



Cambridge Housing Authority

MOVING TO WORK

*April 1, 2014 to March 31, 2015
Our 16th Year with MTW*

ANNUAL REPORT
2 0 1 5



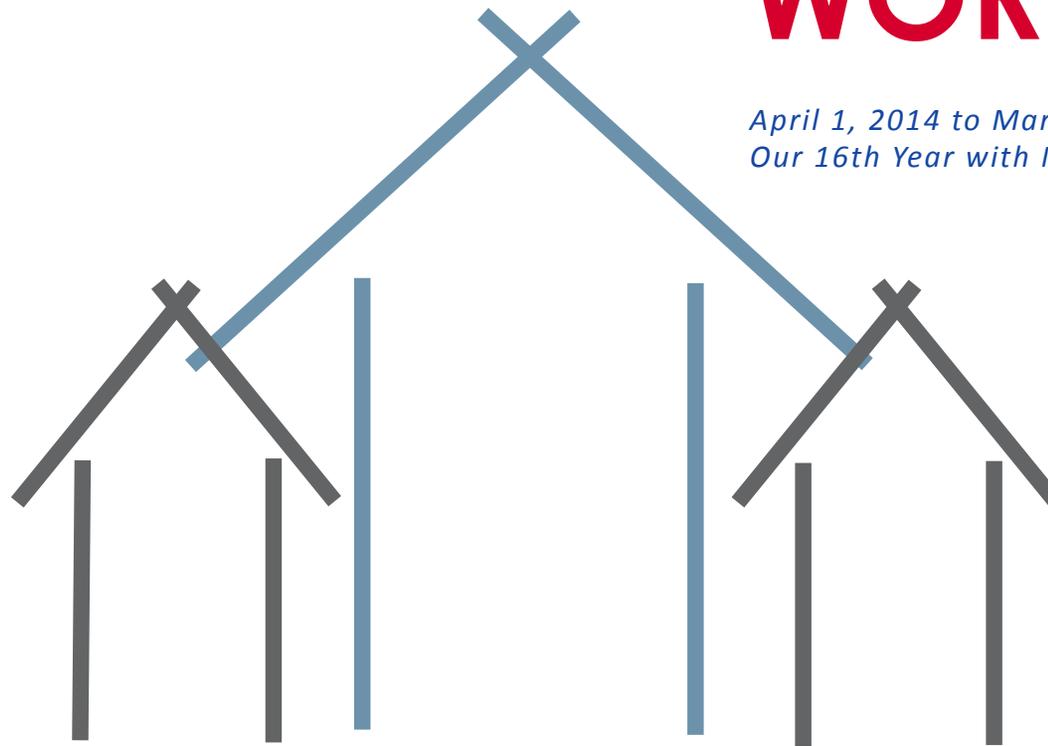


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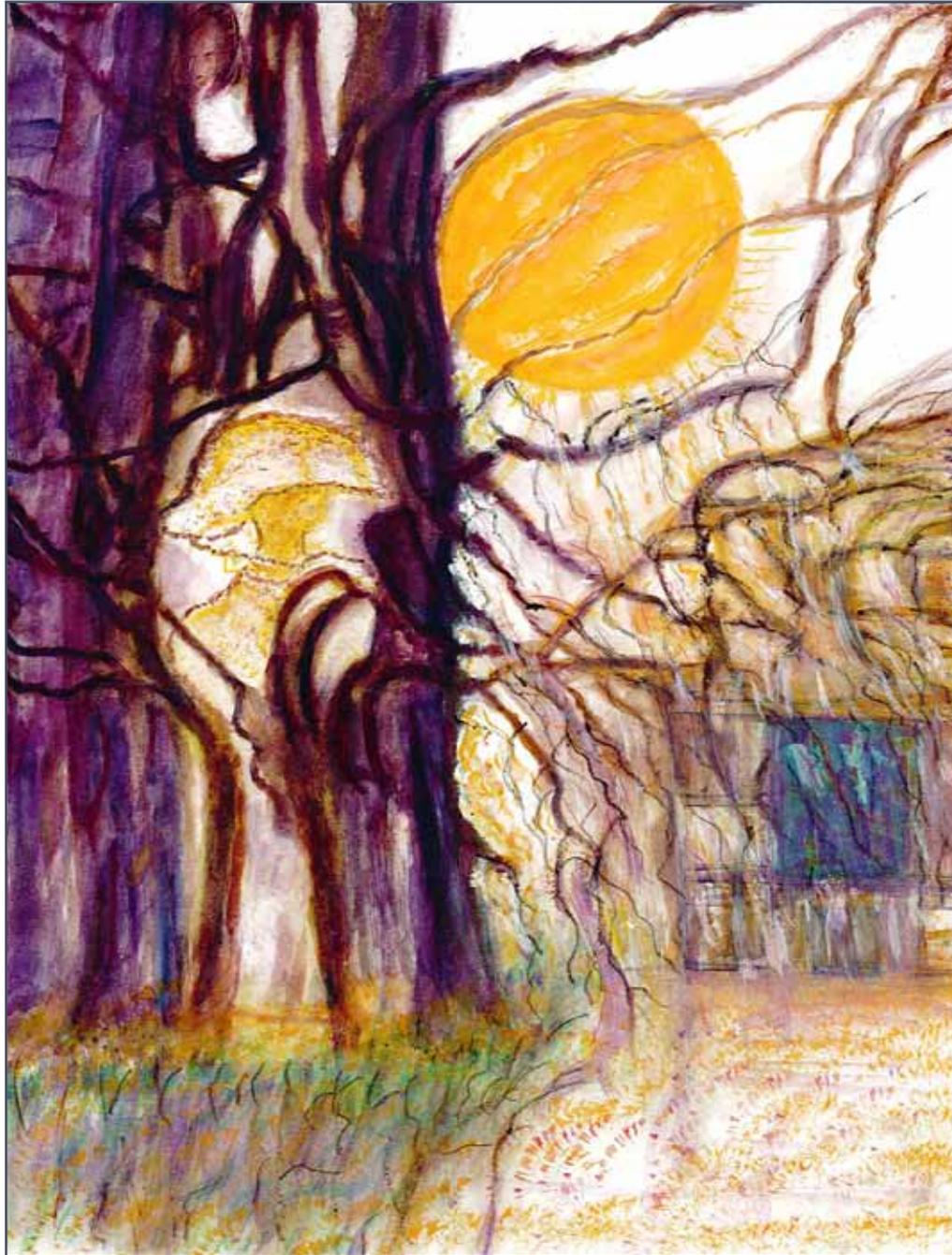
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One Spirit

Her dreams are hazy
between yesterday and
tomorrow's uncertainty;
until she realizes
"Housing" holds the keys.
Education support for the young
independent living for the
Older adult.
Although our role differ
We; both Share; what matters,
the same Spirit.
The safety and well being
of our Community.

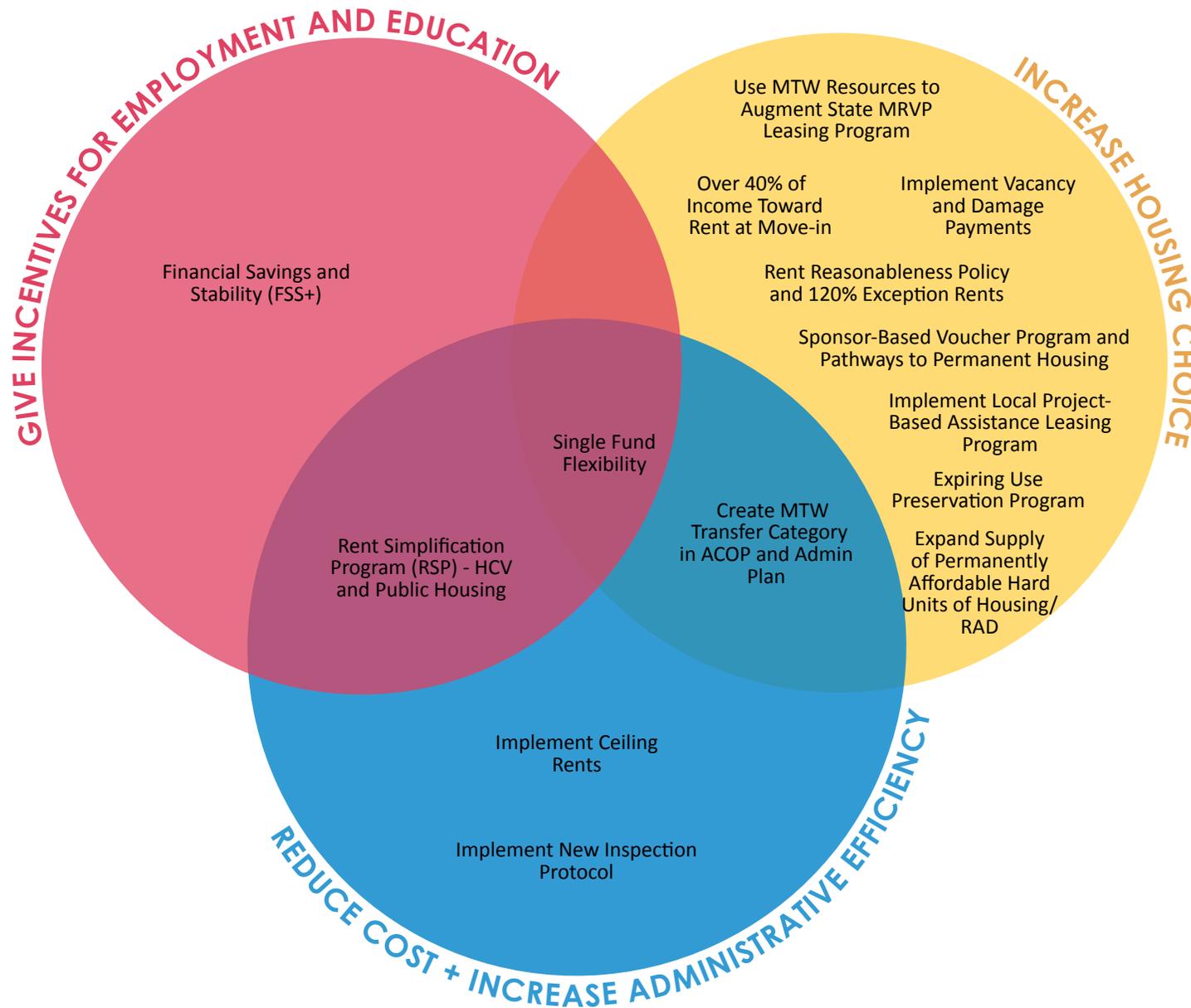
Alemitu Meshesha Kassa
November 5, 2013



Autumn Moon
Alemitu Kassa
oil pastel on paper
Annual Art Contest Winner

“This is essentially a people’s contest ... It is a struggle for maintaining in the world that form and substance of government whose leading object is to elevate the condition of men – to lift artificial weights from all shoulders – to clear the paths of laudable pursuit for all – to afford all an unfettered start, and a fair chance, in the race of life.”

– Abraham Lincoln, 8th April, 1861. Letter (in its entirety) to Andrew G. Curtin, Governor of Pennsylvania.



CHA has used its flexibility under MTW as a platform for progressive regulatory reform and fungibility of capital, voucher, and operating funds to accomplish development and programming goals. The agency continues to develop, implement, and evaluate new and innovative policies and programs.

This diagram is a visual representation of CHA's various initiatives under the MTW program and how these relate to the statutory objectives stated above.

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FREQUENTLY USED ACRONYMS

ACT	Alliance of Cambridge Tenants
DHCD	Department of Housing and Community Development (Commonwealth of Massachusetts)
DISPO	Demolition and Disposition of public housing under Section 18 of the Housing Act of 1937
EOP	End of Participation (in receiving subsidized housing from CHA)
EOS	End of Subsidy
ESCO	Energy Service Company
ESOL	English for Speakers of Other Languages
FMR	Fair Market Rate
FSS+	Financial Stability and Savings Plus
HAP	Housing Assistance Payment
HILAPP	High Leverage Asset Preservation Program (Commonwealth of Massachusetts)
HUD	US Dept of Housing and Urban Development
LIHTC	Low Income Housing Tax Credit
MTW	Moving to Work
RAD	Rental Assistance Demonstration program
RIS	Reduction in Subsidy
TPP	The Possible Project
VASH	Veterans Affairs Supportive Housing

INTRODUCTION

ANNUAL REPORT FISCAL YEAR 2015

APRIL 1, 2014 TO MARCH 31, 2015

Fiscal Year 2015 (FY15) has been an incredible year highlighted by two critical tasks, (1) implementation of RAD Phase I and (2) negotiation of a ten-year MTW extension. Cambridge Housing Authority (CHA) is a Moving-to-Work (MTW) agency committed to providing quality housing and services to its community of public housing residents and housing choice voucher tenants while also advancing innovation and instituting effective policies and practices to meet local needs.

Implementation of RAD Phase I has been a difficult and exciting undertaking that has impacted all departments as the shift from public housing to a project-based subsidy platform and changes the structure of the entire agency. In total, eight (8) out of nine (9) Phase I properties closed. Three sites (Washington Elms, Newtowne Court, and Woodrow Wilson) closed just one day after FY15 end, on April, 1, 2015. Manning Apartments is the remaining Phase I site and is slated for closing in September/October 2015. As is the nature of newly established demonstration programs, conversion to RAD has been a learning experience punctuated by unexpected bumps balancing RAD's framework with HUD's requirements and MTW flexibility.

At the Annual MTW Conference in February 2014, HUD informed MTW agencies that a ten-year MTW extension beyond the current MTW Agreement (set to expire in 2018) would likely occur so long as agencies met a 90% threshold in either households served or budget authority. In August 2014, HUD presented new parameters under which MTW authority could be exercised. CHA has been fully engaged in the MTW extension negotiations and actively serves as a member of the MTW Steering Committee, meeting with HUD to work towards a mutually agreeable contract. We are at a critical tipping point in the MTW landscape, as interest groups and certain federal officials have taken notice of the MTW program and are challenging the benefits of MTW flexibility. In response HUD has proposed contract language and policies that deviate sharply from the MTW statute.

In hindsight, CHA's decision to pursue RAD in FY14 could not have occurred at a better time for the agency and our residents. In securing RAD commitments and exiting federal public housing, CHA secured a more stable funding stream; but also avoided a substantial reduction in its public housing operating funds. At the time of this writing, HUD is proposing to reformulate operating fund calculations for eleven (11) MTW agencies converting from the MTW alternative subsidy formulas to a Project Expense Level (PEL) formula identical to that used by non-MTW public housing agencies. In addition, in the Housing Choice Voucher (HCV) program, HUD proposes to cut the Administrative Fee for seventeen (17) MTW agencies by removing it from the MTW formula and applying the national proration, estimated at \$0.74 on every administrative dollar due. The estimate was raised to \$0.79 in June 2015. Some MTW agencies will be affected on both fronts and experience substantial funding reductions in both public housing and housing choice voucher programs. Under RAD, CHA will lock into a new project-based subsidy formula based on FY12 funding levels. CHA is likely to experience an Administrative Fee reduction in Fiscal Year 2019.

The following is a quick overview of CHA activities that advance MTW's three core goals.

HOUSING CHOICE

- Eight (8) out of nine (9) Phase I RAD conversions completed, preserving 952 hard units of housing in Cambridge.
- 535 Expiring Use units preserved in the fiscal year, ensuring these units remain low-income properties for at least 15 years.
- Jefferson Park State - all residents have been relocated and demolition started. 104 new units to be built.
- Millers River - Disposition application approved as part of a long-term preservation plan.
- Partnership with nine (9) local service providers serving over 85 individuals with disabilities.
- Two partnership managed housing units dedicated for families that have experienced setbacks as a result of domestic violence in the home and are ready to transition to permanent housing combined with supportive services from our partner agency.

SELF-SUFFICIENCY

- Four (4) Financial Stability and Savings Plus (FSS+) program graduates exited CHA voucher program and entered the private housing market since the program was implemented.
- 88% of Work Force students saved money through monthly direct deposits into their College Savings Account. Collectively, forty (40) students in the Class 2016 saved over \$11,000.
- Expanded participation commitments for Gap Foundation's This Way Ahead program to 90 students in Cambridge and Boston.
- Completed Makerspace, an 1,800 s.f. incubator facility, to encourage entrepreneurship to economically disadvantaged students as part of The Possible Project. Ten (10) Work Force students are enrolled in the program and have access to state-of-the-art technology.
- Explored feasibility of expanding the FSS+ program into public housing with opt-out choice.
- Secured funding to initiate a pilot of the FSS+ expansion.

COST EFFECTIVENESS

- Commenced extensive customization of CHA's Elite database to align and streamline data management for existing Public Housing, RAD conversions as they occur, and the HCV program.
- Energy efficiency improvements completed during the FY will result in cost savings of at least \$100,000.
- RAD Phase I Capital improvements at five (5) sites that are entering construction will see an estimated 35% reduction in energy and 30% reduction in water consumption.
- Continued savings under Rent Simplification when compared to baseline costs.

GENERAL HOUSING AUTHORITY OPERATING INFORMATION

FY15 ACCOMPLISHMENTS AND HIGHLIGHTS

RENTAL ASSISTANCE DEMONSTRATION (RAD)

As anticipated in the FY15 Plan, the HUD Rental Assistance Demonstration (RAD) Program's impact on CHA has been far-reaching. At its core, RAD has enabled CHA to use substantial tax credit equity combined with borrowing to complete critical capital improvements in our public housing stock. In essence, RAD authorizes release of a title restriction tied to federal public housing. In releasing this restriction, public housing authorities, in addition to any equities raised, may also borrow capital improvement funds from the private market to supplement the tax credit equity received.

In the current economic and political climate, federal disinvestment in public housing is clear as congressional appropriations of capital improvement and operating funds have declined year after year. This disinvestment, compounded by aging public housing infrastructure, has effectively forced housing authorities across the country to take unlivable hard units offline. In moving all of our existing Federal Public Housing portfolio to Section 8 Project-based Subsidies, as permitted under RAD, CHA is able to preserve and improve its hard units and continue to serve our low-income population in the long-term by keeping them in Cambridge. Without RAD, CHA would eventually need to take units offline because of the lack of capital funding for crucial improvements. Ironically, a decrease in the public housing stock, combined with Cambridge's high housing cost, would exert pressure on CHA housing applicants to use mobile tenant vouchers and exercise their housing options in surrounding towns and neighborhoods, many with higher levels of poverty than Cambridge. In this context, we believe that pursuing RAD was the right decision for CHA.

We also want to underline that CHA's MTW authority was integral to CHA's RAD application and allowed the following activities:

- Complete pre-development planning activities that identified capital needs at CHA properties so CHA was able to proceed with a portfolio-wide solution that would address over \$300 million in deferred improvements when the RAD program was modified in July 2013.
- Establish initial RAD contract rents at levels to support the needed rehabilitation at specific sites. The addition of over \$2.4 million in MTW funds to the initial rents in RAD Phase 1 supports over \$45 million in additional debt.
- Utilize a portion of the additional income from administering the project based voucher program under RAD in setting initial RAD rents. This additional income will allow CHA to support an additional \$20 million in debt.
- Provide enhanced tenant protections to residents as properties convert to the project based voucher program under RAD. MTW allows CHA to continue to operate units as close to public housing as possible.

At the time of this writing, funding for RAD Phase I has been secured through MassDevelopment, tax credit equity and both short-term and long-term private debt for eight (8) out of nine (9) developments. Phase 2 applications were submitted to HUD in December 2014 to convert an additional 979 units and are pending approval. Planning for Phase 2 will occur during FY16 and construction will take place from FY17 to FY19.

Additional information about RAD including relocation plans may be found on the CHA website (<http://cambridge-housing.org/about/rad/default.asp>).

FY15 RAD ACTIVITIES

The following is a chronological summary of RAD Activities in FY15.

