013-1.	N/A

## SECTION VII. SOURCES AND USES OF FUNDING

A. List planned sources (Operating, Capital, HCV) and uses of MTW funds	
SOURCES	
Tenant Rental Income	\$ 1,299,484
Operating Subsidy	\$ 690,266
Other Tenant Charges (Laundry, Work Orders, Late Charges, etc.)	\$ 39,625
Other Income (Interest, fraud recovery, solar rebates)	\$ 100,583
Capital Fund Program	\$ 322,559
<b>Housing Choice Vouchers (600 baseline)</b>	
Housing Assistance Payments	\$ 4,896,000
Administrative Funding	\$ 410,832
Replacement Housing Factor Funds (1st Increment)	\$ 327,394
Replacement Housing Factor Funds (estimated 2nd Increment)	\$ 275,000
<b>TOTAL</b>	<b>\$ 8,362,013</b>
USES	
Salaries and Benefits	\$ 668,182
Maintenance Materials and Contracts	\$ 781,640
Utilities	\$ 343,551
Pilot	\$ 103,055
Management Fees Section 8	\$ 140,400
Property Management, Bookkeeping Fee, Asset Management Fees, and Office Supply Fee to COCC	\$ 306,524
<b>Housing Choice Vouchers (600 baseline)</b>	
Housing Assistance Payments & FSS Expense	\$ 4,903,620
Insurance	\$ 71,385
Interest Expense (EPC Bonds)	\$ 86,073
EPC Bond Principal	\$ 109,289
MTW Consultant	\$ 78,300
Audit Fees	\$ 22,648
Bad Debt Expense	\$ 7,152
Legal	\$ 6,950
Phone	\$ 14,515
Contract Labor	\$ 12,500
Equipment	\$ 7,500
Other (Training, Background Checks, Mileage)	\$ 27,052
Resident Services	\$ 39,880
Capital Expenses (includes RHFF)	\$ 633,894
<b>TOTAL</b>	<b>\$ 8,364,110</b>

**B. List planned sources and uses of State or Local funds**

<b>SOURCES</b>	
Tenant Rental Income	3,983,421
Other Tenant Charges (Laundry, Work Orders, Late Charges, etc.)	116,880
Other Income (Interest, fraud recovery, solar rebates)	9,066
Developer Fees	344,078
State and Local Grants	3,986,885
Gain on Sale of Property	1,300,000
<b>TOTAL</b>	<b>9,740,330</b>
<b>USES</b>	
Salaries and Benefits	701,340
Maintenance Materials and Contracts	746,006
Utilities	247,471
HOA Fees and Selling Expenses	15,400
Property Management Fee, Bookkeeping Fee, Asset Management Fee to COCC	311,833
Insurance	98,085
Interest Expense	834,468
Mortgage Principal	577,696
Advertising and Marketing	5,274
Audit Fees	18,720
Bad Debt Expense	17,579
Legal	5,900
Phone	13,989
Consultants and Outside Labor	8,650
Dues and Fees	20,301
Equipment & Supplies	2,510
Other (Training, Background Checks, Mileage)	16,515
Resident Services	76,426
Property Replacement Reserves	428,800
Capital Expenses	3,756,552
Operating Transfer to COCC	480,755
<b>TOTAL</b>	<b>8,384,271</b>