MONTH	ACTIVITY
April 2014	Apr 17 Putnam Gardens 50% schematic review resident meeting.
	Apr 30 Newtowne Court 50% schematic review resident meeting.
May 2014	May 19 Putnam Gardens 100% schematic review resident meeting.
	May 29 Green charrette at Putnam Gardens.
June 2014	Jun 04 Newtowne Court 100% schematic review resident meeting.
	Jun 16 Green charrette at Newtowne Court.
July 2014	Jul 08 Manning Resident Design Workshop #11.
	Jul 14 RAD City-wide Public Meeting.
	Jul 16 Woodrow Wilson Court 100% schematic review resident meeting.
	Jul 21 Manning Resident Design Workshop #12.
	Jul 24 Washington Elms schematic review resident meeting.
August 2014	Aug 04 Manning Resident Design Workshop #13.
	Aug 18 Manning Resident Design Workshop #14.
September 2014	Sept 08 Manning Resident Design Workshop #15.
	Sept 11 CHA-wide RAD update meeting.
	Sept 16 Manning residents approve Manning Relocation Plan.
	Sept 24 Board approval of Manning Relocation Plan.
October 2014	Oct 22 Board approval of construction contract for Putnam Gardens and selection of equity investor and permanent lender for Phase I.
	Oct 22 Board approval of "House Doctor" and A+E contracts for RAD Phase II.
	Oct 28 Woodrow Wilson Court resident meeting on Design/Construction.
	Oct 29 Newtowne Court resident meeting on Design/Construction.
	New lease signings occurred at all sites.

MONTH	ACTIVITY
November 2014	<p>Nov 01 New lease in effect.</p> <p>Nov 12 CHA-wide RAD update meeting.</p> <p>Nov 25 CHA Board approval of Part II of the Administrative Plan for RAD developments and allows for further technical revisions.</p> <p>Nov 25 CHA Board approval to use Construction Manager at Risk for Manning RAD revitalization.</p> <p>CHA assessed RAD relocation needs against anticipated vacancies and realized needs exceeded supply. Accordingly, CHA started holding vacated public housing units to accommodate relocation for residents directly impacted by RAD capital improvements.</p>
December 2014	<p>Dec 02 and Dec 11 Public Hearings to discuss CHA's application for Phase II RAD (977 public housing units).</p> <p>Dec 11 Public Hearing to discuss Revision of Part II of the Administrative Plan, regarding the phasing in of any rent increase for an existing CHA resident as a result of a change in the ceiling rent as part of RAD.</p> <p>Dec 15 Putnam Gardens RAD update resident meeting.</p> <p>Dec 19 RAD Phase II Application submitted to HUD.</p> <p>Dec 31 RAD closings occurred for Putnam Gardens, JFK Apartments, Jackson Gardens, LBJ Apartments and Lincoln Way (441 units).</p>
January 2015	<p>Jan 01 All public housing waiting lists closed to all but emergency applicants.</p> <p>Jan 15 City-wide RAD meeting.</p> <p>Jan 20 Putnam Gardens residents approve Putnam Gardens Relocation Plan.</p> <p>Jan 28 Board approval of Putnam Gardens Relocation Plan.</p>
February 2015	<p>Feb 11 Board approval of construction contract for Washington Elms, Woodrow Wilson Court, and Newtowne Court.</p> <p>Feb 11 Woodrow Wilson Court 50% schematic review resident meeting.</p> <p>Feb 19 City-wide RAD meeting.</p>
March 2015	<p>Mar 12 Board approved allocation of 250 Housing Choice Vouchers to current Family & Elderly/Disabled Public Housing applicants that will be impacted by CHA's relocation efforts associated with RAD.</p> <p>Mar 19 City-wide RAD meeting.</p> <p>Mar 31 RAD closings occurred for Washington Elms, Newtowne Court, and Woodrow Wilson Court (511 units)</p>
FY16 - April 2015	<p>Apr 07 Newtowne Court residents approve Newtowne Court Relocation Plan.</p> <p>Apr 08 Board approval of Newtowne Court Relocation Plan.</p> <p>Apr 16 City-wide RAD meeting.</p>

RAD RENT TABLES

Conversion to RAD, requires that CHA comply with the statutory regulations of the Low-Income Housing Tax Credit (LIHTC) and RAD requirements. Consequently, CHA reconciled three different rent structures (1) Existing CHA Ceiling Rents from MTW Rent Simplification, (2) Tax Credit Maximum Rent and (3) RAD Project-Based Contract Rent. After extensive analysis and public process, CHA modified its rent tables. The tables may be accessed through the CHA website at <http://cambridge-housing.org/news/displaynews.asp?NewsID=214&TargetID=1>.

RAD RENT PHASE-IN SCHEDULE

For the ceiling rent households that experience a rent increase under RAD, CHA has committed to a three-year-phase-in period beginning in calendar year 2017. CHA staff will inform affected residents of the phase-in prior to the first phase-in (Year 1 described below). Households who experience a monthly rent increase by more than \$25 will be phased-in as follows:

		PHASE I	PHASE II
YEAR 1	For the first tax credit certification or biennial rent redetermination (whichever comes first) in 2017, rent may only increase by 33% of the difference between the most recent rent and the RAD rent.	2017	TBD
YEAR 2	Twelve (12) months after the rent increase described in Year 1, rent may only increase by 66% of the difference between the <u>most recent rent charged prior to RAD conversion</u> and the RAD rent.	2018	TBD
YEAR 3	Twelve (12) months after the rent increase described in Year 2, tenants will pay the full RAD rent from that point forward.	2019	TBD

RAD RENT RECERTIFICATION SCHEDULE

Under LIHTC, CHA and its RAD households must comply with additional recertification requirements, as outlined in Appendix 4 of Part II of the Administrative Plan. This document may be directly accessed on the CHA website (<http://cambridge-housing.org/news/displaynews.asp?NewsID=214&TargetID=1>).

Biennial rent recertifications will be maintained. In addition, once a RAD site is placed in service for tax credits, residents must complete annual tax credit recertifications. Some CHA public housing sites became tax credit sites as part of the improvements under ARRA. When those sites went into service, those households often had two recertification schedules: their original biennial rent recertification plus their tax credit recertification. These often occurred in two different months. To streamline and simplify the process, anniversary dates (day and month) for both recertifications will be aligned and the same for all RAD households. The following chart outlines the revamped recertification schedule.

EVEN YEAR	<p>“LIHTC ONLY”</p> <p>Rent will not be re-determined (except, as interim)</p>
ODD YEAR	<p>“RENT REDETERMINATION” and “LIHTC”</p> <p>Rent will be re-determined for all RAD households. LIHTC recertification will also occur at the same appointment if your building is placed in service as a tax-credit.</p>

During this transition:

- Households will continue paying their current rent each month.
- Households will not have a rent re-determination for at least 24 months (sometimes longer) beginning in calendar year 2016.
- Interim rent re-determinations may still be requested, in case a household’s income decreases. Reporting an income increase will still be required should one occur after the interim is granted.
- Households without a rent re-determination for longer than 24 months will be granted one (1) additional interim every additional 12 months without a rent re-determination. Elderly and disabled households will continue to have unlimited requests for interim re-determinations.

New residents Post-RAD Conversion:

- After the waitlist reopens, newly admitted households may have their rent re-determined twice in their first twenty-four month period, depending on the year of their admission. This is to maintain the consistency of the recertification schedule across all properties.

POST-RAD CONVERSION WAITLIST POLICY

Waitlist policies will largely remain the same under RAD. CHA will continue to use site based waiting lists and screen potential applicants for admission. As tax credit properties, new admissions off of the waitlist must qualify for the tax credit program, which limits income to 60% of area median income (AMI) at lease-up. CHA has structured a limited supply of RAD units to be set aside as non-tax credit units. For these units, new households may have income up to 80% of AMI at lease-up. As a result, new households with income between 60-80% of AMI coming off the waitlist must wait for a non-tax credit unit to be available. Please refer to Part II of the Administrative Plan for more details about this policy. This document may be accessed on the CHA website (<http://cambridge-housing.org/news/displaynews.asp?NewsID=214&TargetID=1>).

RAD INSPECTION STANDARD

As CHA's federal public housing portfolio converts to RAD, units fall under the rules and regulations of the Section 8 housing program. Therefore units are subject to Housing Quality Standards (HQS) as outlined in 24 CFR 982 and REAC inspections will no longer be relevant.

Five different HQS inspections applies to CHA's RAD conversion.

PRE-RAD CONVERSION INSPECTIONS	RAD conversion represents an <u>end of occupancy in public housing</u> and the issuance of a new project based voucher. As a result, units must be inspected (and pass) according to HQS standards within 60 days before a unit is placed in service for RAD.
UNIT TURNOVER/ MOVE-IN INSPECTIONS	A RAD unit that has been vacated by a household must be inspected by a third party prior to the next household's move-in date.
ANNUAL UNIT INSPECTIONS	Site staff will conduct regular annual inspections of all units each calendar year.
ANNUAL SAMPLE INSPECTIONS	To meet the HQS requirements, a third-party contractor will randomly sample 10% of units for inspection on an annual basis. If a unit fails, the third-party contractor will select an additional 20% of units on that site to inspect.
QUALITY CONTROL INSPECTIONS	Third-party supervisory personnel that have not been involved in routine inspections shall monitor the quality of all CHA project-based unit inspections, by re-inspecting five (5%) percent of all initial and annual inspections performed each quarter.

RAD CONSTRUCTION

CHA converted the first 441 public housing units to RAD project-based assistance in FY15. Another 511 units converted on April 1, 2015 and an additional 198 units will convert in FY16 for a total of 1,150 units as part of RAD Phase 1. All developments will receive major capital improvements, except for JFK Apartments and three recently completed ARRA-funded sites (LBJ Apartments, Jackson Gardens and Lincoln Way). Detailed fact sheets of RAD Phase I sites may be found on the CHA website (<http://cambridge-housing.org/about/departments/planning/planningnews/default.asp>).

RAD PHASE I

SITE	CAPITAL IMPROVEMENT COST	GENERAL IMPROVEMENTS PLANNED/ UNDERWAY	UNITS 1,150 TOTAL	RAD STATUS	FINANCE PARTNERS
PUTNAM GARDENS 122 FAMILY UNITS	\$21.6 million \$177,049/unit	New central boiler plant and HVAC upgrade; new sprinkler and fire alarm system for entire site, new trash sheds and trash compactors, new exhaust ventilation for bathroom and kitchen in each unit; roofing system and masonry repairs; selective window repairs; data wiring infrastructure for each unit and basement; additional interior work in all units; exterior site improvement. Construction underway	122	DECEMBER 2014	MASS DEVELOPMENT, BANK OF AMERICA, WELLS FARGO, CITIBANK
JFK APARTMENTS 44 ELDERLY/DISABLED UNITS	\$673,200 \$15,300/unit		319		
JACKSON GARDENS 45 FAMILY UNITS	\$0	NONE			
LBJ APARTMENTS 177 ELDERLY/DISABLED UNITS	\$0	NONE			
LINCOLN WAY 53 FAMILY UNITS	\$0	NONE			
WASHINGTON ELMS 175 FAMILY UNITS	\$21.5 million \$122,600/unit	Boiler replacement; asbestos removal in all basements; replacement of all masonry stairs, brick repair, new window surrounds, new bathroom vents; new roof.			
NEWTOWNE COURT 268 FAMILY UNITS	\$42.3 million \$157,900/unit	New central boiler plants and cogeneration systems for all units; heating system upgrades and replacement; new sprinkler and fire alarm system; new bathroom exhaust ventilation; roof replacement; data wiring infrastructure for each unit and basement; kitchen and bathroom renovations for all units; additional interior work for every unit.	511	APRIL 2015	MASS DEVELOPMENT, BANK OF AMERICA, WELLS FARGO, CITIBANK
WOODROW WILSON COURT 68 FAMILY UNITS	\$2.1 million \$30,900/unit	New trash room; boiler replacement; new fire protection system; masonry restoration and repair; domestic water, sewer piping and general site improvements.			
MANNING APARTMENTS 198 ELDERLY/DISABLED UNITS	\$42 million \$212,000/unit	Complete renovation of all units (kitchen, bathroom, flooring, windows); addition of 6 new units on second floor; complete renovation of management office, community room and common space will; upgrade of HVAC, electrical and plumbing. Every other floor lobby to be converted to laundry facilities.	198	TO CLOSE IN FY16	



Summary of Major Administrative & Policy Changes under RAD

The Cambridge Housing Authority (CHA) has identified several new policies and procedures for implementation as the agency converts its public housing stock through the Rental Assistance Demonstration (RAD) program. This document summarizes the major changes and highlights some of the challenges associated with converting to a new demonstration program modeled on a project based Section 8 platform while remaining committed to preserving many of the policies and protections of public housing.

Resident Policies	New Resident Documents	Since many of the rights to due process and other tenant protections don't necessarily apply under RAD/Section 8, CHA used its MTW authority to retain the public housing operational structure and tenant protections. CHA amended the current Section 8 Administrative Plan (Admin Plan) to add a Part Two which mirrors the recently-approved public housing Admissions and Continued Occupancy Policy (ACOP). This amendment of the Admin Plan will ensure that RAD developments will continue to operate under the same set of policies that public housing residents are familiar with.
	Revised Lease	Residents in all pending RAD developments signed a new lease in October of 2014 that will apply when their building converts to RAD.
	Waitlist Policy	CHA will continue to use site based waiting lists and screen potential applicants for admission. Once a project is placed in service for Tax Credits, new admissions off of the waitlist must also qualify for the tax credit program, which limits income to 60% of AMI (RAD and public housing allows up to 80% of AMI). There will be a limited supply of units set aside as non-tax credit units. Newly admitted residents coming off the waitlist who make between 60-80% of AMI will have to wait for one of these non-tax credit units to become available.
	RAD Mobility Vouchers	RAD requirements allow residents, after one year of occupancy in a RAD Development, to request a RAD Tenant-Based Voucher. These families have a priority position on the Section 8 waitlist.
	New Rent Tables	The intersection of RAD rents and tax credit rents required the creation of new rent tables that have higher ceiling rents. CHA is holding families harmless from these increases by phasing in the new rents over several years (in phase 1 this affects approximately 90 families). Residents are not protected from rent increases that occur from increased income.
	Rent Redetermination Dates	When a building is placed in service for tax credits, residents will need to recertify for tax credits on an annual basis. CHA is planning to align the tax credit recertification with the biennial recertification anniversary date to streamline staff and resident effort. This will be phased in over several years.
Fiscal Procedures	New Fiscal Year and Tracking	RAD properties will be on a new fiscal year beginning Jan. 1st as opposed to the current fiscal year which ends Mar 31st. The budget process will remain the same with some new line items to address debt service and replacement reserves. More formal processes for development accounting, streamlining workflow, and maintaining separate books for each LLC is being developed.

See CHA website link: <http://cambridge-housing.org/civicax/filebank/blobload.aspx?BlobID=23167>

Fiscal Procedures (Cont'd)	Procurement	Once properties become limited liability corporations under RAD, procurement efforts shift to a model that includes paying sales tax and separating costs more stringently by development.
	Central Office Costs	CHA is in the process of evaluating central office costs in relation to receiving a more traditional management fee as a percentage of gross revenues compared with HUD defined per unit fees.
	Shift in Revenue Sources	CHA receives a management fee for operating developments pursuant to a Management Agreement with each ownership entity. In addition, one year after conversion, CHA will receive a new revenue source via Administrative Fees earned for each RAD voucher it administers.
Software and Data Tracking	Workflow and Reporting for Move-ins, Transfers, and Inspections	CHA has been working extensively with the creators of the Elite software (Emphasys), to streamline our data management. Since CHA plans to use certain public housing policies in conjunction with Section 8 regulations, Emphasys has mapped out a way for the two programs to interact. This involves extensive custom programming, training, and automation.
	Tax Credit Reporting	CHA already has a few tax credit properties that are handled outside of our main software system. Since CHA plans to have almost all properties using tax credits under RAD, we are exploring ways to integrate tax credit reporting with Elite.
	Custom Programming	Because CHA's RAD effort exists at the crossroads of Low Income Public Housing, Section 8, and Low Income Tax Credit rules, we are beginning to explore new custom reports that may be necessary to track data once the properties are stabilized and in operation.
Property Management	Site Staff Roles and Training	CHA is evaluating if/how staff roles may change under RAD given tax credit reporting requirements, new software training, and other revised responsibilities. While significant changes are not expected, CHA will work within the existing contracts and with Union representation in this matter.
	Asset Management	CHA site staff have always been involved in the creation and review of site budgets, but through RAD, we hope to involve staff more directly in tracking cash flow and understanding obligations to investors and lenders (e.g. debt service coverage ratios, required replacement reserves, etc.). The fiscal department will meet with field staff every quarter to monitor and review financials on a regular basis.
	New Inspection Requirements	Under RAD, CHA moves from the public housing inspection process (REAC) to a Section 8 inspection process (HQS), which requires new forms, training, and implementation. CHA staff will now need to contract with a third party for HQS inspections for any move-in or unit-turnaround inspections.
	Vacant Unit Payments	Site staff will now need to track and request subsidy payments for vacant units (as opposed to receiving a set operating subsidy each year that is handled centrally).
	Tracking HAP Subsidy	We are working on a process to have site staff review and approve monthly HAP subsidy changes for their units (as opposed to receiving a set operating subsidy from the CHA).

See CHA website link: <http://cambridge-housing.org/civicax/filebank/blobdload.aspx?BlobID=23167>

MODERNIZATION AND REDEVELOPMENT OF OTHER CHA HOUSING

In addition to RAD, the following provides a general update of other CHA public housing sites undergoing or planned for construction.

<p>JEFFERSON PARK STATE (STATE - HILAPP)</p>	<p>\$40.5 million total construction cost financed through the Commonwealth’s new High Leverage Asset Preservation Program (HILAPP), the Cambridge Affordable Housing Trust, tax credit equity through MassDevelopment, and both short term and long term private debt. All households were relocated temporarily off-site either to other CHA properties or through Section 8 and MRVP vouchers. All relocated households will have the opportunity to return after construction is completed.</p> <p>New construction of the site will consist of 104 units of Project-Based Section 8 housing. CHA will use its MTW authority to execute a HAP contract for those units and continue operating the site with public housing policies retained to the extent possible. Demolition is underway at the site as of April of 2015 and construction will begin in mid-FY16.</p>
<p>TEMPLE PLACE (LIHTC - AFFILIATE HOUSING)</p>	<p>Construction is ongoing through the Cambridge Affordable Housing Corporation (CAHC) and will be completed in FY16 (late summer/early fall of 2015). This will be a new five-story family housing development with 40 new one- and two-bedroom units located at the former Cambridge YWCA pool site.</p> <p>Financing for Temple Place includes Low Income Housing Tax Credit (LIHTC), funds from the City of Cambridge and the Cambridge Affordable Housing Trust, the Massachusetts Department of Housing and Community Development (DHCD), as well as private construction and permanent financing from the East Cambridge Savings Bank. A Project-Based Section 8 Housing Assistance Payment contract will be applied to all forty units to ensure long-term affordability.</p>
<p>MILLERS RIVER (FEDERAL DISPOSITION)</p>	<p>Disposition under Section 18 of the U.S. Housing Act of 1937 (as amended) was approved by HUD. Capital needs totaling \$60 million. CHA is in the process of applying for tenant protection vouchers and securing tax credit equity (4%) and both short term and long-term private debt. Similar to RAD, Millers River will be converted to project-based assistance and construction will occur in parallel with RAD in FY17.</p>
<p>ELEVATOR UPGRADES (FEDERAL)</p>	<p>FY15 improvements at Daniel F. Burns Apartments, Harry S. Truman Apartments, Roosevelt Towers, and Jefferson Park Federal totaled approximately \$1.8 million. This work began in FY14 and was largely completed in FY15. Work includes replacing old motors and associated drives with new systems that reduce energy use and installing new controllers, selectors, door operators and cab interiors.</p>

CONSTRUCTION SPENDING FY05 TO FY15

MILLIONS OF DOLLARS

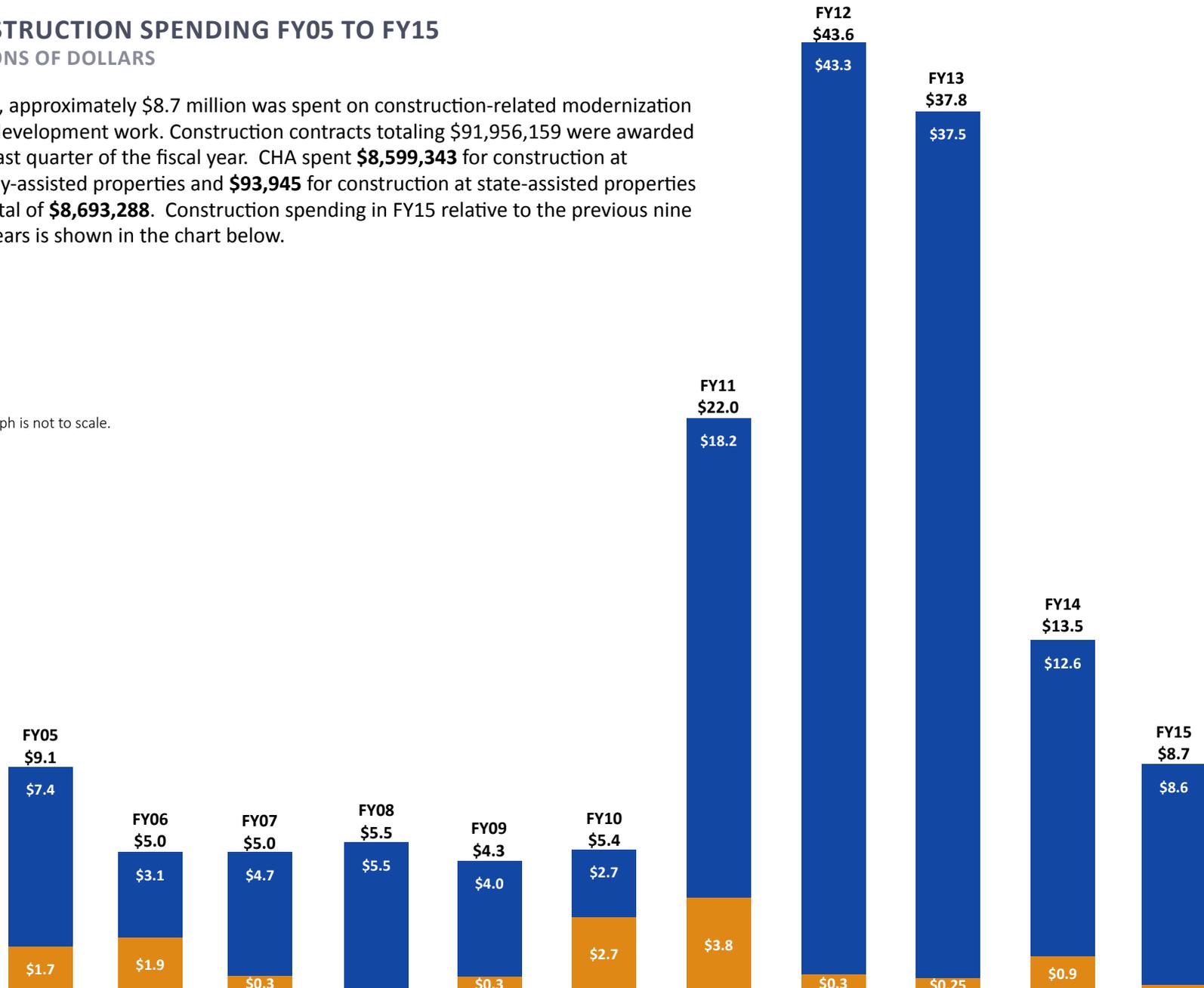
In FY15, approximately \$8.7 million was spent on construction-related modernization and redevelopment work. Construction contracts totaling \$91,956,159 were awarded in the last quarter of the fiscal year. CHA spent **\$8,599,343** for construction at federally-assisted properties and **\$93,945** for construction at state-assisted properties for a total of **\$8,693,288**. Construction spending in FY15 relative to the previous nine fiscal years is shown in the chart below.

LEGEND

Federal Funds

State Funds

Note: Graph is not to scale.



VOLUNTARY COMPLIANCE AGREEMENT

CHA continues to work towards the completion of its Voluntary Compliance Agreement with HUD's Office of Fair Housing and Equal Opportunity. The remaining 17 planned units have been folded into plans for RAD, Disposition (Millers River), and HILAPP (Jefferson Park State). Construction completion is anticipated to be 12/31/2016.

VCA COMPLIANCE – SUMMARY				
PLANNED UNITS	COMPLETED UNITS	PLANNED DATE	COMPLETED DATE	STATUS
2	2		03 / 2008	Units completed at Lyndon B. Johnson Apartments
5	5		12 / 2008	Units completed at Frank J. Manning Apartments
5	5		05 / 2010	Units completed at Frank J. Manning Apartments
1	1		03 / 2010	Unit completed at Willow Street Homes
3	3		11 / 2011	Units completed at Jackson Gardens
1	1		02 / 2012	Unit completed at Lyndon B. Johnson Apartments
4	4		03 / 2012	Units completed at Lyndon B. Johnson Apartments
4	4		08 / 2013	Units completed at Lincoln Way
17		12 / 2016		Units in design as part of RAD, Disposition, and HILAPP
42	25			TOTAL

OTHER ACTIVITIES

EXPIRING USE PRESERVATION

A total of 535 expiring units were preserved in the fiscal year. They include the following:

- 110 units at 402 Rindge Ave, Cambridge
- 145 units at Louis Barrett, Lynn (through RAD program)
- 130 units at St. Stephens, Lynn
- 150 units at Brookside, Southbridge (through RAD program)

FINANCIAL STABILITY AND SAVINGS PLUS (FSS+) EXPANSION

In FY15, CHA in collaboration with Compass Working Capital and Abt Associates completed a feasibility planning process over nine (9) month to explore the possibility of expanding the FSS+ program with modifications in public housing. This process was possible through funding received from Gisela B. Hogan Charitable Foundation in FY14. From the process, the group arrived at a two-year pilot of a modified FSS+ program at two family public housing sites. The goal of the program is to test the idea of automatically enrolling households in the program and see if a built-in automatic savings component would encourage households to build assets. There are several components to the program. At the very least, households could build basic savings (along the lines of 1% of rent paid) simply by virtue of making their regular monthly rent payments. CHA would escrow the savings and allow households to access the savings as long as they complied with minimum conditions of the program. Additional savings could occur if a household's income increased and pushed them into a different rent band. All escrowed savings would be tied to rent payments. Households who choose not to participate in the program would experience no change.

In FY15, additional funding was secured by the same Hogan Foundation for implementation of the pilot. However, the funds were not sufficient to support the entire pilot. At the time of this writing, the team continues to seek additional funding to support the pilot. CHA remains committed to holding a public meeting and comment period prior to pilot implementation.

HEALTHY AIR INITIATIVE

A no-smoking policy at all CHA public housing sites took effect on August 1, 2014. The purpose of the smoke-free policy is to mitigate the irritant factors and the negative health effects of second-hand smoke in CHA developments. This policy bans smoking in all dwelling units as well as balconies, offices, interior common areas, parking lots and all outdoor areas within 25 feet of doors and windows. CHA staff has worked with resident councils to identify appropriately designated smoking area(s) on the premises of housing complexes where such designations were possible.

Before the policy was fully implemented, CHA residents who smoke were given the opportunity to engage in smoking cessation programs. Access to such programs were facilitated by CHA in conjunction with the Cambridge Health Alliance, a strong supporter of the Healthy Air Initiative. Enforcement of the policy is facilitated by a lease addendum which all residents signed.

SOFTWARE UPDATES AND CUSTOMIZATION

CHA has been working extensively with Elite software (Emphasys), to streamline our data management. With RAD, CHA will use certain public housing policies in conjunction with Section 8 regulations. Emphasys has mapped out a way for the two programs to align. Extensive custom programming, training, and automation occurred throughout FY15.

SECTION 3

In March 2015, there were 218 CHA employees of which 172 were full-time employed. Four former tenant coordinators who were hired under Section 3 in previous fiscal years were promoted to 4 full-time positions at CHA during FY15. A total of nine (9) Section 3 hires occurred in FY15, of which 4 were new tenant coordinators hired to replace the four former coordinators promoted into full-time positions. Thirty-nine (39) job positions were filled at CHA, inclusive of Section 3 hires that occurred in the fiscal year and other hires across several CHA departments.

POLICY AND TECHNOLOGY LAB (PTL-EAST)

In FY15, the PT Lab retained one intern who has worked throughout the year to facilitate the planning and feasibility of FSS+ expansion into public housing. The intern has worked extensively with Compass Working Capital and various CHA department heads to move the design forward and problem-solve potential barriers and issues.

In addition, the PT Lab has been involved in the MTW extension negotiation, working with 39 MTW agencies to develop a fair and workable extension. The MTW program has been under fire and has received increased public criticism during the year. The commitment in time in energy required for the extension discussion was unanticipated and substantial. Key areas of concern involve threshold for exercising single fund flexibility, serving substantially the same population, and impact assessment of MTW activities. Furthermore, MTW agencies are working with HUD to determine conditions under which MTW agencies must conform to asset management rules per US Treasury regulations. Under asset management, each agency's reserves will be housed at HUD and payments will be disbursed via HUD, rather than directly from the agency. This is an additional restriction associated with the MTW extension negotiation that will likely restrain an agency's ability to structure financing for future capital improvements and development.

Furthermore, the PT Lab has been involved in working with Abt Associates and Housing Authority Insurance Group (HAI) in reviewing their MTW performance assessment measures and innovations report. We believe Abt's MTW performance measures and the MTW assessment tool that MTW agencies have been developing are more meaningful tools for assessing the impact of MTW activities.

CUSTOMER SERVICE

CHA reinstated its Customer Service Committee with the primary goal of bringing long-term improvements to CHA's daily interactions with its diverse population of customers, particularly in the areas of communication, customer service and diversity awareness. The Committee has been staffed by CHA's Customer Service and Communications Manager and Deputy Executive Director. In February 2015 CHA issued a Request for Proposals (RFP) to procure a firm to design and deliver Customer Service training to all CHA staff, incorporating participation from residents and voucher participants. The CHA Board approved the contract in May 2015 and design of a tailored training curriculum is currently underway. CHA intends to deliver this program to staff over the summer months in FY16 and will implement tools recommended by the firm to measure for efficacy of these trainings through the end of the calendar year.

TENANT SERVICES

The Tenant Liaison was involved in various activities including but not limited to working directly with tenants and voucher holders, supporting

the FSS+ program, and attending the meetings held by the City's Community Engagement Training Committee. Highlights of activities related to tenant councils and the Alliance of Cambridge Tenants (ACT) include the following.

- Manning Apartments - assisted in the election process that was monitored by the Alliance of Cambridge Tenants (ACT). Election day was 11/17/14. Provided new officers orientation and assisted in the process of amending the by-law.
- LBJ Apts - Assisted in the election process that was conducted by the Alliance of Cambridge Tenants (ACT). Election day was 12/3/14. Provided orientation for new officers. Regularly met with officers to provide guidance and support as requested by the officers.
- Lincoln Way - After several years of formal activities due to relocation and new construction, meetings were organized to re-establish the council. Resident meetings were conducted leading up to nomination and election, held on 7/29/14. Orientation for new officers was provided.
- Organized quarterly meetings with Tenant Leaders. Meetings were held in June 2014 and September 2014. December 2014 and March 2015 meeting were cancelled per request by tenant leaders due to RAD conversion activities.

SAFETY AND SECURITY

CHA's Safety and Security Director oversaw or conducted the following activities during the fiscal year.

- Monthly meetings with the Cambridge Police Department and property management staff regarding crime and safety occurred throughout the fiscal year.
- Cambridge Fire departments Fire Prevention Unit provided Fire Safety and Emergency Evacuation Procedures for all residents living in CHA properties. Ten (10) seminars were conducted in the past year.
- Eleven (11) Lighting Surveys were conducted throughout various developments.
- Monthly training for security monitors at the LBJ apartments and Manning Apartments were provide.
- Cambridge Police Departments Community Relations Unit conducted a Senior Citizens Police Academy at LBJ Apartments. This was an 8 week training class that met once a week. The course included personal safety and security tips for seniors. Instructors were Cambridge Police Officers.
- Attended Quarterly meetings with the Local Planning and Emergency Committee (LEPC)
- Spoke at 7 CHA resident coffee hours regarding current trends in crime and telephone scams.

THE WORK FORCE COLLEGE SAVINGS ACCOUNT PROGRAM

CHA's College Matched Savings Program, a pilot launched in the fall of 2013, completed its first year of operation in FY15. The program offers two years of financial education training followed by three years of saving and was integrated into the Work Force Program. Starting in the 10th grade, program participants are asked to save from their exploratory jobs, paid weekly workshops, summer work earnings, and from a menu of creative monetized incentives that cover a broad range of program performance areas. Students can save up to \$1000 over a three-year period for post-secondary education. Upon graduating from the program, student accounts are matched 1:1.

Promising outcome data include the following:

- All 80 students in the Class of 2016 and 2017 have an account established in the program.
- 96% of students saved money through direct deposit accounts on a monthly basis.
- Savings of the 40 students who have been in the program for one year and will graduate in 2016 total \$11,048.
- 63% of participating students made at least one deposit during the summer.
- On average, students saved roughly 30% of their income.
- Three family financial education workshops were offered last spring and a two three-part series this past fall. Over 30 parents/guardians in total participated in these workshops.

THIS WAY AHEAD PROGRAM (GAP FOUNDATION) GOES REGIONAL

In Spring 2013, CHA was selected by the international Gap Foundation as the Greater Boston project site for its national This Way Ahead Program (TWA). TWA is an eight-month job training and retail internship program designed to provide underserved, in-school teens with important job skills and substantive retail job experience in a mentored environment. Subsidized in full by Gap, Inc., the program consists of three components: eight weeks of paid job readiness workshops, three month paid summer internships at local Gap and Old Navy stores, and three months of follow up case management and support.

In Fall 2014, CHA initiated a formal partnership with the Boston Housing Authority (BHA) to field a concurrent TWA program site for BHA participants. An additional TWA Coordinator was hired to manage the Boston-based site and to cultivate school and agency partnerships as a first step in developing an effective, long-term outreach and recruitment strategy. At the start of FY16, the Cambridge and Boston-based programs each currently support 45 participants in the workshop phase of the program, for a total of 90 participants overall. To meet contractual requirements, the CHA will expand to full program capacity of 100 students next year, with hopes of renewing for another four-year term with Gap, Inc.

MAKERSPACE – THE POSSIBLE PROJECT

In 2013 CHA formalized a partnership with The Possible Project (TPP), a local youth entrepreneurship program that provides disadvantaged students with opportunities to create, launch, and run their own businesses. Our FY15 Annual Plan detailed efforts to assist TPP in the completion of “Makerspace,” a 1,800-square-foot, cutting-edge incubator facility embedded in Newtowne Court/Washington Elms, adjacent to M.I.T and Kendall Square. A total sum of \$407,958 was spent on vamping the Makerspace, of which CHA invested \$100,052 and The Possible Project funded the remaining \$307,363.

In partnership with CHA and Biogen, Inc, Makerspace was officially launched in February 2015. In keeping with real-world application of the STEAM curriculum (Science, Technology, Engineering, Art, and Math), the new facility provides access to the technologies and resources needed to envision and create their own products. To that end, Makerspace is equipped with 3D printers, laser cutters, vinyl cutters and other state-of-the-art equipment, including computer-aided design software central to all types of design, including manufacturing, filmmaking, graphic arts, electronics and Web design.

The launch of Makerspace has served as a catalyst for increased collaboration between TPP and Work Force Youth programs. Currently, [there are ten \(10\) Work Force students participating in TPP](#). In addition, a series of weekend open houses is planned to be held in late spring and summer 2015, to introduce Newtowne Court and Washington Elms households and other adjacent Area Four residents to the program and site. Plans are also being discussed to develop workshops and/or trainings for Newtowne Court and Washington Elms households that may have interest in creating projects to benefit their public housing community.

CITY-WIDE COLLEGE SUCCESS INITIATIVE – OFFICE OF COLLEGE SUCCESS (OCS)

The goal of the College Success Initiative is to work collaboratively across programs and educational partners to increase the college completion rate of low-income, first-generation, and minority students who are residents of Cambridge. CHA has invested considerable time and resources in helping the City formalize the work of the initiative, establish a consortium of community partners, and to successfully launch the Office of College Success (OCS). The purpose of OCS is to coordinate effective service delivery, data sharing, and professional development, to disseminate research and resources to improve knowledge and practice, and to create partnerships with institutions of high education and foundation to increase supports for Cambridge students.

INNOVATION IN ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL) SERVICES PARTNERSHIP – COMMUNITY LEARNING CENTER

The Innovations in English for Speakers of Other Languages (ESOL) Program, in partnership with the City’s Community Learning Center, uses a collaborative and highly flexible approach to reach an immigrant population that traditionally has not been able to access standard class-based ESOL programs due to work schedules, child care issues, or other constraints. Officially launched in January of 2014, the program currently has 37 participants enrolled (the goal was 40). Students complete units at their own pace on-line, through the USA Learns literacy development curriculum, and participate in weekly language practice groups through Skype technology offered at two of CHA’s Community Computer Lab Centers. Weekly check-ins are required with the program case manager to assess progress.

At the end of the spring, Innovations in ESOL pilot will be evaluated on recruitment and retention outcomes, the effectiveness of the program design, and student progress in attainment of USA Learns level designations. The program’s primary funder, the Cambridge Community Foundation, will evaluate the pilot’s success to determine whether additional funds will be allocated for continued operation.

ENERGY EFFICIENCY IMPROVEMENTS AT VARIOUS LOCATIONS

During FY15 CHA continued to access the Low Income Weatherization Funding to make energy related improvements at various locations. Projects included:

- Replacement of the Domestic Hot Water plant at Putnam Gardens
- Installation of Exterior LED lighting at Putnam Gardens
- Apartment audits and Exterior LED lighting at Corcoran Park
- Replacement of electric baseboard heat with highly efficient Air Source Heat Pumps for 20 units of elderly housing at Weaver Apartments.

Funding for these projects totaled over \$500,000 and will result in annual cost savings upwards of \$80,000 annually.

CHA has long relied upon an internal energy reporting system to track consumption as well as delivering budget reporting and financial forecasting. Energy and water consumption for the portfolio is tracked publicly on Wegowise. In addition, this year CHA's portfolio was entered into the EPA Portfolio Manager database. Predictably, those properties which were subject to the ARRA Competitive funding are scoring in the [highest 5th percentile on Portfolio Manager](#) while those properties currently on track for modernization under the RAD Phase I program are tracking in the lowest 10%.

As of this writing, the five Phase 1 RAD developments are entering into construction; from an energy perspective these projects are estimated to reduce energy use by over 35% and reduce water consumption by 30%, a combined operating cash flow savings of over \$700,000. With completion of these projects CHA is projected to achieve our goal of generating 15% of our electricity consumption on site, supporting both cost savings and continued reduction to green house gas emissions.