**C. If applicable, list planned sources and uses of the COCC**

<b>SOURCES</b>	
Asset Management Fees	\$ 86,320
Property Management Fees	\$ 478,934
Bookkeeping Fees	\$ 64,200
Office Supply Fees	\$ 39,633
Development Fees – Owned Assets	\$ 40,000
Tax Credit Management Fees	\$ 397,702
Resident Services Fee Income	\$ 247,206
Interest and Principal on Loans to Tax Credits	\$ 479,318
Maintenance Charges	\$ 1,150,128
Other Revenue	\$ 5,669
Operating Transfer from Business Activities	\$ 480,755
<b>TOTAL</b>	<b>\$ 3,469,865</b>
<b>USES</b>	
Salaries and Benefits	\$ 2,743,840
Property Costs (Home Office)	\$ 132,928
Dues and Fees	\$ 34,221
Expendable Equipment	\$ 78,800
Insurance	\$ 32,192
Office Supplies	\$ 36,120
Audit Fees	\$ 8,840
Phone	\$ 41,460
Consultants and Outside Labor	\$ 45,000
Advertising and Marketing	\$ 16,500
Postage, Printing and Publications	\$ 51,026
Staff Training and Travel	\$ 91,908
Vehicle Expense and Mileage	\$ 68,920
Bank Fees	\$ 3,960
Background Checks	\$ 1,150
Community Events	\$ 9,000
Administrative Office and Vehicle Reserve	\$ 74,000
<b>TOTAL</b>	<b>\$ 3,469,865</b>

Note: Shortfall in COCC is funded by transfers from Business Activities

**D. If using a cost allocation or fee-for-service approach that differs from 1937 Act requirements, describe the deviations.**

BHP is not using a cost allocation system that deviates from the 1937 Act requirements.

**E. List or describe use of single-fund flexibility, if applicable, describe uses across traditional program lines or special circumstances in support of an MTW activity.**

Under the Use of MTW Funds and Use of Replacement Housing Factor (RHF) Funds and RHF Option 3 for Development Authority in the Standard MTW Agreement Attachment D and Second Amendment, Boulder Housing Partners (BHP) will combine its Replacement Housing Factor (RHF) funds with MTW block grant funds (along with other financial resources such as Low Income Housing Tax Credits, local funding, etc.) in order facilitate the purchase, financing, and/or development of new properties. 100% of RHF funds will be spent on the construction and/or purchase of new affordable housing units. All sites will follow BHP's process for the acquisition and construction of new properties and comply with HUD requirements as set forth in PIH Notice 2011-45.

**F. Projected Cash and Reserve Balances January 1, 2013**

**MTW**

Restricted for FSS Escrow and Bond Payments	\$ 133,948
Unrestricted MTW Funds	\$ 841,260
<b>TOTAL</b>	<b>\$ 975,208</b>

**Non MTW Federal Programs**

Section 8 Net Restricted Assets	\$ 37,097
Unrestricted Net Assets	\$ 197
Section 8 Multifamily Operating Reserve	\$ 355,265
<b>TOTAL</b>	<b>\$ 392,559</b>

**Business Activities:**

Other Restricted Cash	\$ 425,093
Bond Proceeds Restricted to Construction	\$ 1,737,626
Operating Cash and Unrestricted Replacement Reserves	\$ 2,298,205
<b>TOTAL</b>	<b>\$ 4,460,924</b>

**COCC**

Restricted Cash	\$ 145,786
Operating Cash	\$ 1,475,859
<b>TOTAL</b>	<b>\$ 1,621,645</b>

## G. Sources and Uses by AMP

SOURCES	CO016333333	CO016777777
Tenant Rental Income	\$ 894,401	\$ 405,083
Other Tenant Charges (Laundry, Work Orders, Late Charges, etc.)	\$ 23,345	\$ 15,080
Other Income (Insurance Dividend, Solar Rebates)	\$ 7,180	\$ 6,417
Interest Income Subsidy	\$ 21,385	\$ 25,199
Operating Transfer (Operating Subsidy)	\$ 347,434	\$ 342,832
Operating Transfer (CFP)	\$ 57,500	\$ 71,514
<b>TOTAL SOURCES</b>	<b>\$ 1,351,245</b>	<b>\$ 866,125</b>
USES		
Salaries and Benefits	\$ 158,028	\$ 115,140
Maintenance Materials and Contracts	\$ 500,998	\$ 280,642
Utilities	\$ 229,473	\$ 114,076
PILOT	\$ 71,715	\$ 31,340
Property Management Fee, Bookkeeping Fee, Asset Management Fee, and Office Supply Fee to COCC	\$ 172,368	\$ 134,159
Insurance	\$ 50,914	\$ 17,934
Interest Expense	\$ 39,616	\$ 46,458
Mortgage Principal	\$ 60,457	\$ 48,832
Audit Fees	\$ 8,706	\$ 6,751
Bad Debt Expense	\$ 4,992	\$ 2,160
Legal	\$ 2,250	\$ 2,300
Phone	\$ 2,726	\$ 10,590
Consultants and Outside Labor	\$ 6,682	\$ 23,618
Dues and Fees	\$ 685	\$ 492
Equipment and Supplies	\$ 400	\$ 4,350
Other (Training, Background Checks, Mileage)	\$ 759	\$ 1,158
Resident Services	\$ 32,855	\$ 4,625
FSS Expense	\$ 7,620	\$ 0
Capital Expenses (includes RHFF)	\$ 0	\$ 21,500
<b>TOTAL USES</b>	<b>\$ 1,351,245</b>	<b>\$ 866,126</b>