ENERGY USAGE

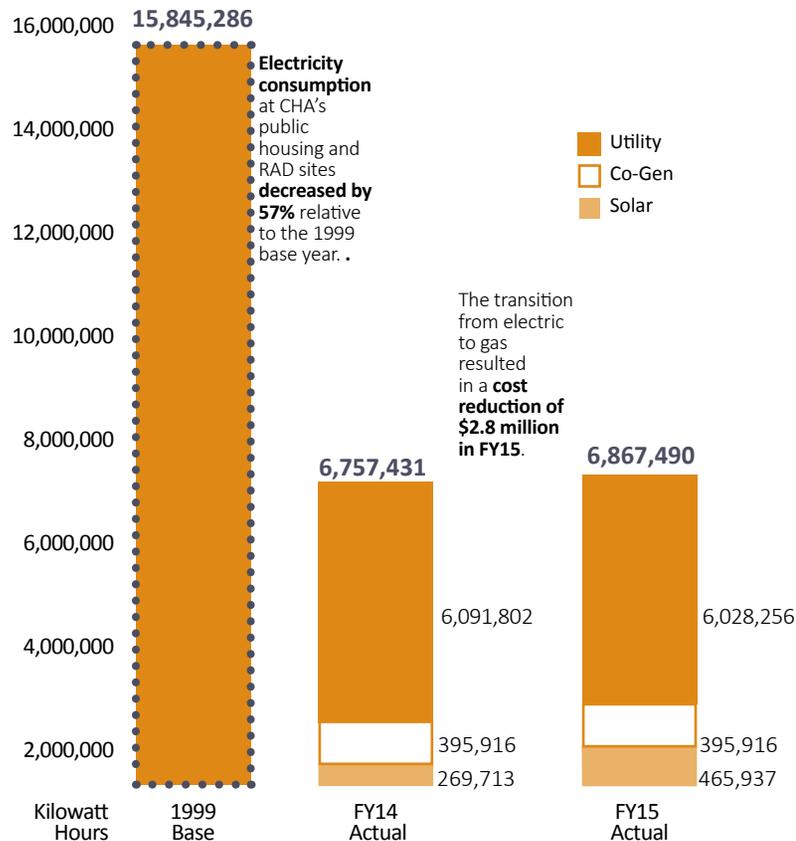
Since the initiation of the MTW program CHA has made substantial change in our energy profile. **Electricity consumption has been reduced by 63% over the term of the MTW Agreement**, with consistent annual reductions in electricity use. Additionally, in concert with our community partners **CHA now generates over 10% of our electricity at the property**, resulting in significant cost savings and emissions reductions.

The reduction in electricity consumption has been partially offset by increased gas use, as three of CHA's high rise developments have been converted from electricity to gas fuel as a heating source. As a result, gas consumption has increased by 30% over the term of the MTW Agreement. However, the transition has resulted in over \$1 million in cost savings annually over the term of the agreement as well as substantial reductions in greenhouse gas emissions. **The reduction in carbon dioxide alone is the equivalent of removing 900 cars from area roadways.**

ELECTRICITY

KILOWATT HOURS (KWH)

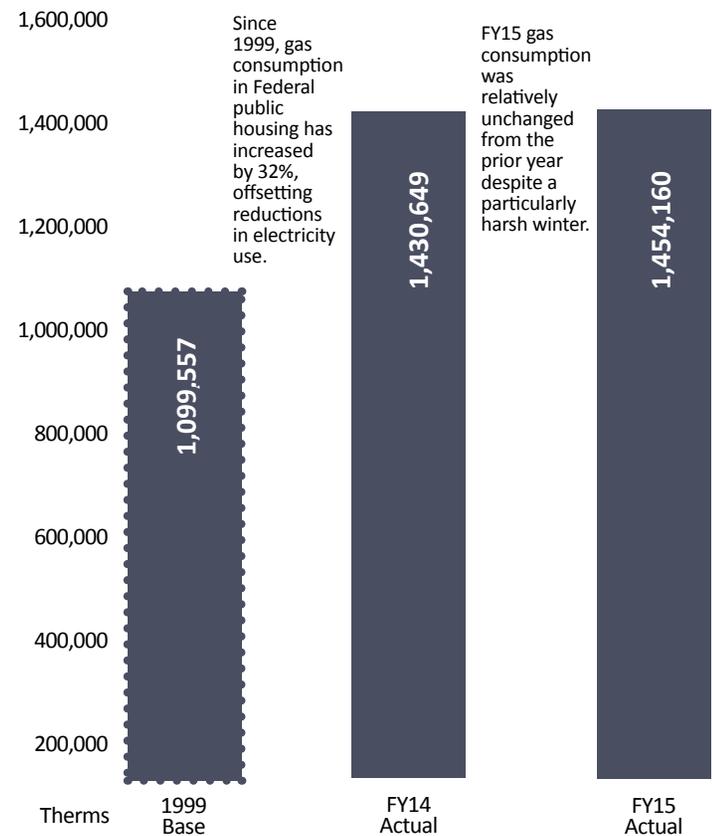
The decrease in electricity consumption has resulted in an **annual savings of \$2,874,369** assuming a current utility rate of \$0.29/kWh.



GAS

THERMS

The increase in natural gas consumption has resulted in an annual cost of \$382,262 assuming a current utility rate of \$1.07/Therm.

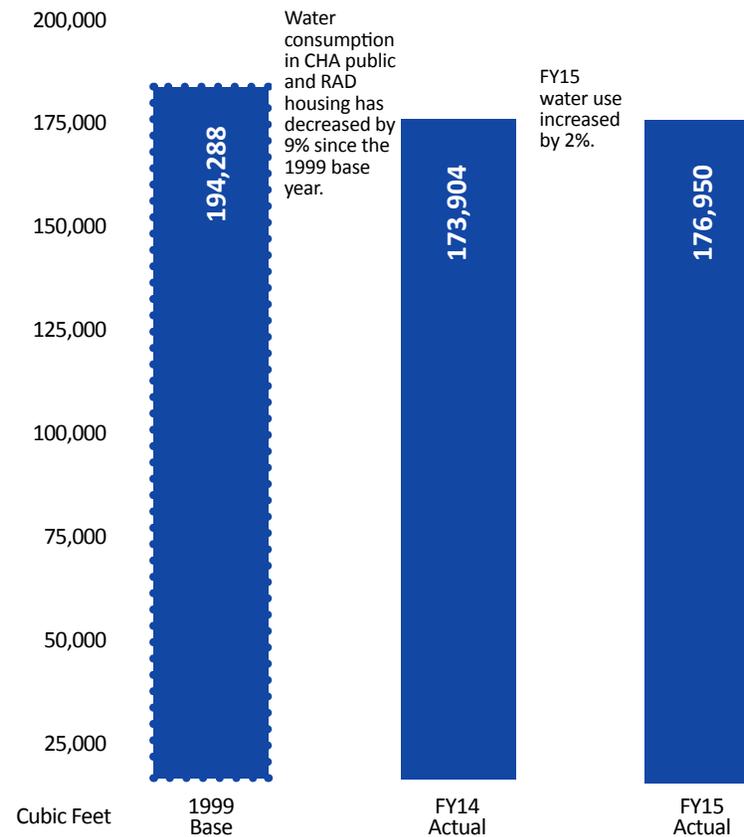


CHA has been more challenged making steady gains in overall water reduction. Water consumption has decreased by over 9% since the initiation of the MTW agreement, however in FY14 water consumption increased by 6% from the year prior. This increase has more to do with ageing infrastructure than a failure to implement water savings measures. CHA has great success with water reduction when combined with a larger modernization, achieving significant savings. With two recent modernizations, infrastructure improvements were paired with standard water savings measures such as reduced flow aerators, showerheads and toilets resulting in over 50% reduction. Absent modernization the high rise buildings in particular have suffered from inadequate water pressure, which when paired with water conservation measures has resulted in insufficient delivery of hot water through the building.

CHA is working to address the degradation of water savings by regular water reporting, investigation of high reads, and the addition of a water conservation checklist to the unit turnover and annual inspection checklist. In addition to adopting decreased flow rates for water fixtures, CHA is providing high efficiency washers upon rehabilitation of the family developments. Currently residents provide their own washers which can result in water use upwards of 40 gallons per load versus high efficiency machines which now commonly use 15 gallons per load. CHA looks forward to achieving significant water savings with our next round of modernization work under the RAD program.

WATER CUBIC FEET (CCF)

The decrease in water consumption has resulted in an annual savings of \$230,925 assuming a rate of \$13.32/CCF.



PROGRAMS + SERVICES

		PROGRAM NAME	FY15 NO. SERVED	MTW BLOCK GRANT ¹	TOTAL FUNDS ²	FY15 HIGHLIGHTS AND UPDATES	OPTIMAL CAPACITY (ANNUAL BASIS)
EARLY CHILDHOOD	Pre- and Postnatal	Baby U	33 Families			Increased proportion of dads (14) involved.	40 Families
		Baby U Alumni Association	182 Families			33 families will graduate into the alumni association.	182 Families and growing
	Pre-school	Parents ROCK / Pathways	32 Families			Literacy program with wraparound services for parents.	12 Families
		Elementary	DREAM Mentoring	13 Youths	\$5,971	\$36,052	Youth paired with Harvard mentors for academic year.
YOUTH	Upper School	Work Force	204 Youths	\$75,316	\$856,074	31st year of service.	200 Youths
	High School	Work Force - College Savings Accounts	80 Youths		\$70,000	In its first year, 88% of students participating and saving 30% of income. Total funds provided by the Jacobs Foundation.	200 Youths starting in FY16
		This Way Ahead - Gap, Inc.	90 Youths		\$125,403	45 CHA participants and 45 participants from Boston Housing Authority through new partnership. Total funds provided by Gap, Inc.	100 Youths
		Big Brother Big Sister Program	110 Youths				110+ Youths
	Post-Secondary	Bridge-to-College Program	5 Adults	\$963	\$18,073	Several will be attending Bunker Hill community college.	10 Adults
ADULT	All Adults	Community Computer Centers	204 Youths 180 Adults		\$9,052		200 Youths 180 Adults
		Cambridge Employment Program	72 Adults	\$22,345	\$173,760	25 job placements during the program.	95 Adults
		Innovations in ESOL	22 Adults			New program started in FY14.	30 Adults
		Gateways Adult Literacy	141 Adults			Seven classes offered during the week.	150 Adults
		Pathways to Permanent Housing - Heading Home	6 Adults	\$42,621	42,621	In its first year as a pathways to family stabilization program.	45 Adults
		Financial Stability and Savings (FSS+)	158 Adults	\$75,000	\$75,000	Received a planning grant to explore feasibility of expanding the program to all CHA residents.	200+ Adults
	Aging in Place	Pathways to Permanent Housing - Transition House	2 Families	\$65,000	65,000		2 Families
		Elder Service Coordinators Services contracted through CASCAP, Inc.	640 Elderly Adults		\$406,717	Activities included Farmer's Market, healthy eating group, emotional support group, a short story group, informational sessions, coffee hours, birthday parties, lunch and shopping trips.	1,035 Elderly Adults (non-PACE residents in elderly public housing)
		PACE Elder Service Plan	38 Elderly Adults		\$40,801	Putnam School Apartments will no longer include PACE units in FY16 and program capacity will be 36 units (20 units at LBJ and 16 at Millers River)	45 Elderly Adults
TOTAL (The total may include duplicates. Household members may be counted more than once if they participated in more than one program.)			417 Youth + Kids 833 Families (Adults) 678 Elderly Adults	\$287,216	\$1,918,553		440 Youth + Kids 946 Families (Adults) 1,080 Elderly Adults

1. MTW Block Grant amounts are inclusive of block grant commitments from previous years.

2. Total funds combines MTW Block Grant funds with other funds such as grants from foundations spent to operate the program.

WAIT LIST BY INCOME RANGE

CHA PUBLIC HOUSING: WAIT LIST BY INCOME⁶ RANGE – FY15 ANNUAL REPORT

	< 30% AMI		30 - 50% AMI		50 - 80% AMI		> 80% AMI		TOTAL
FEDERAL FAMILY	4,799		898		316		71		6,084
STATE FAMILY	724		137		40		14		915
FAMILY TOTAL	5,523	79%	1,035	15%	356	5%	85	1%	6,999
FEDERAL ELDERLY	2,484		296		118		23		2,921
STATE ELDERLY	369		75		25		3		472
ELDERLY TOTAL	2,853	84%	371	11%	143	4%	26	1%	3,393
OTHER	529		76		21		3		629
PUTNAM SQUARE APTS	529		76		21		3		629
SROs	2,035		181		39		10		1,514
OTHER TOTAL	2,564	89%	257	9%	60	2%	13	0%	2,894
ALL PUBLIC HOUSING TOTAL⁵	10,940	82%	1,663	13%	559	4%	124	1%	13,286

1. Federal Family consists of 8 Waiting Lists that were integrated in the FY (Jackson Gardens, Jefferson Park, Corcoran Park, Lincoln Way, Newtowne Court, Washington Elms, Putnam Gardens, and Roosevelt Towers (Low-Rise).
2. State Public Housing consists of Roosevelt Towers Mid-Rise.
3. Federal Elderly consists of DF Burns (includes Weaver), Millers River, LB Johnson, Linnaean Street, Russell, Manning, Truman, and JF Kennedy.
4. State Elderly Housing consists of Putnam School.
5. Percentages may not add up to 100% exactly due to rounding.
6. HUD area median income (AMI) may be accessed at http://www.huduser.org/portal/datasets/il/il15/index_il2015.html

HOUSING STOCK

FY15 UNIT AND VOUCHER INVENTORY CHART AND HOUSEHOLDS SERVED ON MARCH 31, 2015

	HUD Baseline	Vouchers Authorized or PH Units in Place as of 4/1/14	Total Households served as of 3/31/2015	MTW House- holds served Page 36	MTW Comp- liance Page 48	MTW Local Non Tradi- tional Page 53	MTW Family and Bedroom size Pages 57-58	Explanatory Notes
FEDERAL PUBLIC HOUSING + RAD								
Elderly / Disabled		1,079	925	925	925		925	Includes Burns, Millers, LBJ, 118 and 226 Norfolk St., Manning and Russell. There are 3 family households temporarily housed as part of RAD construction.
Family		1,338	1,201	1,201	1,201		1,201	Includes Washington Elms, Corcoran Pk, Putnam Gardens, Newtowne Ct, Jefferson Pk, Roosevelt Towers, Cambridgeport Commons, Family Condos, Woodrow Willson Ct, Lincoln Way, and Jackson Gardens.
JFK (HOPE VI)		44	42		42		42	
Non-Dwelling		6	6					
FEDERAL MTW PUBLIC HOUSING	2,313	2,467	2,174					88% occupancy. Occupancy rate affected by RAD Phase I relocation and construction.
FEDERAL VOUCHERS								
MTW Tenant Based			1,517	1,517	1,517	7	1,517	Seven (7) households receive MTW funds to supplement their MRVP voucher.
MTW Project Based			780	780	780	1	780	One (1) household receives MTW funds to supplement their MRVP voucher.
Sponsor-based/ Local Non-Traditional			161		161	161		Number of household served in the Hard-to-House sponsor-based program, with 85 vouchers committed. An additional 6 vouchers have been issued for the Pathways to Permanent Housing - Heading Home program and those households are included in the above MTW tenant-based count.
FEDERAL MTW HCV	2,329	2,437	2,458					101% utilization rate. Additional 273 vouchers were issued but not yet leased and not included in utilization rate.
Non-MTW			499					Mainstream, VASH, DHVP, Mod Rehab, and Shelter Care. Additional 20 vouchers were issued but not yet leased.
Expiring Use/Enhanced			594					Vouchers that have not yet converted to MTW. Smith House, 402 Rindge, St. Stephens, Louis Barrett, and Brookside. Additional 11 were issued but not yet leased.
ALL FEDERAL VOUCHERS		3,483	3,551					101% utilization rate. An additional 304 (273+20+11) vouchers were issued but not yet leased up.
ALL FEDERAL ASSISTED		5,950	5,725					
STATE PUBLIC HOUSING								
Elderly / Disabled								
Family		65	0					Includes Jefferson Park State. Site is unoccupied and prepped for demolition.
Non-Dwelling		1	1					
Other State Assisted		110	99					Includes Roosevelt Towers (Mid-Rise) and Putnam School. The PACE program at Putnam School were recently discontinued due to challenges in maintaining occupancy. 90% occupancy.
STATE PUBLIC HOUSING		176	99					The <u>Households Served</u> population for the State Public Housing demographic tables.
ALL STATE VOUCHERS		156	162					The <u>Households Served</u> population for the State Voucher demographic tables. Includes MRVP and AHVP (80 project-based MRVP, 55 AHVP and remainder tenant-based). Additional 5 AHVP vouchers were issued but not yet leased. 103% utilization.
ALL STATE ASSISTED		332	261					
TOTAL ASSISTED		6,325	5,986					
Other (No CHA subsidy)		15	15					Includes Porter Road (5/26), Lancaster (3/65), 22 Lopez (7/8).
ALL PROGRAMS TOTAL		6,342	6,001	4,423	4,626	169	4,465	

HOUSEHOLDS SERVED

FEDERAL MTW PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (HCV) HOUSEHOLDS SERVED

	FEDERAL PUBLIC HOUSING HOUSEHOLDS				FEDERAL MTW HCV HOUSEHOLDS ²		ALL PROGRAMS
	FAMILY	ELDERLY	TOTAL ¹	PERCENT	HOUSEHOLDS ⁴	PERCENT	TOTAL
NUMBER OF BEDROOMS							
Studio	0	415	415	20%	145	6%	560
1 BR	186	496	682	32%	979	43%	1,661
2 BR	501	14	515	24%	659	29%	1,174
3 BR	422	0	422	20%	440	19%	862
4+ BR	92	0	92	4%	74	3%	166
TOTAL FEDERAL HOUSEHOLDS	1,201	925	2,126	100%	2,297	100%	4,423
RACE							
American Indian	13	4	17	1%	14	1%	31
Asian	68	46	114	5%	58	3%	172
Black	752	299	1,051	49%	1,084	46%	2,135
Other	2	10	12	1%	2	0%	14
White	366	566	932	44%	1,139	50%	2,071
TOTAL FEDERAL HOUSEHOLDS	1,201	925	2,126	100%	2,297	100%	4,423
ETHNICITY							
Hispanic	173	74	247	12%	312	14%	559
Non-Hispanic	1028	851	1,879	88%	1,985	86%	3,864
TOTAL FEDERAL HOUSEHOLDS	1,201	925	2,126	100%	2,297	100%	4,423
INCOME⁵							
< 30% AMI	698	777	1,475	69%	1,669 ⁶	73%	3,144
31% – 49% AMI	285	111	396	19%	439	19%	835
50% – 59% AMI	67	23	90	4%	108	5%	198
60% – 80% AMI	72	12	84	4%	71	3%	155
> 81% AMI	79	2	81	4%	10	0%	91
TOTAL FEDERAL HOUSEHOLDS	1,201	925	2,126	100%	2,297	100%	4,423

Notes:

1. Federal Public Housing includes all properties designated as low-income and tax credit public housing in CHA's database. JFK is part of the program but is not included because household data is managed separately by the LLC.
2. These figures include port-in vouchers that were absorbed by CHA.
3. Percentages may not add up to 100% exactly due to rounding.
4. HCV elderly and family households have been combined because vouchers issued are not designated based on household type. Studios include 0 bedrooms and SROs for the voucher program.
5. HUD area median income (AMI) may be accessed at http://www.huduser.org/portal/datasets/il/il15/index_il2015.html
6. One household had a blank percentile and was included in the >30% AMI. We will look into this further during the comment period.

**STATE
PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (HCV) HOUSEHOLDS SERVED**

	STATE PUBLIC HOUSING HOUSEHOLDS				STATE VOUCHERS HOUSEHOLDS ²		ALL PROGRAMS
	FAMILY	ELDERLY	TOTAL ¹	PERCENT ³	HOUSEHOLDS ⁴	PERCENT ³	TOTAL
NUMBER OF BEDROOMS							
Studio		3	3	3%	64	40%	67
1 BR	2	81	83	84%	62	38%	145
2 BR		13	13	13%	16	10%	29
3 BR			0	0%	13	8%	13
4+ BR			0	0%	7	4%	7
TOTAL STATE HOUSEHOLDS	2	97	99	100%	162	100%	261
RACE							
American Indian			0	0%	2	1%	2
Asian		5	5	5%	4	2%	9
Black	2	33	35	35%	64	40%	99
Other			0	0%	0	0%	0
White		59	59	60%	92	57%	151
TOTAL STATE HOUSEHOLDS	2	97	99	100%	162	100%	261
ETHNICITY							
Hispanic	0	11	11	11%	21	13%	32
Non-Hispanic	2	86	88	89%	141	87%	229
TOTAL STATE HOUSEHOLDS	2	97	99	100%	162	100%	261
INCOME⁵							
< 30% AMI	2	69	71	72%	143	88%	214
31% – 49% AMI	0	19	19	19%	14	9%	33
50% – 59% AMI	0	3	3	3%	2	1%	5
60% – 80% AMI	0	4	4	4%	1	1%	5
> 80% AMI	0	2	2	2%	2	1%	4
TOTAL STATE HOUSEHOLDS	2	97	99	100%	162	100%	261

Notes:

1. State Public Housing includes all properties designated as state low-income and New Construction public housing in CHA's database.
2. These figures include port-out vouchers that were absorbed by the CHA.
3. Percentages may not add up to 100% exactly due to rounding.
4. HCV elderly and family households have been combined because vouchers issued are not designated based on household type. Studios include 0 bedrooms and SROs for the voucher program.
5. HUD area median income (AMI) may be accessed at http://www.huduser.org/portal/datasets/il/il15/index_il2015.html

CHA PUBLIC HOUSING: YOUNGER DISABLED RESIDENT COMPOSITION¹ – FY15 ANNUAL REPORT

	Units Available	Households	Percent of Total Served ²
D.F Burns Apartments	198	22	11.1%
F.J. Manning Apartments	197	24	12.2%
H.S. Truman Apartments	59	8	13.6%
L.B. Johnson Apartments	180	30	16.7%
Linnaean Street	24	4	16.7%
L.J. Russell Apartments	51	8	15.7%
Millers River Apartments	301	42	13.9%
116 Norfolk Street	37	8	21.6%
R.C. Weaver Apartments	20	1	5.0%
St. Pauls Residence	19	9	47.4%
Putnam School	24	2	8.3%
Putnam Square	94	7	7.5%
GRAND TOTAL	1,204	165	13.7%

NOTES:

1. Numbers taken from April 22, 2015.
2. NumberCHA uses the State's threshold of 13.5% for the entire portfolio not for each individual property. As units become available CHA works towards raising the percentage of young disabled in non-compliant properties.

WAIT LIST INFORMATION

CHA WAIT LIST INFORMATION – AS OF MARCH 31, 2015				
DISTINCT APPLICANTS	NUMBER OF APPLICATIONS BY PROGRAM		NUMBER OF APPLICATIONS BY SITE ²	
10,442 ¹	Federal Family	6,084	Federal Family	13,549
	Federal Elderly	2,921	Federal Elderly	5,982
	State Family	915	State Family ³	915
	State Elderly	472	State Elderly ⁴	472
	HCV ⁶	48	Putnam Square Apts	629
	Others ⁵	2,396	SROs	2,265
TOTAL BY PROGRAM		12,836	TOTAL BY SITE	23,812

1. An applicant may be eligible for multiple programs based on age and income.
2. Applicants may choose up to three property choices as part of their initial application, meaning one applicant may appear in several site-based waiting lists.
3. State Family consists of Roosevelt Mid-Rise..
4. State Elderly consists of Putnam School.
5. "Others" consist of Putnam Square Apts and SROs.
6. CHA updated the HCV wait list in FY15 and plans to open up the wait list in FY16.

CHA PUBLIC HOUSING: WAIT LISTS BY UNIT SIZE – FY15 ANNUAL REPORT

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
FEDERAL FAMILY PUBLIC HOUSING						
0 BR						
1 BR	1,141	732	569	420	399	390
2 BR	1,551	2,125	2,668	2,525	2,676	3,693
3 BR	793	1,056	1,244	1,372	1,379	1,785
4+ BR	162	174	224	272	278	249
SUBTOTAL	3,647	4,087	4,705	4,589	4,732	6,084
STATE FAMILY PUBLIC HOUSING						
0 BR	98					
1 BR	2,904	503	206	97	86	88
2 BR	2,192	1,032	397	493	511	827
3 BR	1,002	390				
4+ BR	136	23				
SUBTOTAL	6,234	1,948	603	590	597	915
FAMILY PUBLIC HOUSING TOTAL	9,881	6,035	5,308	5,179	5,329	6,999
FEDERAL ELDERLY PUBLIC HOUSING						
0 BR	1,177	1,404	955	1,008	1,198	1,614
1 BR	179	791	1,402	1,533	1,782	2,272
2 BR	34	71	69	94	114	154
3 BR		786				
4+ BR						
SUBTOTAL	1,390	3,052	2,426	2,635	3,094	2,921
STATE ELDERLY PUBLIC HOUSING						
0 BR	1,590	237				
1 BR	162	1,427	210	288	335	472
2 BR	77	55				
3 BR	4	1				
4+ BR						
SUBTOTAL	1,833	1,720	210	288	335	472
ELDERLY PUBLIC HOUSING TOTAL	3,223	4,772	2,636	2,923	3,429	3,393
OTHER PUBLIC HOUSING WAIT LISTS						
0 BR	1,337	1,300	2,130	2,414	2,666	2,336
1 BR	163	96	117	84	57	61
2 BR	416	463	504	438	2	1
3 BR	148	180	174	185		
4+ BR	26	27	28	42		
SUBTOTAL	2,090	2,066	2,953	3,163	2,725	2,396
ALL PUBLIC HOUSING TOTAL	15,194	12,873	10,897	11,265	11,483	10,422

NOTES:

1. Applicants may be eligible for more than one program.
2. OTHER PUBLIC HOUSING WAIT LISTS included: Putnam Square Apts and Single Occupancy Room (SROs) units across CHA's portfolio.

CHA PUBLIC HOUSING: WAIT LISTS BY RACE AND ETHNICITY– FY15 ANNUAL REPORT

	AMERICAN INDIAN/ALASKA NATIVE	ASIAN	BLACK/AFRICAN AMERICAN	NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER	WHITE	TOTAL	HISPANIC	NON-HISPANIC ⁵	TOTAL
FEDERAL FAMILY ¹	44	383	2,848	57	2,752	6,084	1,779	4,305	6,084
STATE FAMILY ²	7	56	413	15	424	915	256	659	915
FAMILY TOTAL	51	439	3,261	72	3,176	6,999	2,035	4,964	6,999
FEDERAL ELDERLY ³	32	234	975	11	1,669	2,921	383	2,538	2,921
STATE ELDERLY ⁴	5	23	171	2	271	472	44	428	472
ELDERLY TOTAL	37	257	1,146	13	1,940	3,393	427	2,966	3,393
OTHER									
PUTNAM SQUARE APTS	8	45	180	7	389	629	53	576	629
SROs	33	50	984	41	1,157	2,265	303	1,962	2,265
OTHER TOTAL	41	95	1,164	48	1,546	2,894	356	2,538	2,894
ALL PUBLIC HOUSING⁶	129 (1%)	791 (6%)	5,571 (42%)	133 (1%)	6,662 (50%)	13,286	2,818 (21%)	10,468 (79%)	13,286

1. Federal Family consists of 8 Wait Lists that were integrated in FY14 (Jackson Gardens, Jefferson Park, Corcoran Park, Lincoln Way, Newtowne Court, Washington Elms, Putnam Gardens, and Roosevelt Towers (Low-Rise)).
2. State Public Housing consists of Roosevelt Towers Mid-Rise.
3. Federal Elderly consists of DF Burns (includes Weaver), Millers River, LB Johnson, Linnaean Street, Russell, Manning, Truman, and JF Kennedy.
4. State Elderly Housing consists of Putnam School
5. Applicants who did identified as neither Hispanic or Non-Hispanic were added to the Non-Hispanic total.
6. Percentages may not add up to 100% exactly due to rounding.

CHA HOUSING CHOICE VOUCHER PROGRAM (HCV): WAIT LIST OVERVIEW – FY15 ANNUAL REPORT

	Number of Households	Percentage ¹ of Households
NUMBER OF BEDROOMS		
Studio		
1 BR	17	35%
2 BR	18	38%
3 BR	10	21%
4+ BR	3	6%
TOTAL MTW HCV HOUSEHOLDS	48	100%
RACE		
American Indian	0	0%
Asian	0	0%
Black	33	69%
Native Hawaiian/Other Pacific Islander	0	0%
White	15	31%
TOTAL MTW HCV HOUSEHOLDS	48	100%
ETHNICITY		
Hispanic	5	10%
Non-Hispanic	43	90%
TOTAL MTW HCV HOUSEHOLDS	48	100%
INCOME²		
< 30% AMI	28	58%
30–50% AMI	17	35%
50–80% AMI	3	6%
> 80% AMI	0	0%
TOTAL MTW HCV HOUSEHOLDS	48	99%

1. Percentages may not add up to 100% exactly due to rounding.
2. HUD area median income (AMI) may be accessed at http://www.huduser.org/portal/datasets/il/il15/index_il2015.html

SOURCES + USES OF FUNDING

In FY15 CHA received approximately \$64 million in total funds, which includes the Federal MTW Housing Choice Voucher Program (\$37.8 million), the Federal Low Income Public Housing Program (\$24.4 million) and the Federal Capital Fund (\$2 million). A total of \$57 million was used to cover operating expenses which includes \$1.6 million of subsidy transferred to mixed-finance developments. In addition, \$5.8 million was transferred to the Block Grants, \$500,000 was set aside for MTW initiatives, \$1.9 million in debt energy loan pay-offs as required for the RAD conversion, and \$400,000 was set aside for COCC as CHA is transitioning its public housing developments to low-income tax credit mixed-finance projects through HUD’s Rental Assistance Demonstration (RAD) program.

MOVING TO WORK FUNDS

	Federal Public Housing	MTW Housing Choice Vouchers	Capital Fund	Total MTW Funds	Total MTW Funds Budget*	Favorable (Unfavorable) Variance
SOURCES						
Tenant Revenue	10,513,825			10,513,825	10,313,204	200,621
Subsidy Revenue	13,314,662	37,305,427	2,026,610	52,646,699	51,328,876	1,317,823
Public Housing RAD subsidy transfer		549,925		549,925		549,925
Other Operating Receipts	574,670	26,279		600,949		600,949
TOTAL SOURCES	24,403,157	37,881,631	2,026,610	64,311,398	61,642,080	2,669,318
USES						
Administrative Expenses and Fees	5,347,887	2,692,268	184,237	8,224,392	8,989,842	765,450
Tenant Services	790,871	235,657		1,026,528	1,033,732	7,204
Maintenance Labor	3,350,010			3,350,010	3,347,451	(2,559)
Materials & Supplies, Contract Costs	3,461,065			3,461,065	3,981,058	519,993
General Expenses	1,287,097	37,078		1,324,175	1,518,708	194,533
Utilities	4,722,134			4,722,134	5,177,289	455,155
Housing Assistance Payments (HAP)		31,042,666		31,042,666	30,238,314	(804,352)
Mixed Financing Subsidy Transfers	1,610,584			1,610,584	1,505,279	(105,305)
Capital Improvements	282,970		1,842,373	2,125,343	2,400,000	274,657
TOTAL USES	20,852,618	34,007,669	2,026,610	56,886,897	58,191,673	1,304,776
CASH BEFORE BLOCK GRANT TRANSFERS	3,550,539	3,873,962	0	7,424,501	3,450,407	3,974,094
Operating Transfers	0	(5,850,000)		(5,850,000)	(2,800,000)	(3,050,000)
COCC Transfers	(400,000)			(400,000)		(400,000)
Block Grant Funding for MTW Initiatives	(500,000)			(500,000)		(500,000)
Debt Energy Loans Payoff	(1,864,477)			(1,864,477)		(1,864,477)
Contingency Fund					(390,000)	390,000
Preservation Transfers		3,651,158		3,651,158		3,651,158
NET SURPLUS (DEFICIT)	786,062	1,675,120	-	2,461,182	650,407	1,810,775

OTHER FEDERAL FUNDS

Other Federal Programs consists of Moderate Rehabilitation Programs, Non-Elderly Disabled Designated Housing Voucher Programs (NED/DHVP), Veterans Affairs Supported Housing Programs (VASH), Mainstream and other new grants related to preservation programs. The fiscal year ended with an operating surplus of \$575,000, all of which is restricted at March 31st for use in the respective programs.

	Non-MTW Vouchers	Non-Elderly Disabled (NED) and VASH	Tenant Services	Total Other Federal Funds	Budget per FY15 MTW Plan	Favorable (Unfavorable) Variance
SOURCES						
HUD Grants	10,383,053	2,602,805		12,985,858	10,164,294	2,821,564
Other Grants and Income	4,600		667,793	672,393	777,365	(104,972)
TOTAL SOURCES	10,387,653	2,602,805	667,793	13,658,251	10,941,659	2,716,592
USES						
Administrative	712,320	241,141	602,238	1,555,699	1,588,802	33,103
General Expenses	4,860	3,651	0	8,511	6,031	(2,480)
HAP Payments	5,631,663	2,235,235	0	7,866,898	9,381,883	1,514,985
MTW Transfers	3,651,158	0	0	3,651,158	0	(3,651,158)
TOTAL USES	10,000,001	2,480,027	602,238	13,082,266	10,976,716	2,105,550
NET SURPLUS (DEFICIT)	387,652	122,778	65,555	575,985	(35,057)	611,042

STATE FUNDS

The State housing programs administered by CHA required a \$95,000 reserve release in public housing and \$69,000 from Block Grant funds in the State voucher program to cover the operating deficits.

	State Public Housing	State Leased Housing	Other State Public Housing Programs	Total State Funds	Budget Total State Funds	Favorable (Unfavorable) Variance
SOURCES						
Operating Receipts	144,089		1,345,382	1,489,471	1,448,744	40,727
Operating Subsidy	390,481	1,207,604		1,598,085	1,531,649	66,436
Operating Transfers In / Block Grant		69,000		69,000	95,000	(26,000)
Release of Reserves	95,000			95,000		95,000
TOTAL SOURCES	629,570	1,276,604	1,345,382	3,251,556	3,075,393	176,163
USES						
Administrative	215,629	133,294	296,013	644,936	626,473	(18,463)
Tenant Services	88,856		4,530	93,386	9,299	(84,087)
Maintenance Labor	69,241		139,679	208,920	260,900	51,980
Materials and Contract Costs	96,905		264,357	361,262	371,681	10,419
General Expenses	15,724	23,183	56,548	95,455	220,554	125,099
Rent Payments		1,120,517		1,120,517	1,141,008	20,491
Utilities	141,406		185,835	327,241	386,008	58,767
Debt Service			34,495	34,495		
Capital Improvements			31,400	31,400		(31,400)
TOTAL USES	627,761	1,276,994	1,012,857	2,917,612	3,015,923	132,806
NET SURPLUS (DEFICIT)	1,809	(390)	332,525	333,944	59,470	308,969

CENTRAL OFFICE COST CENTER

Various fixed and fee-for-service fees support the Central Office Cost Center (“COCC”). Apart from management fees earned through the federal program, the COCC earns fees from the mixed financed projects it administers. Reserves of \$95,000 that were set aside in past years were released in FY15 to fund the Central Office Cost Center.

	FY15 Actual	FY15 Budget	Favorable (Unfavorable) Variance
SOURCES			
Total Management Fees	2,616,354	2,601,466	14,888
Fee-for-Service	2,666,463	2,965,310	(298,847)
Miscellaneous	25,064		25,064
Transfers In - Reserves	400,000		400,000
Reserve Release	95,000		95,000
TOTAL SOURCES	5,710,763	5,566,776	143,987
USES			
Salaries	2,183,529	2,299,236	115,707
Benefits	1,221,063	1,425,239	204,176
Central Maintenance Labor and Materials	892,579	879,899	(12,680)
Administrative Contracts	332,142	197,000	(135,142)
Office Rent	255,241	258,303	3,062
Other Administrative Overhead	570,126	572,968	2,842
Transfers Out - COCC Reserves	400,000		(400,000)
TOTAL USES	5,854,680	5,632,645	(222,035)
NET SURPLUS (DEFICIT)	(143,917)	(65,869)	(78,048)

MTW BLOCK GRANT

The MTW Block Grant allows the CHA to combine all funding sources (Operating Fund, Housing Choice Voucher Operating Fund, and Capital Fund) into one account for redistribution depending on program needs. Special MTW initiatives and large construction projects are often funded in part by the Block Grant.

In FY14, the MTW Block Grant received \$5.8 million from the Housing Choice Voucher Program. The Block Grant funded various program deficits, funded working capital for planning and development activities and funded RAD and other pre-development costs for major HUD-approved redevelopment projects.

On March 31, 2015, the fund balance was at a deficit of \$44,000 which is expected to be covered from future development fee income from the mixed-finance projects.

	FY15 PLAN	FY15 ACTUAL
ESTIMATED BEGINNING CASH – APRIL 1, 2014	57,000	2,476,406
SOURCES OF CASH		
MTW Transfer	2,800,000	5,850,000
Development Fee		
Transfers for MTW Initiatives		500,000
Other income		98,071
TOTAL SOURCES	2,800,000	6,448,071
TOTAL FUNDS AVAILABLE FOR USE	2,857,000	8,924,477
USES OF CASH		
Operating Transfers		
Transfers to State LIPH	10,059	
Transfers to MRVP	95,000	69,390
SUBTOTAL	105,059	69,390
Planning + Development Activities		
P&D Admin Costs and Working Capital	2,284,116	2,359,688
P&D Major Capital Projects		5,659,541
RAD Pre-Development Costs		
JP Escrow Funds		
Mixed-Finance Projects		
SUBTOTAL	2,284,116	8,019,229
Block Grant Projects		
Policy + Technology Lab	354,223	286,003
Resident Services		500,000
FSS+ Program	45,000	75,000
Other Projects		18,525
SUBTOTAL	399,223	879,528
TOTAL USES	2,788,398	8,968,147
ENDING FUND BALANCE - MARCH 31, 2015	68,602	(43,670)

HUD REQUIREMENTS

MTW REPORTING COMPLIANCE

1. CHA was not required to take additional actions as a result of HUD reviews, audits or physical inspection issues.
2. CHA did not have any Agency-directed evaluations of the MTW demonstration.
3. CHA has met the three statutory requirements:
 - a. At least 75% of the families assisted by CHA are very low-income families.
 - b. CHA assisted substantially the same total number of eligible low-income families as would have been served had the amounts not been combined.
 - c. A comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

NUMBER OF LOW-INCOME FAMILIES SERVED

BASELINE NUMBER OF FAMILIES TO BE SERVED ¹	4,642
TOTAL FAMILIES SERVED IN FY15 ²	4,626
NUMERICAL DIFFERENCE	-16
PERCENTAGE DIFFERENCE	-0.3%

MIX OF HOUSEHOLD SIZE SERVED³

	0-1 BR	2 BR	3 BR	4+ BR
BASELINE PERCENTAGE OF HOUSEHOLD SIZES (BASED ON NUMBERS REPORTED IN FY 2000)	50%	23.9%	19.7%	5.5%
NUMBER OF HOUSEHOLDS SERVED BY BEDROOM SIZE IN FY15 ³	2,424	1,174	862	166
PERCENTAGE OF HOUSEHOLDS SERVED BY BEDROOM SIZE	52.4%	25.4%	18.6%	3.6%
PERCENTAGE DIFFERENCE	+2.4%	+1.5%	-1.1%	-1.9%

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6+ PERSON
NUMBER OF HOUSEHOLDS SERVED BY FAMILY SIZE IN FY15	2,409	954	617	361	187	98
PERCENTAGE OF HOUSEHOLDS SERVED BY FAMILY SIZE IN FY15	52.1%	20.6%	13.3%	7.8%	4.0%	2.1%

1. Baseline was developed using the preliminary FY2012 and FY2013 figures under PIH Notice 2013-2, Baseline Methodology for Moving to Work Public Housing Agencies provided by Ivan Pour in an email dated May 28, 2014. HUD-determined numbers for FY2014 baseline were adjusted as follows. HCV total is 2,329. Public Housing + RAD = 2,210 + 45 (Jackson Gardens) + 53 (Lincoln Way) + 5 (originally missed units). To date, we have not received HUD-determined baseline numbers for FY2015. We kept RAD Phase I properties in Public Housing because the sites that closed in FY15 maintained public housing status for the majority of the fiscal year.

2. MTW Public Housing Households consist of 2,126 + 42 (JFK) for a total of 2,168. MTW Voucher Households consist of 2,297 + 161 (using 85 hard-to-house sponsor based vouchers) for a total of 2,458. See Housing Stock inventory on page 35 for additional information on the numbers.

3. All 161 hard-to-house sponsor based households were included in the 0-1 BR category. Eleven (11) out of the 161 households were counted as 2-person households. The remaining 150 households were counted as 1-person households. All JFK units are 1-bedroom and family size consists of 36 1-person households and 6 2-person households.