# **SECTION VIII. BOARD RESOLUTION AND EVALUATION METHODOLOGIES**

## **A. Board Resolution**

### **RESOLUTION # 26 SERIES OF 2012**

#### **A RESOLUTION FOR THE PURPOSE OF APPROVING THE ANNUAL MOVING TO WORK PLAN AND CERTIFICATIONS OF COMPLIANCE**

#### **Annual Moving to Work Plan Certifications of Compliance**

#### **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, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning January 1, 2013, 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 Agency took into consideration public and resident comment 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 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.
4. 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.

5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. 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.
7. 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.
8. The PHA will comply with requirements with regard to a drug free workplace as required by 24 CFR Part 24, Subpart F.
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying as 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.
10. 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.
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. 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 1937 Act and the Contract Work Hours and Safety Standards Act.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
16. 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.).

17. 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.
18. 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.

Boulder Housing Partners

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)

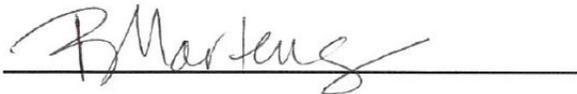
Adopted this 8<sup>th</sup> day of October, 2012.

(SEAL)



Angela McCormick,  
Chair, Board of Commissioners  
Housing Authority of the City of Boulder

ATTEST:



BETSEY MARTENS  
Executive Secretary

## **B. Evaluation Methodologies**

### **Description of any planned or ongoing Agency-directed evaluations of the demonstration, if applicable.**

BHP is committed to implementing a thorough evaluation methodology of the MTW demonstration program. Currently there are three areas of focus of the BHP evaluation plan: rent reform controlled study; administrative efficiency study; and a greater longitudinal study to evaluate the social, economic, and educational outcomes of the MTW program.

#### *Rent Reform Control Study*

BHP will work with a third party research contractor to determine appropriate baselines, metrics and methodology for all rent reform activities. Rent reform activities will include a controlled study where residents will be randomly assigned to treatment and controlled groups. An annual impact analysis on the groups will be conducted to establish research data and to evaluate unintended impacts.

BHP has been in conversations with HUD regarding participating in a HUD-funded rent reform study. This study would include other MTW housing authorities and be conducted by a third-party contractor selected by HUD. BHP will evaluate whether to participate in this study or to engage an alternative contractor as more details of this HUD directed study are provided. If BHP chooses not to participate in this study, BHP will contract with the University of Colorado or another third party to conduct the rent reform controlled study.

#### *Administrative Efficiency Study*

BHP proposes to work with the University of Colorado or another third party when necessary to help design the research methodology to determine administrative efficiencies as they pertain to MTW activities. BHP staff will gather and evaluate the data.

#### *Longitudinal Study*

BHP proposes to partner with the University of Colorado or another third party to evaluate the long-term social, economic and education outcomes of the MTW activities. BHP intends to advance the local and industry knowledge base by evaluating the following:

- Three options related to family mobility: full mobility, conditional mobility and a control group with no mobility,
- The effectiveness of place-based delivery of service,
- The power of rent structure to increase income and employment,
- The effectiveness of substituting successful networks for “communities of kin”, and
- Whether strong supportive services to children in the household creates positive outcomes for the adult members.