HOUSING STOCK

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of Project
Temple Place	40	0	New construction of 40 units, all units will be project-based. The property is located at 5 Temple Street, Cambridge, MA and is in the heart of Central Square. The site is under construction and will be a 5-story, 40 unit (25 two-bedroom and 15 one-bedroom) building serving low-income families. Forty (40) MTW mobile vouchers will be converted to project-based vouchers.
402 Rindge	110	110	Expiring Use This property is located at 402 Rindge Avenue, Cambridge, MA in North Cambridge. The building consists of 273 units of family housing.
Madison Park III	119	0	Expiring Use This property is located at 122 Dewitt Drive, Roxbury, MA. The building consists of 120 units of family housing.
Barrett House	140	145	Expiring Use This property is located at 147 Washington Street, Lynn, MA. The building consists of 145 units of elderly/disabled housing.
St. Stephens	120	130	Expiring Use This property is located at 25 Pleasant Street, Lynn, MA. The building consists of 130 units of elderly/disabled housing.
Brookside	0	150	Expiring Use This property is located at Village Drive, Southbridge, MA. The building consists of 150 units of family housing.

Anticipated Total Number of New Vouchers to be Project-Based *	Actual Total Number of New Vouchers that were Project-Based	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
529	535	1,467**	1,467**
		Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		1,908	2,027***

* From the Plan

**In the FY15 Annual Plan CHA included only new units anticipated to come on-line during the fiscal year (i.e. 529 units). The total number of PBV units anticipated to be leased and committed are now reflected in this Report.

***The actual number of PBV units committed includes 119 units at Madison Park III.

Other Changes to the Housing Stock that Occurred During the Fiscal Year

CHA has decided to hold all newly vacated public housing units for relocation due to the capital improvements resulting from RAD conversion. On January 1, 2015, the Family and Elderly/Disabled Public Housing Wait Lists were closed and CHA is not accepting applications for either of these lists.

Relocation of Jefferson Park (state public housing) tenants was completed and the site is being prepared for demolition and construction of 104 new units that will be entirely project-based.

Temple Place remained under construction in FY15.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

General Description of Actual Capital Fund Expenditures During the Plan Year

	EXPENDITURES	ANTICIPATED	ACTUAL
ARCHITECTURAL AND ENGINEERING	Misc A&E for Various Projects	\$63,750	\$41,000
	Elev Replacement - Burns, Truman, RT	\$75,000	\$50,000
	Physical Conditions Assessment	\$275,000	\$123,000
	Temple New Development	\$420,000	\$1,830,000
	JP State Revitalization (HILAPP)	\$1,158,713	\$1,128,000
	Manning (RAD)	\$1,534,500	\$1,379,000
	Newtowne Court (RAD)	\$1,541,036	\$1,772,000
	Washington Elms (RAD)	\$785,498	\$914,000
	Putnam Gardens (RAD)	\$598,868	\$1,342,000
	Woodrow Wilson Court (RAD)	\$219,373	\$231,000
	Millers River (DISPO)	\$1,980,000	\$11,000
	SUBTOTAL	\$8,651,738	\$8,821,000
FEES AND COSTS	Misc Fees & Costs for Various Projects	\$47,813	\$28,000
	Temple New Development	\$1,260,000	\$1,607,000
	JP State Revitalization (HILAPP)	\$859,696	\$244,000
	LBJ Apartments (RAD)	\$50,000	\$662,000
	Lincoln Way (RAD)	\$50,000	\$197,000
	Jackson Gardens (RAD)	\$50,000	\$0
	JFK Apartments (RAD)	\$50,000	\$0
	Manning (RAD)	\$710,338	\$282,000
	Newtowne Court (RAD)	\$980,215	\$104,000
	Washington Elms (RAD)	\$626,530	\$229,000
	Putnam Gardens (RAD)	\$517,974	\$298,000
	Woodrow Wilson Court (RAD)	\$204,635	\$113,000
	Millers River (DISPO)	\$919,446	\$0
	SUBTOTAL	\$6,326,647	\$3,764,000
CONSTRUCTION	Temple Revitalization - Affiliate	\$7,905,612	\$5,071,000
	Elevator Replacement - Burns	\$375,000	\$469,000
	Elevator Replacement - Truman	\$750,000	\$698,000
	Elevator Replacement - Roosevelt Towers	\$750,000	\$581,000
	JP State Revitalization (HILAPP)	\$1,085,795	\$484,000
	Manning (RAD)	\$515,234	\$0
	Newtowne Court (RAD)	\$515,052	\$0
	Washington Elms (RAD)	\$262,532	\$0
	Putnam Gardens (RAD)	\$405,098	\$0
	Woodrow Wilson Court (RAD)	\$165,275	\$0
JFK Apartments (RAD)	\$25,000	\$0	
	SUBTOTAL	\$12,754,598	\$7,303,000

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End

Housing Program *	Total Units**	Overview of the Program
Other	5	26-unit residential building located at 78-80 Porter Road in Porter Square, Cambridge. There are 5 market-rate units. Remaining units use subsidies (CHA-issued and mobile vouchers issued by other agency)
Other	3	65-unit apartment complex located at 8-10 Lancaster Street. Primary funding for the rehab of the building was provided by LIHTC, the Cambridge Affordable Housing Trust and through CHA's MTW funds. There are 3 market-rate units. Remaining are CHA MTW subsidized.
Other	0	20-unit residential building located in mid-Cambridge at 195 Prospect Street. All units involve CHA-issued vouchers and one mobile voucher issued from another agency.
Other	7	8-unit building located in Cambridgeport at 22 Lopez. One unit uses a CHA sponsor-based voucher. The remaining 7 are unsubsidized units.
Total Other Housing Owned and/or Managed	15	

* **Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

** Total Units include only units that are not subsidized by a housing voucher.

If Other, please describe: Mixed-finance development made up of Tax Credit, PBV, TBV and mod./market rate units.

LEASING INFORMATION

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

Housing Program:	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	8***	169****
Port-In Vouchers (not absorbed)	0	0
Total Projected and Actual Households Served	8	169

* Calculated by dividing the planned/actual number of unit months occupied/leased by 12. This calculation was not used because it assumes one (1) unit serves one (1) household (1:1). In many instances, one unit served more than one household in the fiscal year. The above numbers reflect households served.

** In instances when a Local, Non-Traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of Households served.

*** The planned number of households served did not include the sponsor based units in the FY15 Plan. Households served would be based on 64 sponsor-based vouchers, 15 FOS, and 8 MRVP vouchers committed for Local Non-Traditional purposes at the time that the FY15 Plan was prepared.

**** At the end of FY15, a total of 93 vouchers were committed for Local Non-Traditional purposes (85 sponsor-based vouchers + 8 MRVP vouchers).

Housing Program:

Unit Months Occupied/Leased*

Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***

Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***

Port-In Vouchers (not absorbed)

Total Projected and Annual Unit Months Occupied/Leased

	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	96	1,116
Port-In Vouchers (not absorbed)	0	0
Total Projected and Annual Unit Months Occupied/Leased	96	1,116

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

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

The planned number of households served did not include the sponsor-based units in the FY15 Plan. Households served would be based on 64 sponsor-based vouchers, 15 FOS, and 8 MRVP vouchers committed for Local Non-traditional purposes at the time that the FY15 Plan was prepared. The planned unit months occupied/leased include only 8 MRVP stabilization households. At the end of FY15, a total of 93 vouchers were committed for Local Non-Traditional purposes (85 sponsor-based vouchers + 8 MRVP vouchers). Actual unit months leased is based on 93 vouchers committed for Local Non-Traditional purposes, leased for 12 months.

Households Served through Local Non-Traditional Services Only

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency’s fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	n/a	n/a	n/a	87	169			
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	n/a	n/a	n/a	87	169			
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	n/a	n/a	n/a	100%	100%			

In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the PHA will provide information in the following formats:

CHA NOTE: Pursuant to the revised HUD 50900 implemented by HUD in May 2013, MTW agencies are required to provide data on the number of person in each household served as of the date of entry to the MTW program and as of the current fiscal year. While CHA has this data available for the current fiscal year, it does not have data and is unable to report on household size as of April 1999, which is the effective date of the MTW Agreement. Note that CHA provided bedroom size data as of its initial MTW submissions, but did not provide household size data. CHA’s current information technology systems do not have 1999 data available. Therefore, CHA is not currently able to complete the information below in the Baseline for the Mix of Family Sizes Served. CHA will work with HUD’s MTW Office to identify potential solutions to this issue.

Baseline for the Mix of Family Sizes Served - 2014

Family Size:	Occupied Number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	N/A	N/A	N/A	2,270	50%
2 Person	N/A	N/A	N/A	999	22%
3 Person	N/A	N/A	N/A	609	13.4%
4 Person	N/A	N/A	N/A	372	8.2%
5 Person	N/A	N/A	N/A	194	4.3%
6+ Person	N/A	N/A	N/A	94	2.1%
Totals	N/A	N/A	N/A	4,538	100%

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized

n/a

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained **	50%	22%	13.4%	8.2%	4.3%	2.1%	100%
Number of Households Served by Family Size this Fiscal Year 2015	2,259	943	617	361	187	98	4,465
Percentages of Households Served by Household Size this Fiscal Year 2015	50.6%	21.1%	13.8%	8.1%	4.2%	2.2%	100%
Percentage Change (compared to the previous year)	1%	-4%	3%	-0.92%	-0.96%	0.978%	N/A

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages

n/a

**Based on 2014 household size.

Mix of Family Size By Bedroom

	Bedroom Size in April 1998			Bedroom Size in March 2015		
	Public Housing	HCV	Total	Public Housing	HCV	Total
1 Bedroom/SRO	890	398	1,288	1,139	1,124	2,263
2 Bedroom	447	537	984	515	659	1,174
3 Bedroom	363	342	705	422	440	862
4+ Bedroom	101	51	152	92	74	166

Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End

Housing Program

Description of Leasing Issues and Solutions

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End

Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
FSS+/SS.2013.01 (page 64)	32	Reduction in Subsidy (RIS)
Sponsor-Based Voucher/HC.2008.03 (page 71)	3	End of Subsidy (EOS)
RSP/PH/RAD/CE.2006.01 (page 94)	4	End of Subsidy (EOS)
	22	End of Subsidy (EOS)

Households Duplicated Across Activities/Definitions

0

ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY

29

* The number provided here should match the outcome reported where metric SS #8 is used.

WAIT LIST INFORMATION

Wait List Information at Fiscal Year End

Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Family Public Housing (Includes MTW and non-MTW units)	Site-Based	6,084	Closed	Yes
Elderly/Disabled Public Housing (Includes MTW and Non-MTW units)	Site-Based	2,921	Closed	Yes
HCV Program (All MTW and non-MTW vouchers that are not SROs)	Community-Wide	48	Closed	No
HCV Program (Putnam Square Apts and SRO Only)	Community-Wide	2,396	Open	Yes

* *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.

n/a

If Local, Non-Traditional Program, please describe:

n/a

If Other Wait List Type, please describe:

n/a

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

As of January 1, 2015, all public housing wait lists were closed, except for emergency applicants.

PROPOSED MTW ACTIVITIES

All proposed activities that are granted approval by HUD are reported on in Section IV as “Approved Activities.”

APPROVED MTW ACTIVITIES

IMPLEMENTED ACTIVITIES

MTW STATUTORY OBJECTIVE II: INCREASE SELF-SUFFICIENCY

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

DESCRIPTION

The FSS+ program is a five-year program in which HCV participants focus on five core areas:

1. Financial Goal Setting
2. Budgeting
3. Credit and debt
4. Savings
5. Identifying resources

CHA has partnered with Compass Working Capital to provide financial education workshops for participants on a monthly basis. In addition, participants in the FSS+ program work with a financial coach to outline and work towards short- and long- term goals necessary to achieve their desired financial aspirations. Participants learn how to track, prioritize, and control their spending in order to create a plan that enables them to lower their debt, increase their credit score, and start saving. The coaches work with the participants to address negative item(s) on their credit reports, develop debt repayment plans, and rebuild their credit. The coaches also connect participants with resources and organizations that help participants achieve their goals. By the end of the program, participants are expected to have met goals in the five areas listed above.

A key component of the program is the establishment of an Escrow Savings Account for each participant. Participants who increase their wage income may save a portion of their rent increase in their escrow account. CHA maintains the account under the participant's name for up to five years. Occasional withdrawals from the account may be taken to advance goals related to financial security. Upon successful program completion, participants who remain in the MTW HCV program may use their escrow savings to meet further financial goals.

IMPACT

Since implementation of this activity, four (4) participants graduated from the program and left CHA housing. The first graduate completed the program on November 30, 2013 (FY14). Three (3) participants graduated and left CHA housing in FY15. All four graduates completed the program in less than five years. One graduate purchased a home outside the City of Cambridge. Another graduate assumed a family member's mortgage outside the City of Cambridge. The remaining two (2) graduates transitioned to market rate rental housing, one in Cambridge and one outside Cambridge.

IMPLEMENTATION YEAR

This activity was approved in the FY13 MTW Plan and was implemented in FY13.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.B.1.b.iii, C.B.2 and C.E.

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. For SS #6: Reducing Per Unit Subsidy Costs for Participating Households and SS # 7: Increase in Agency Rental Revenue, the total months of participation was not factored into the FY15 outcome as the number of participants may increase in any given month. The table below provides the revised information for this MTW activity.

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of the first 80 program households: \$24,534	For participants in the program for at least six months and experienced an increase in earnings: \$32,534	For participants that have been in the program for at least six months and experienced an increase in earnings: \$32,341	Yes, the average earned income for the FY was within \$200 of the benchmark and on average, over \$7,000 increased earnings compared to the baseline.
SS #2: Increase in Household Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$0	For participants that have been in the program for at least six months and established an escrow account: \$600	For participants that have been in the program for at least six months and established an escrow account: \$1,729	Yes. Range of participants include those who have been in the program since 2012. 83 participants had established escrow accounts with an avg balance of \$1,729.
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self sufficiency (increase).	0 households	200 households	158 households	It is anticipated that additional households will enroll each year.

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	<p>Participants that have been in the program for at least six months: 86</p> <p>Total months of participation completed by participants that have been in the program for at least 6 months: 827</p> <p>Avg Housing Assistance Payment (HAP) at FSS+ enrollment for participants that have been in the program for at least 6 months: \$1008</p>	<p>Participants that have been in the program for at least six months: 86</p> <p>Total months of participation completed by participants that have been in the program for at least 6 months: 827</p> <p>Avg Housing Assistance Payment (HAP) at FSS+ enrollment for participants that have been in the program for at least 6 months: \$925</p>	<p>Participants that have been in the program for at least six months: 138</p> <p>Avg Housing Assistance Payment (HAP) of participants that have been in the program for at least 6 month: \$988</p>	No. The average HAP payments increased. However the number of participants also increased and that may be a factor, especially combined with increased rental housing costs.
SS # 7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase) (Monthly Basis)	Based on participant months in the program during the FY: \$14,583	\$83,200	\$89,654	CHA cannot verify the outcome. HUD is requiring the use of this metric, even though FSS+ is limited to the voucher program and no PHA rental revenue is collected from voucher holders.
SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase)	0	Number of households that have experienced an end in subsidy during the FY: 0	Number of households that have experienced an end in subsidy during the FY: 3	CHA exceeded the benchmark. Three participants transitioned to self-sufficiency.

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

CHA: Increase in Credit Score				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Percent who increase credit score for participants who have been in the program for six months.	0	70%	62%	Yes, the outcome is within range of the benchmark.
Average increase in credit score points for participants who have been in the program for at least six months and experienced an increase (in points).	0	45	36	Yes, scores increased by 36 points on average.
CHA: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Median earned income of households affected by this policy in dollars (increase). For those who have been in the program for six months and experienced an increase in earnings.	\$20,800	\$28,800	\$32,746	Yes
Percent who increase annual earned income for participants who have been in the program for six months.	0	50%	57%	Yes
CHA: Households Transitioned to Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). Reduction in Subsidy (RIS)	0	Number of households that have been in the program for at least 6 months and experienced a reduction in subsidy during the FY: 25	Number of households that have been in the program for at least 6 months and experienced a reduction in subsidy during the FY: 32	Yes

MTW STATUTORY OBJECTIVE I: INCREASE HOUSING CHOICE FOR LOW-INCOME FAMILIES

HC.2011.01 - EXPIRING USE PRESERVATION PROGRAM

DESCRIPTION

CHA converts Enhanced Vouchers to Project-Based Vouchers for private, affordable, multi-family properties with maturing mortgages, thereby ensuring affordability of hard units in Cambridge and the surrounding area for at least an additional fifteen years. Many of these private expiring use units were made affordable through HUD subsidies that have limited terms of between 5 and 30 years. Upon expiration of the subsidies, property owners may charge market rate rents for those units. HUD provides Enhanced Vouchers to eligible residents who are unable to pay the market rate rent. If the resident leaves the original unit the enhanced voucher converts to a mobile voucher and the original unit becomes unsubsidized and likely converted to a market-rate. By converting Enhanced Vouchers to Project-Based Vouchers this program allows residents living in these private expiring use units to stay in their home and, at the same time, maintain affordability, and often, leverage much needed capital improvements as part of any refinancing of the property. Outcome numbers are presented in the aggregate.

IMPACT

In January of 2014, Smith House in Roxbury, MA was the first expiring use property outside of Cambridge where CHA converted Enhanced Vouchers to Project-Based Vouchers. In FY15, an additional 535 units were preserved at 402 Rindge Ave, Cambridge, MA; Barrett House (147 Washington Street and 25 Pleasant Street) in Lynn, MA; and Brookside (Village Drive) in Southbridge, MA. It is anticipated that Madison Park III in Roxbury, MA (119 units) will go on-line in FY16. Louis Barrett and Brookside have been preserved under RAD. Since implementation of this activity 927 units have been preserved:

PROJECT	CITY	UNITS PRESERVED
1221 Cambridge Street	Cambridge	116
411 Franklin Street	Cambridge	98
Bishop Allen	Cambridge	32
Harwell Homes	Cambridge	14
Smith House	Roxbury	132
402 Rindge	Cambridge	110
Louis Barrett (RAD)	Lynn	145
St. Stephens	Lynn	130
Brookside (RAD)	Southbridge	150
TOTAL		927

IMPLEMENTATION YEAR

This activity was approved in the FY11 MTW Plan and was implemented in FY12.

PREVIOUSLY APPROVED AUTHORIZATIONS

2009 Agreement, Attachment C.B.1.b.i, ii and vii; 2009 Agreement, Attachment C.D.2.a and D.3.a and b

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2011.01 - EXPIRING USE PRESERVATION PROGRAM

HC #2: Units of Housing Preserved				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0	Total Units: 621 Units already Preserved: 392 Units Preserved in the FY: 229	Total Units: 927 Units already Preserved: 392 Units Preserved in the FY: 535	Yes. Nearly twice as many units were preserved relative to the anticipated benchmark number.

HC.2008.03, HC.2008.03A, HC.2008.03.B - SPONSOR-BASED VOUCHER PROGRAM

DESCRIPTION

CHA’s Sponsor-Based Program is composed of three programs (**HARD TO HOUSE, PATHWAYS TO PERMANENT HOUSING - TRANSITION HOUSE, and PATHWAYS TO PERMANENT HOUSING - HEADING HOME**) that include either the provision of housing only or a combination of housing and supportive services. The majority of housing is established through non-profit partners receiving sponsor-based vouchers. **PATHWAYS TO PERMANENT HOUSING - TRANSITION HOUSE** is the only program that provides housing in CHA’s Public Housing. Outlined below are Description/Updates of CHA’s current sponsor-based programs.

HARD TO HOUSE PROGRAMS (HC.2008.03): CHA partners with local service providers that work directly with the hard-to-house population including households consisting of individuals with psychiatric, developmental and behavioral disabilities. These hard-to-house households receive housing assistance only from CHA while the local service provider provides intensive support services and case management. While CHA allocates a specific number of vouchers for this program, service providers may serve more than one household or individual per voucher in the fiscal year. The following table identifies CHA’s partnerships and vouchers allocated:

SERVICE PROVIDER	NO. OF VOUCHERS
CASCAP, Inc.	2
Heading Home, Inc.	30
YWCA	15
Just A Start Corp.	1
North Charles, Inc.	5
Transition House	11
Specialized Housing, Inc.	2
Vinfen	1
The Home for Little Wanderers	3
Aids Action	15
TOTAL	85

IMPLEMENTATION YEAR

This program was approved in the FY08 MTW Plan and implemented in FY08.

PATHWAYS TO PERMANENT HOUSING – TRANSITION HOUSE (HC.2008.03A): This initiative includes both the provision of hard units in public housing and a support services component. In a continued effort to improve the availability of housing resources for victims of domestic violence, CHA has partnered with Transition House to provide public housing units to Transition House families who have shown that they are ready to move from the shelter to a more permanent housing. CHA makes two units of public housing available to Transition House, who in turn assumes all tenant responsibilities for those two units. Transition House then selects and, with assistance from CHA, pre-screens two families to live in the units for one-year. The families must have been on the CHA waiting list for at least one year and be a participant in Transition House’s program for at least 90 days. During the year, the families are expected to occupy the units in accordance with the CHA ACOP. There is an Entity Lease between Transition House and CHA (modeled after the CHA Public Housing Lease), and a Participant Agreement between Transition House and the family. The families pay a program fee based on 30% of the family income and the fee is collected by Transition House and provided to CHA. At the end of the one year period, families in full compliance may gain full CHA public housing resident status and lease the unit directly from CHA.

In addition, four subsidies have been allocated to fund a liaison to provide supportive services concerning domestic violence-related issues to families in the program, other CHA residents, CHA staff, voucher holders, applicants, and voucher landlords. At the end of Year 3 of this program, the four subsidies will be converted to mobile vouchers to Transition House families, with the expectation that Transition House will have secured outside funding to support the liaison position. This program is intended as a 3 year pilot program with the option to extend, expand, and or redesign the program following evaluation of the pilot period.

IMPLEMENTATION YEAR

This program was approved in the FY14 Plan and implemented in FY14.

PATHWAYS TO PERMANENT HOUSING - HEADING HOME (FORMERLY KNOWN AS FAMILY OPPORTUNITY SUBSIDY (FOS) PROGRAM) (HC.2008.03.B) - Based on current needs for transitional housing in MA and an evaluation of CHA and Heading Home's experience to date, CHA modified this program to more adequately address the needs of this hard-to-house population. The program was re-designed as a two year program that supports families in building their credit, financial management, and other skills so that they may be eligible for permanent housing with CHA after program completion. In this arrangement, Heading Home serves as "CHA tenants," when applicable, by assuming all tenant responsibilities attached to CHA vouchers. Heading Home selects clients based on their readiness to move into permanent or transitional housing. They then provide the units to these clients for a set amount of time. This program makes it possible for households in difficult circumstances to live in safe and secure transitional housing with the potential to move into permanent housing.

The participant family will also be provided an escrow account in which they can build assets through an incentivized savings program. For families that successfully complete the two-year program and are able to come off their subsidy, Heading Home will offer the Plus One Payout modeled after the FSS+ program. CHA may also provide payout funds if family goals are met. A minimum of at least 30 and maximum of 45 MTW HCV subsidies have been allocated for the entire duration of this program (more than one year).

IMPLEMENTATION YEAR

This program was approved in FY10 MTW Plan and implemented in FY11. Modifications were made to this program in FY13 and FY14.

IMPACT

The Sponsor-Based program allows households in difficult circumstances to live in safe and secure transitional housing with the potential to move into permanent housing. Without the Sponsor-Based Voucher Program, participants in the program would be homeless living on the streets or in a shelter.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.D.2

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2008.03, HC.2008.03A, HC.2008.03.B - SPONSOR-BASED VOUCHER PROGRAM

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 households	Hard to House households: 67 Transition House: households: 2 Heading Home households: 20 Total Households: 89	Hard to House households: 161 Transition House: households: 2 Heading Home households: 6 Total Households: 169	Yes.
HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 households	Hard to House households: 67 Transition House: households: 2 Heading Home households: 20 Total Households: 89	Hard to House households: 161 Transition House: households: 2 Heading Home households: 6 Total Households: 169	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self sufficiency (increase).	0 households	Hard to House households: 67 Transition House: households: 2 Heading Home households: 20 Total Households: 89	Hard to House households: 161 Transition House: households: 2 Heading Home households: 6 Total Households: 169	Yes

HC.2008.03, HC.2008.03A, HC.2008.03.B - SPONSOR-BASED VOUCHER PROGRAM

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase)	0 households	0 households	4 households from three sites in the program.	HUD is requiring the use of this metric and End of Subsidy (EOS) as the unit of measurement. However, EOS, while it might occur, is not a realistic or intended outcome; using this "finish line" to measure self-sufficiency is misleading and contradicts the positive impact that MTW authority has had in advancing self-sufficiency at CHA.
CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	N/A	\$1,617,489	Yes
CHA HC: Number of Households Served Per Voucher				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households served per voucher (Hard to House Program)	1 household	1.2 households	1.9 households	Yes

HC.2001.01 - USE MTW RESOURCES TO AUGMENT STATE MRVP LEASING PROGRAM

DESCRIPTION

This program allows CHA to preserve its Massachusetts Rental Voucher Program (MRVP) state rental assistance subsidies. As a stand-alone program, MRVP provides exceptionally low payment standards. MTW allows CHA to supplement these vouchers with funds from the MTW Block Grant to continue the viability of these subsidies and expand the total number of rental vouchers that CHA administers in the Cambridge market. CHA originally allocated \$21,600 for this program in FY13 but expended \$44,607 due to the increased payment standards for voucher holders renting in Cambridge.

IMPACT

Eight families continued to receive supplemented MRVP vouchers which allowed them to rent units in Cambridge that would otherwise have been unaffordable. Without this initiative the eight households would have been forced to lease units in higher poverty and lower opportunity neighborhoods.

IMPLEMENTATION YEAR

This activity was approved in the FY01 MTW Plan and was implemented in FY01.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment D.A.1

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2001.01 - USE MTW RESOURCES TO AUGMENT STATE MRVP LEASING PROGRAM

HC #4: Displacement Prevention				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	10 households	8 households - Two CHA households left and a moratorium was instituted that did not allow any new vouchers to be issued.	8 households	Yes.
CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	0	Amount of MTW funds spend: \$44,607 Total households served: 8 MRVP subsidy amount: \$48,936	Amount of MTW funds spent: \$50,340 MRVP subsidy amount: \$48,936 Total households served: 8 Total Amount Leveraged: \$48,936	Yes.

HC.2000.04 - EXPAND SUPPLY OF PERMANENTLY AFFORDABLE HARD UNITS OF HOUSING + RAD

DESCRIPTION

This initiative focuses on increasing and retaining the supply of hard units in CHA's housing portfolio through an increase in project-based vouchers. This activity furthers housing choice in Cambridge for low-income households who would otherwise be excluded from living in the City due to the very high cost of housing. During CHA's participation in MTW, 398 hard units were acquired or built using \$97.7 million (\$18.6 million in MTW funds and \$79.1 million in non-MTW funds). Currently, an additional 40 units are under construction at Temple Place in Central Square and will be completed in Fall 2015.

New development is sporadic and difficult to benchmark on an annual basis. For this reason, this activity is dependent on market conditions and available development opportunities in any given year. At the time of this writing, no additional development opportunities, aside from Temple Place, have been identified. Benchmarks and Outcomes are set on an aggregate basis.

IMPACT

The goal of this activity is to preserve or build hard units resulting in a shift in the subsidy type from tenant-based to unit-based. This allows CHA to keep affordable units in Cambridge and in higher opportunity and lower poverty neighborhoods. This activity is one of the limited resources available to low-income families that allows the families to retain housing choice in the difficult and expensive Cambridge housing market.

IMPLEMENTATION YEAR

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.B.1.ii, C.C.12, C.C.13

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. Upon further of “units completed to date,” CHA has determined that 398 is the correct number. In past Reports and Plans, 399 was used but that should be corrected to 398. The table below provides the revised information for this MTW activity.

HC.2000.04 - EXPAND SUPPLY OF PERMANENTLY AFFORDABLE HARD UNITS OF HOUSING

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	Units completed to date: 398 Anticipated in FY: 40 Total Units: 439	Units completed to date: 398 New units on-line during FY: 397 (441 RAD - 44 JFK which is already counted in 398) Total Units: 795	Yes. RAD units that closed during the FY were not anticipated when the FY15 Plan was developed. Although the 40 units at Temple Place were originally scheduled to come on-line in FY15. They are now expected to come on-line in FY16.

HC.2008.02 - CREATE MTW TRANSFER CATEGORY IN ADMIN PLAN (HCV) AND ACOP (PUBLIC HOUSING)

DESCRIPTION

This activity increases housing options for households in crisis. CHA allows voucher holders to transfer between the Public Housing and Housing Choice Voucher programs on a case-by-case basis. In FY13, there were three transfers from the Housing Choice Voucher program to the Public Housing program. In late FY13, CHA clarified that inter-program transfers related to reasonable accommodation requests will not be considered MTW transfers, given that they could happen without CHA's MTW status. This activity allows CHA to move families from public housing to the HCV program and vice-versa. The number of MTW transfers is capped at 24 transfers in a fiscal year.

The following number of transfers have occurred since 2010:

FISCAL YEAR	HCV to PH	PH to HCV
2015	1	5
2014	1	3
2013*	3	6
2012*	2	8
2011*	1	4
2010*	3	9

*Includes reasonable accommodation transfers

IMPACT

This activity allows facilitates moves from one housing program to another. It is there for households to use when needed.

IMPLEMENTATION YEAR

This program was approved in the FY08 MTW Plan and implemented in FY08. Modifications were made to this program in FY13.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachement C.D.1.b

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2008.02 - CREATE MTW TRANSFER CATEGORY IN ADMIN PLAN (HCV) AND ACOP (PUBLIC HOUSING)

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	4 households	4 households	6 households	Yes. This is an activity that provides households flexibility between housing programs.

HOUSING CHOICE VOUCHER (HCV) PROGRAM ADMINISTRATIVE PLAN¹

CHA’s ongoing MTW initiatives for the Housing Choice Voucher program are categorized below according to the applicable MTW statutory objective:

1. INCREASE HOUSING CHOICE FOR LOW INCOME FAMILIES:
 - Create MTW Transfer Category in Admin Plan and ACOP - HC.2008.02 (page 58)
 - Rent Reasonableness Policy & 120% Exception Rents - HC.2002.01
 - Implement Local Project-Based Assistance Leasing Program - HC.2001.02
 - Allowing Households to Pay over 40% of Income Toward Rent at Move-in - HC.2000.03
 - Implement Vacancy and Damage Payments - HC.2000.02

2. REDUCE COST AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES:
 - Rent Simplification Program - CE.2006.01

Where an MTW initiative applies to both the Housing Choice Voucher and Public Housing Programs, the initiative will be listed under each program (except for CREATE NEW MTW TRANSFER CATEGORY). Descriptions, impact, implementation year, and previously approved authorizations are identified for each MTW policy initiative. Metrics for the HCV MTW initiatives may reflect a group of MTW policies or a single MTW policy, where applicable.

HC.2002.01 - RENT REASONABLENESS POLICY & 120% EXCEPTION RENTS/HCV

DESCRIPTION

This is a rent reasonableness policy to address the high cost of housing in the City of Cambridge. To retain landlords in the private housing market, CHA pays rent increases over the amount determined by HUD based on local rental market estimates. CHA already sets payment standards above 120% of HUD’s Fair Market Rent (FMR) for larger bedroom units. This policy extends the payment standard to any size unit. Currently, most landlords are receiving the maximum amount permissible under CHA’s payment standard. This initiative is also used to assist disabled households. On a case-by-case basis, disabled households that find a unit in the private rental market may receive an even greater exception rent.

¹ As authorized under CHA’s Amended and Restated MTW Agreement, Attachment C, Statement of Authorizations, CHA is authorized to develop operational policies and procedures for all Section 8 assistance that CHA is providing under Section 8(o) of the 1937 Act. CHA has revised and updated its Administrative Plan to implement changes in the Housing Choice Voucher program as a result of the MTW program.

YEAR	ACTIVITY
FY13	No portfolio-wide increase to payment standards occurred and landlords did not receive the default Annual Adjustment Factor (AFF) increase. 150 new admissions leased in Cambridge at over 110% of the FMR.
FY14	Rent Reasonableness policy was modified to be determined at initial move-in, before any increase in rent and before the contract anniversary date or at any other time at the discretion of CHA. Rent reasonableness will not be automatically redetermined based on a decrease in the published FMR. In establishing that rents are reasonable, CHA standards are based on an updated market analysis provided by an independent consultant every two years. Based on data in each market area, CHA will identify a low rent and high rent within that area. Rents must be within the range of the low and high rent to be considered reasonable. CHA reserves the right, at any time, to declare a rent unreasonable or establish an alternate reasonable rent determination methodology. 26 new admissions leased in Cambridge at over 120% of the FMR.
FY15	98 new admissions leased in Cambridge at over 120% of the FMR.

IMPACT

In FY15 (as of March 31, 2015), 98 new admissions leased in Cambridge at over 120% of the FMR. These families would not have been able to rent units in the expensive Cambridge market without this initiative. This activity allows households to live in higher opportunity neighborhoods.

IMPLEMENTATION YEAR

This policy was approved and implemented in FY09. It was further modified in FY10 and FY14.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.2.a.b.c

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2002.01 - RENT REASONABLENESS POLICY & 120% EXCEPTION RENTS/HCV

HC #4: Displacement Prevention				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	0 households	Anticipated households that will lease units in Cambridge at over 120% FMR at initial move-in: 128	Households that leased units in Cambridge at over 120% FMR at initial move in in FY 15: 98	Yes. This metric is not an accurate measure of the effectiveness of this activity as the number of households leased at over 120% FMR is dependant on the number of new admissions during the FY.

HC.2001.02 - IMPLEMENT LOCAL PROJECT-BASED ASSISTANCE LEASING PROGRAM/HCV

DESCRIPTION

This program allows CHA to expand its Project-Based portfolio beyond the 20% HUD threshold and allows property owners to project-base a building beyond the 25% HUD threshold. Property owners may coordinate with CHA to project-base up to 100% of a property. This program also supports CHA's Public Housing Preservation Fund (HC.2010.01). CHA envisioned using between 250 and 375 project-based subsidies to support its own at-risk public housing stock through the Preservation Fund. Outcomes are set on an aggregate basis.

Program revisions which took effect in FY14 and include:

- Preference categories for occupancy of accessible units at project-based properties.
- Absolute preference for current residents of project-based properties.
- Fee for over-housed participants that choose to remain in their unit.
- Extended timeframe for requesting mobile vouchers, from one year to two years.

CHA will use and retain this activity in the RAD conversion even though it deviates from the RAD Project-Based Voucher rules. For public housing units that undergo RAD conversion, policies under ACOP and other public housing activities will be maintained after RAD completion.

IMPACT

This initiative allows CHA to project-base a higher percentage of its portfolio in Cambridge which allows for an increased number of affordable units in the expensive Cambridge rental market. By project-basing the vouchers it ensures that affordable units remain in Cambridge as opposed to households being forced to lease up in lower opportunity neighborhoods.

IMPLEMENTATION YEAR

This program was approved and implemented in FY01. Modifications were made to this program in FY14.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.D.7

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. Upon further review, CHA has determined that the correct "Aggregate new units to date" should be 983 and not 823. The table below provides the revised information for this MTW activity.

HC.2001.02 - IMPLEMENT LOCAL PROJECT-BASED ASSISTANCE LEASING PROGRAM/HCV

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.	0 units	Aggregate new units to date: 983 Anticipated new units: 0	Aggregate new units to date: 1,368 See below: Units of Housing Preserved. New units in FY15: 0	Yes. CHA did not execute any PBV HAP Contracts in FY15 except for RAD and Expiring Use.
HC #2: Units of Housing Preserved				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box.	0 units	0 units	Units project based through expanding supply of hard units: 441 Units project-based through Expiring Use at end of FY15: 927 Units project-based through private nonprofit developers: 0 units Total: 1,368	Yes. CHA project-based an additional 535 units in FY15 through the Expiring Use Preservation Program.
CHA Metric: Percentage of PBAs Relative to Total MTW Vouchers				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PBAs as percent of total MTW vouchers	26%	30%	60%	Yes. The additional units that came on-line through the Expiring Use Preservation Program and the RAD conversion of public housing units greatly increased the percentage of PBV units in CHA's portfolio.

HC.2000.03 - ALLOWING HOUSEHOLDS TO PAY OVER 40% OF INCOME TOWARD RENT AT MOVE-IN/HCV

DESCRIPTION

This program provides households more choices when renting. New voucher participants may pay over 40% of their income towards rent at initial lease up, exceeding the first-year threshold set by HUD. This program allows participants to rent units that fit their individual needs, provided that they can demonstrate the ability to commit to a higher income contribution toward rent.

IMPACT

In FY13 twenty-seven (27) households paid over 40% of their income for rent. Among those households, the average percentage of income going to rental payments was 51%, up slightly from 49.8% in FY12. In FY14, no participants paid more than 40% of their income for rent at initial lease-up. In FY15 37 households were able to pay more than 40% of their income toward rent at move-in. This allowed 37 households in FY15 to move to a better unit and/or a neighborhood of opportunity.

IMPLEMENTATION YEAR

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

PREVIOUSLY APPROVED AUTHORIZATION

MTW 2009 Agreement, Attachment C.D.2.a

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2000.03 - ALLOWING HOUSEHOLDS TO PAY OVER 40% OF INCOME TOWARD RENT AT MOVE-IN/HCV

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 households	27 households	37 households	Yes.

HC.2000.02 - IMPLEMENT VACANCY AND DAMAGE PAYMENTS/HCV

DESCRIPTION

This policy serves as an incentive for landlords to continue providing housing units to voucher holders, thus maintaining or increasing housing choice for low-income households in Cambridge. CHA offers vacancy and damage payments to landlords in the Tenant-Based voucher program who agree to re-lease to a voucher family. Payments are also offered to landlords under a Project-Based Contract in cases where the contract already includes a clause for financial compensation for vacant units and damage reimbursements.

The following changes took effect in FY14 under the Administrative Plan:

1. **Compensation in Cases of Vacancy Without Notice:** In the event that a household vacates without notice, landlords may receive up to 80% of one month's contract rent if they do not require last month's rent at initial lease.
2. **Guaranteed Damage Compensation:** Landlords who accept a reduced security deposit are guaranteed compensation for all damages in excess of the security deposit in the event that a household fails to pay.
3. **Incentive to Rent to CHA Voucher Holders:** Landlords (including those who require last month's rent at initial lease) may be compensated up to 80% of contract rent to cover vacancy, provided the new tenant is a CHA voucher holder.

IMPACT

This initiative preserves affordable units by requiring TBV Landlords to continue to rent to HCV tenants in exchange for vacancy and/or damage payments. This initiative also encourages landlords to accept lower security deposits for units as CHA guarantees compensation for all damages in excess of the security deposit. In FY15, through this initiative 37 units remained affordable for low-income households. Landlords sought payments for thirty-seven (37) units that totaled \$32,171.

IMPLEMENTATION YEAR

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

PREVIOUSLY APPROVED AUTHORIZATION

MTW Agreement, Attachment C.D.1.d

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

HC.2000.02 - IMPLEMENT VACANCY AND DAMAGE PAYMENTS/HCV

HC #2: Units of Housing Preserved				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0 units	21 units	37 units	Yes.

MTW STATUTORY OBJECTIVE III: REDUCE COSTS AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

DESCRIPTION

CHA has implemented a series of initiatives in the HCV program designed to simplify rent calculation and the recertification process, streamline administrative processes, and reduce paperwork burdens on clients and staff. The following is a summary of ongoing program components including applicable modifications for each component. These initiatives are ongoing:

Regular and Interim Recertification: Elderly and disabled households undergo recertification on a biennial basis. Non-elderly, non-disabled households undergo recertification on an annual basis. Voluntary interim recertification may be requested by non-elderly, non-disabled households once between annual recertifications. The limit on interim recertifications does not apply to elderly or disabled households. In FY14, CHA modified this initiative to enforce greater participant accountability for the timely completion of the recertification process. Participants who fail to attend an originally-scheduled reexamination appointment without giving 48 hours prior notice will be charged a fee of \$60.