# Appendix A: 10 Year Plan for RHF Funds Increments I and 2

## **Replacement Housing Factor (RHF) Plan: 1175 Lee Hill**

Boulder Housing Partners (BHP) intends to use both the First and Second Increment Replacement Housing Factor (RHF) funds to develop a 31-unit permanent supportive housing community for the chronically homeless in partnership with the Boulder Homeless Shelter (Shelter). BHP will continue to accumulate both the First and Second Increment RHF funds associated with the removal of the Broadway public housing units from inventory in 2008. The projected construction start date has been revised and is now October 2013. Both the first and second increment RHF funds will be used for construction. BHP will arrange for bridge financing for the second increment.

Our intention is to accumulate these RHF funds for five consecutive years as is allowed by 24 CFR 905.10(i)(7). Moreover, as a Moving to Work (MTW) Agency, BHP is requesting HUD approval under Option 3 of the Broader Uses of Funds Amendment to the Standard MTW Agreement which states *RHF Funds Included in the MTW Block Grant and Used for Development Purposes with Obligation and Expenditure Deadlines Met*. This option provides BHP with additional flexibility while still ensuring adherence to the appropriations law.

## **Project History**

BHP, in partnership with the Shelter, has long sought the opportunity to expand the number of permanent supportive housing units in the city of Boulder. BHP began its permanent supportive housing program in 2000 with an enormously successful partnership with Mental Health Partners providing ten homes for chronically homeless individuals at the Holiday Neighborhood in north Boulder. In 2006, BHP partnered with the Shelter to create the Boulder County Housing First program. It, too, has produced noteworthy results. We now have a compelling opportunity to greatly increase the number of individuals served in the program and we would like to bring RHF funds to the project as an integral piece of the development puzzle.

## **Project Description**

Each of the 31 units would be available to households who meet the definition of chronically homeless. All of the units would be developed as permanently affordable rental housing pursuant to the deed restrictions and covenants that the City of Boulder will record against the property.

This project will serve households most in need of affordable housing and will be a project-based extension of the Housing First program already in place. The Shelter will take referrals for leasing these units from a number of sister agencies in Boulder County. The Shelter will then provide case management for these clients (with several case managers) as long as they stay in housing. BHP will act as landlord and property manager.

## **Development Method**

The project is pursuing the “mixed-finance method” described by HUD and is relying on a creative and

powerful combination of funding sources. BHP has been awarded \$832,150 in Boulder County Worthy Cause Tax funds to acquire the land, \$421,000 in City of Boulder HOME funds for predevelopment expenses, and a \$25,000 grant from Fannie Mae's Homelessness Initiatives for public outreach and legal consultation. In September 2012, BHP received notification from the Colorado Housing and Finance Authority (CHFA) that the project has been awarded an allocation of 9% low income housing tax credits valued at over \$3 million. The project also received the number one ranking from the Metro Denver Homeless Initiative (CoC) review for McKinney Vento funds in the amount of \$763,000. Other potential sources of financing include: state divisions of housing grants, city and state solar and energy efficiency grants, and private foundation grants. BHP anticipates the project will be fully funded with equity and delivered without hard debt in advance of operations. Never before have so many sources come together at the right time to support a project as ready and needed as this one is.

1175 Lee Hill, LLC, a wholly controlled subsidiary of BHP, will serve as Developer and in that role be responsible for managing the pre-development activities, securing capital and entitlements, and arranging for construction. BHP will be the property manager upon completion and be responsible for facility operations. The Shelter will assist with securing capital (primarily charitable and governmental contributions), providing programming and design assistance, and coordinating the ongoing case management.

### **Compliance with PIH Notice 2011-45**

The development of 1175 Lee Hill will be done consistent with the provisions described in PIH Notice 2011-45, describing the parameters for local, non-traditional activities under the MTW program.

### **Site Information**

The site is located at 1175 Lee Hill Drive, Boulder, Colorado 80304. The legal description is as follows:

Lot 1, Front Range Business Zone, except that portion conveyed to the City of Boulder in Quit Claim Deed recorded February 19, 1991 on Film 1662 as Reception No. 1088208; and also excepting that portion conveyed to the City of Boulder by Warranty Deed recorded March 7, 1995 on Film 2039 as Reception No. 1502084, County of Boulder, State of Colorado.

The site is approximately one acre in size and is vacant and naturally vegetated with weeds and grasses. It is located in a developed mixed use area in north Boulder. The adjacent properties generally consist of commercial and residential properties. Directly to the north is the Shelter and across North Broadway to the east is the BHP office building. To the south is Lee Hill Drive, across which is a Holiday Inn Express hotel. To the west is Frontage Road Drive, across which are vacant land and a commercial building consisting of automotive repair facilities. A local bus stop is located on the south property line with service to medical, educational, and other supportive facilities.

## **Aerial Photo of the Site**



## **Project Costs and Budget**

Total anticipated costs for the project are \$7 million and are related to land acquisition, predevelopment and construction of the facility. The amount of MTW Funds that BHP is leveraging will exceed the amount of RHF funds included in the MTW Funds.

## **Appraisal**

As of April 14, 2009, the appraised market value for the property was \$805,000, or \$18 per square foot.

## **Financial Feasibility**

The project is financially viable. Any surplus generated from development would be used to fund long-term reserves and no public housing dollars would be included in the reserves. This estimate includes a 7% owner contingency.

## **Zoning**

There are few opportunities in the City of Boulder under the current zoning code in which to build permanent supportive housing. The current zoning allows for the proposed use to be developed by right with administrative review, which is a rare opportunity in Boulder. The proximity of BHP and the Boulder Shelter for the Homeless to the site will allow for constant oversight and staff availability for problem solving.

## **Facilities**

See the “Project Description” above for a description of the facilities and the services to be provided to the prospective occupants.

## **Relocation**

Not Applicable

## **Life Cycle Analysis**

BHP will conduct a life-cycle cost analysis of the installation, maintenance, and operating costs of the heating and cooling systems prior to installation pursuant to section 13 of the Act (42 U.S.C. 1437k).

## **Project Development Schedule**

<b>2009</b>	Summer:	Negotiations to acquire property
<b>2010</b>	May:	BCATH Worthy Cause Tax Funds awarded (\$832,150)
	June:	Property acquisition finalized
	July:	City of Boulder 2010 grant awarded (\$121,000)
	August:	Initiate predevelopment activities and community outreach process
	October:	Begin zoning approval process
<b>2011</b>		Predevelopment, planning and community outreach
<b>2012</b>	July:	Low Income Housing Tax Credit (LIHTC) application due City of Boulder 2011 grant awarded
	September:	Begin LIHTC partnership due diligence and GC procurement
	December:	Zoning approval awarded
<b>2013</b>	October:	Begin construction
<b>2014</b>	May:	Complete construction
	August:	Initial lease up complete and stabilized operations

## **Environmental Assessment**

BHP and the Shelter conducted a Phase 1 Environmental Survey Assessment (ESA) in April 2010. The assessment has revealed no evidence of recognized environmental conditions in connection with the property. As stated earlier, if required by HUD, the property could undergo a Part 50 or Part 58 Environmental Review to gain a Finding of No Significant Impact (FONSI) if HUD wishes that that be done.

## **Occupancy and Operation Policies**

BHP completed a revised Section Administrative Plan in February 2011.

## **New Construction Certification**

Residential real estate in the north Boulder market is comprised predominantly of single family detached and attached (duplexes, triplexes) homes. According to Zillow (see below), the average home price in this market is \$534,000. Acquiring an existing property in this neighborhood to

develop public housing would be cost prohibitive and would not result in 31 units of housing, as compared to new construction.