Minimum Rent: Minimum rent was increased from \$25 to \$50. Additionally, exception rent policies were established to provide greater flexibility for disabled households (see HC.2002.01 - RENT REASONABLENESS POLICY AND 120% EXCEPTION RENTS activity). Exception rents for disabled households are evaluated on a case-by case basis. Zero income households will have a minimum rent of \$0 for the first three (3) months and will be eligible to receive a utility reimbursement. Starting on the fourth month, households that have not reported income will be responsible to pay a minimum rent of \$50.00 to the landlord and will not be eligible to receive a utility reimbursement.

Utility Allowance: CHA applies the smaller of the unit size and voucher size to calculate the utility allowance.

Definition of Annual Income:

1. **Asset Income Calculation:** CHA modified the definition of income to exclude income from assets valued at \$50,000 or less. In cases where household assets are valued at more than \$50,000, CHA calculates and counts only the imputed income from assets by using the market value of the asset and multiplying it by the CHA established passbook savings rate. CHA's passbook savings rate is determined consistent with HUD guidelines.
2. Annual income does not include the 1st 12 months of net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.

In connection with this activity, CHA intends to track the aggregate earned income of households in the HCV program.

AGGREGATE EARNED INCOME OF HCV HOUSEHOLDS		
Year	Aggregate Earned Income	Difference (+/-)
FY13	\$22,259,348	
FY14	\$22,624,322	+\$364,974
FY15	\$22,786,661	+\$162,339

Changes in Family Composition: Households adding an adult member other than the spouse or partner of a household member, foster adult, live-in aide, or a guardian or caretaker for a minor child, will have their housing assistance payment reduced by 10% for each additional family member. The reduction will continue as long as the adult(s) is part of the household. The subsidy reduction is effective on the first of the month following the addition to the household.

Restriction on Moves: CHA may deny permission to move if the household was issued a voucher for a move and it expired without moving in the past twelve-month period.

Mixed Family Rent: Mixed families that include both members who are citizens/eligible immigrants as well as members who do not contend to have eligible immigration status are charged 110% of the rent they would pay if the household were not a mixed family.

Households with Real Property and Significant Assets: CHA implemented a series of policies related to eligibility to ensure that families who own real property and/or who have significant assets do not qualify for admission or continued occupancy with CHA. In this way, housing resources are provided to the population of individuals who do not have alternative resources for housing and who do not have significant assets. Elderly and disabled households are exempt from this policy.

Households who meet the following criteria will not be eligible for admission or continued occupancy :

Non-elderly/disabled households whose net assets exceed \$100,000.

Households who have a present ownership in, and a legal right to reside in, real property that is suitable for occupancy as a residence. This policy will not apply in the following circumstances:

A household member or members are unable to reside in the property because of domestic violence

The household is making a good faith effort to sell the property.

The property is owned in a country where there is verifiable evidence that the household would face retribution or repression were they to return to the country where the property is owned.

Authorized Unit Size Due to Changes to the Household: CHA implemented a policy to provide for changes in the authorized unit size

the month following the approval of an additional household member. Further, for decreases in household composition, the authorized unit size will change at the first regular recertification after the decreases in household size. This policy provide families with more timely increases in subsidy standards when family size increases.

- Participants that have obtained written owner approval to add a household member may request that CHA add the household member as an authorized household member and re-determine the subsidy size based on the occupancy guidelines above. If the subsidy size for the family changes during the term of the HAP Contract, the “new” subsidy size is effective as follows:
- If the subsidy size is increased, the change is effective on the first of the month following the date that the new household member is approved by CHA.
- If the participant provided proper written notice of a decrease in household size, the change is effective at the first regular recertification following the change.
- If it is determined that the participant failed to provide the proper written notice of a decrease in family size, change is retroactive to the first of the month following the date that the household member left the household.

IMPACT

Rent Simplification in HCV has led to increased cost savings through a decrease in the average staff time needed to complete a recertification. This activity has been ongoing with the addition of various components since its approval in FY08. Please see [CE.2006.01 - RENT SIMPLIFICATION PROGRAM \(RSP\)/PUBLIC HOUSING](#) for a summary of hardship requests in both the Public Housing and HCV programs since FY07. The number of households that paid minimum rent in FY15 was 148 as of March 31, 2015.

IMPLEMENTATION YEAR

Biennial recertification for elderly and disabled households and the limit on interim recertifications was approved in the FY08 MTW Plan and implemented in FY11. This initiative was modified in FY14. Minimum rent was approved and implemented in FY06 and was modified in FY09 to reflect the three month minimum rent transition. The asset income policy was approved and implemented in FY06 and then modified in FY13 to reflect the imputed asset income calculation. The mixed family rent activity was approved in the FY09 MTW Plan and implemented in FY14 for the Housing Choice Voucher Program.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.D.1c and Attachment C.Z.a

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The hourly cost of a recertification specialist was increased to \$41.02. The table below provides the revised information for this MTW activity.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

CE #1: Agency Cost Savings/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Recertifications performed in FY06: 2,120 Interims Performed in FY06: 1,033 Recertification Time: 1.25 hours Interim Time: .75 hours Hourly cost of recertification specialist: \$33.70 Total cost: \$115,415	\$81,800	Recertifications performed in FY15: 1,380 Interims Performed in FY15: 627 Recertification Time: 1.25 hours Interim Time: .75 hours Hourly cost of recertification specialist: \$41.02 Total cost: \$90,050	No. This activity was approximately 10% higher than the benchmark in FY15. However, over baseline, and even with union contract wage adjustments, CHA still realized savings of \$25,365 over the baseline..
CE #2: Staff Time Savings/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Recerts performed in FY06: 2,120 Interims Performed in FY06: 1,033 Annual Recertification Time: 1.25 hours Interim Time: .75 hours Total time: 3,425 hours	2,044 hours	Recerts performed in FY15: 1,380 Interims Performed in FY15: 627 Annual Recertification Time: 1.25 hours Interim Time: .75 hours Total Time: 2,195 hours	No. CHA still considers this activity a success as 3,230 hours of staff time was saved in FY15 compared to the baseline.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

CE #3: Decrease in Error Rate of Task Execution/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	Rent determination errors from a quality control audit in December 2013: 30%	17%	21% based on a quality control audit performed in April 2015.	HUD is requiring the use of this metric. CHA is using a quality control process that may be modified to provide new information in subsequent years.
CE #5: Increase in Agency Rental Revenue/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental Revenue in dollars (increase)	Annual aggregate amount of rent that HCV holders were expected to pay to landlords/private property owners in FY13 based on March 31, 2013 data: \$9,189,084	\$9,190,000	\$9,855,7575	Yes. It is possible that private landlords and property owners leasing units to CHA voucher holders, collectively, collected more rent than estimated in the benchmark.
CHA Metric: Average Household Income/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars	\$22,072	\$24,956	\$23,592	No. CHA still considers this activity a success as the average earned income increased \$1,520 more than the baseline.
CHA Metric: Increase in Household Median Income/HCV				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Median earned income of households affected by this policy in dollars .	\$20,138	\$20,800	\$21,592	Yes.

PUBLIC HOUSING (PH) PROGRAM ADMISSIONS & CONTINUED OCCUPANCY POLICIES² (ACOP)

CHA's ongoing MTW initiatives for the Public Housing Program, which have been incorporated in the ACOP, are categorized according to the following MTW statutory objective:

1. Increase housing choice for low-income families
 - Create MTW Transfer Category in Admin Plan and ACOP - HC.2008.02 (page 58)
2. Reduce costs and achieve greater cost effectiveness in federal expenditures
 - Implement Ceiling Rents - CE.2009.01
 - Rent Simplification Program - CE.2006.01

Where an MTW initiative applies to both the Public Housing and Housing Choice Voucher Programs, the initiative will be listed under each program (except for HC.2008.02 - CREATE NEW MTW TRANSFER CATEGORY). Descriptions, impact, implementation year, and previously approved authorizations are identified for each MTW policy initiative. Metrics for the Public Housing MTW initiatives may reflect a group of MTW policies or a single MTW policy, where applicable.

CE.2009.01 - IMPLEMENT CEILING RENTS/PUBLIC HOUSING

DESCRIPTION

This policy simplifies ceiling rent calculations so that it is reflective of annual cost increases through the use of market-related indices. On an annual basis, CHA will review market-related indices applicable to ceiling rents and make a determination on the index to be applied in the given year. Prior to securing MTW status, CHA used the original ceiling rent methodology derived from the old Performance Funding System (PFS) which was discontinued when HUD adopted the Asset Management approach after the Harvard Cost Study. PFS proved to be cumbersome, time consuming, and did not factor in the actual maintenance and operation cost of public housing. Whereas an annual ceiling rent adjustment under PFS would have required at least one full day to formulate, this activity reduces the annual ceiling rent adjustment to approximately 1 hour, once a year. This initiative was implemented in FY06 and modified in FY09 to replace HUD's Annual Adjustment Factor (AFF) for the OCAF. In FY13 CHA did not implement an OCAF increase. In FY14 CHA discontinued the use of the OCAF.

IMPLEMENTATION YEAR

This program was approved and implemented in FY06 and modified in FY09 and FY14.

IMPACT

This policy sets ceiling rent with a more appropriate indicator of the increased cost of operating and managing low-income housing year to year while also reducing staff time. The staff time should remain minimal and consistent every year as this is an activity that occurs only once a year and performed by one staff member. As of March 31, 2015, there were 154 households in public housing paying ceiling rent.

² As authorized under CHA's Amended and Restated MTW Agreement, Attachment C, Statement of Authorizations, CHA is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act. Additionally, under the Restated MTW Agreement, CHA is required to revise the Admissions and Continued Occupancy Policy (ACOP) to implement changes in Public Housing Occupancy policies as a result of the MTW program.

PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.C.11

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity.

CE.2009.01 - IMPLEMENT CEILING RENTS/PUBLIC HOUSING

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Hourly cost of staff that sets ceiling rent: \$66 Total cost of task: \$1,584	Hourly cost of staff that sets annual ceiling rent: \$66 Total cost of task: \$198	\$0	HUD is requiring the use of this metric. CHA maintains that this is an estimate and not an actual measure of time saved; therefore, staff time should not be applied as a metric. CHA does not support the use of this metric and cautions that it is an estimate; CHA does not have the data to support the decrease in staff hours claimed which is needed to support the dollar amount decrease.
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	24	3	0	HUD is requiring the use of this metric. CHA does not support the use of this metric and cautions that it is an estimate; we do not have the data to support the claimed decrease in staff hours.

CE.2009.01 - IMPLEMENT CEILING RENTS/PUBLIC HOUSING

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase)	Ceiling rent revenue collected in FY14: \$1,926,858	Ceiling rent revenue to be collected in FY15: \$1,927,000	\$2,209,671	Yes. Additional rental revenue from ceiling rent was collected. However, this was not an intended outcome. HUD is requiring the use of this metric even though it is an administrative change that is not linked to the amount of rent collected and therefore provides no useful revenue data.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

DESCRIPTION

CHA has implemented a series of initiatives in the Public Housing and HCV programs designed to simplify rent calculation and the recertification process, streamline administrative processes, and reduce paperwork burdens on clients and staff. Revenue from rent, increased approximately \$90,000 between FY12 and FY13 while administrative savings were in excess of \$10,000 for the same time period. The following is a summary of ongoing program components including applicable modifications for each component. These initiatives are ongoing:

Regular and Interim Recertification: Public Housing residents are required to recertify income on a biennial basis. This initiative allows residents to increase their income without feeling the effect of an immediate increase in rent. For non-elderly, non-disabled households, up to two voluntary requests for interim rent reductions may be made between regular recertifications. The limit on interim recertifications does not apply to elderly or disabled households.

Tiered Rent Schedule and Streamlined Deductions: Under RSP, CHA implemented a tiered rent schedule. Residents’ incomes fall into \$2,500 ranges and rent is set at 30% of the low end of each range (minus a utility allowance). RSP also streamlines the deductions allowing deductions for unreimbursed medical and child care expenses only. Unreimbursed child care and/or medical expenses must meet a minimum threshold for eligibility as a deduction. Medical and child care deductions are provided at either the \$2,500 or \$5,000 level according to the amount of unreimbursed expenses.

Minimum Rent: Households with income in the lowest tier of the rent schedule are charged a minimum rent of \$50 for a twelve month period. After twelve months at the \$50 minimum rent, households are charged the rate of the second tier of the rent schedule if there is no change in income. Fifty two households transitioned out of minimum rent in FY13. As of March 31, 2015, there were 101 households in federal public housing paying minimum rent.

Definition of Annual Income:

1. Asset Income Calculation: CHA modified the definition of income to exclude income from assets valued at \$50,000 or less. In cases where household assets are valued at more than \$50,000, CHA calculates and counts only the imputed income from assets by using the market value of the asset and multiplying it by the CHA established passbook savings rate. CHA's passbook savings rate is determined consistent with HUD guidelines.
2. Annual income does not include the 1st 12 months of net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.

In connection with this activity, CHA intends to track the aggregate earned income of households in Public Housing.

AGGREGATE EARNED INCOME OF PUBLIC HOUSING HOUSEHOLDS		
Year	Aggregate Earned Income	Difference (+/-)
FY13	\$24,632,853	
FY14	\$25,384,099	+\$751,246
FY15	\$28,028,884*	+\$2,644,785

* Aggregate includes wages at three tax credit sites (LBJ, Jackson Gardens and Lincoln Way) that were not included in previous years.

Mixed Family Rent: Mixed families that include both members who are citizens/eligible immigrants as well as members who do not contend to have eligible immigration status are charged 110% of the rent they would pay if the household were not a mixed family.

Households with Real Property and Significant Assets: CHA implemented a series of policies related to eligibility to ensure that families who own real property and/or who have significant assets do not qualify for admission or continued occupancy with CHA. In this way, housing resources are provided to the population of individuals who do not have alternative resources for housing and who do not have significant assets. Elderly and disabled households are exempt from this policy.

Households who meet the following criteria will not be eligible for admission or continued occupancy :

- Non-elderly/disabled households whose net assets exceed \$100,000.
- Households who have a present ownership in, and a legal right to reside in, real property that is suitable for occupancy as a residence. This policy will not apply in the following circumstances:
- A household member or members are unable to reside in the property because of domestic violence.
- The household is making a good faith effort to sell the property.
- The property is owned in a country where there is verifiable evidence that the household would face retribution or repression were they to return to the country where the property is owned.

IMPACT

The rent simplification hardship policy provides a safety net for households experiencing unanticipated, significant drops in income or increases in medical or childcare costs for which they are eligible for an income deduction. Below is a summary of hardship requests: In FY15 there were three (3) applications for medical reasons and two (2) rent burden applications.

APPLICATION YEAR (BY FISCAL YEAR)	APPLICATIONS RECEIVED	PUBLIC HOUSING HOUSEHOLDS	HCV HOUSEHOLDS	HARDSHIP GRANTED	HARDSHIPS NOT GRANTED
2007	3	3	0	1	3
2008	1	1	0	0	1
2009	7	6	1	2	5
2010	10	10	0	8	2
2011	2	2	0	2	0
2012	1	0	1	0	1
2013	4	0	4	4	0
2014	2	1	1	1	1
2015	5	3	2	4	1
Total	35	26	9	22	14

IMPLEMENTATION YEAR

Biennial recertifications, the tiered rent schedule and streamlined deductions were approved and implemented in FY06. Minimum rent was approved and implemented in the FY06 MTW Plan and was modified in FY09 to reflect the twelve month limit. The asset income policy was approved and implemented in FY06 and then modified in FY13 to reflect the imputed asset income calculation. The mixed family rent activity was approved in the FY09 MTW Plan and implemented in FY09 for Public Housing.

PREVIOUSLY APPROVED AUTHORIZATIONS

2009 MTW Agreement, Attachment C.C.2, C.C.4, C.C.5, and C.C.11

CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The hourly cost of a recertification specialist was increased to \$41.02. The methodology for rental revenue collected under CE #5: Increase in Agency Rental Revenue was collected from CHA's Elite database. The system has experienced increased functionality in FY15. The table below provides the revised information for this MTW activity.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

CE #1: Agency Cost Savings/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Number of Recertifications Performed in FY06: 1,699 Number of Interims Performed in FY06: 563 Recertification Time: 1.5 hours Interim Time: .75 hours Staff Cost/hr: \$33.70 Total Cost of Task: \$100,122	\$46,663	Number of Recertifications Performed in FY15: 1,266 Number of Interims Performed in FY15: 456 Recertification time: 1 hour Interim Time: .5 hours Staff Cost/hr: \$41.02 Total Cost of Task: \$61,284	No. However, CHA maintains this initiative is a success with \$38,838 (39%) savings over the baseline cost.
CE #2: Staff Time Savings/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Number of Annual Recertifications Performed in FY06: 1,699 Number of Interims Performed in FY06: 563 Annual Recertification Time: 1.5 hours Interim Time: .75 hours Total Time Spent on Task: 2,971 hours	1,166 hours	Number of Recertifications Performed in FY15: 1,266 Total Number of Interims Performed in FY15: 456 Annual Recertification Time: 1 hour Interim Time: .5 hours Total Time Spent on Task: 1,494 hours	No. CHA maintains this initiative is a success as CHA reduced staff time spent on this activity by 1,249 hours or 42%.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

CE #3: Decrease in Error Rate of Task Execution/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	Rent determination errors from a quality control audit in July 2013: 7%	5%	14%	No. HUD is requiring the use of this metric. CHA is using a quality control process that may be modified to provide new information in subsequent years.
CE #5: Increase in Agency Rental Revenue/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars* (increase)	<p>Rental revenue collected in FY05: \$10,021,885</p> <p>*Does not include deduction of insufficient funds. JP State, Putnam School, and Roosevelt Towers Mid-Rise are not included in the totals</p>	<p>\$11,585,000</p> <p>*Does not include deduction of insufficient funds. JP State, Putnam School, and Roosevelt Towers Mid-Rise are not included in the totals</p>	<p>Rental revenue collected in FY15: \$12,067,233</p>	Yes.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

SS# 3: Increase in Positive Outcomes in Employment Status/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Other: Full and/or Part-Time Employment	Total Public Housing households on March 31, 2014: 2,493 Total Public Housing households that experienced Full- or Part-Time employment status on March 31, 2014: 1,003	1,000	1,007	Yes. HUD is requiring the use of this metric. CHA maintains that while employment is encouraged by Rent Simplification, it is misleading to track the metric using a Baseline and Benchmark approach, especially since employment is not required.
	Percentage of Public Housing households that experienced Full-or Part-Time employment status on March 31, 2014: 40	40%	42.7%	Yes. HUD is requiring the use of this metric. CHA maintains that while employment is encouraged by Rent Simplification, it is misleading to track the metric using a Baseline and Benchmark approach, especially since employment is not a required outcome.
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)/PH/RAD/				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease)	Households receiving TANF on March 31, 2013: 146	146	100	Yes. HUD is requiring the use of this metric. CHA maintains that while leaving TANF is encouraged by Rent Simplification, it is misleading to track the metric using a Baseline and Benchmark approach, especially since exiting TANF is not a required outcome.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

SS #8: Households Transitioned to Self Sufficiency/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase)	Households that left CHA public housing as a result of renting or purchasing a home in the private market in FY 13: 46	50	22	<p>No. HUD is requiring the use of this metric and End of Subsidy (EOS) as the unit of measurement. However, EOS, while it might occur, it nor a realistic or intended outcome; using this "finish line" to measure self sufficiency is misleading and contradicts the positive impact that MTW authority has had in advancing self-sufficiency at CHA.</p> <p>CHA maintains that while transitioning to self sufficiency is encouraged by Rent Simplification, it is misleading to track the metric using a Baseline and Benchmark approach, especially since self sufficiency is not a required outcome.</p>
CHA Metric: Average Household Income/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Earned Income of households affected by this policy in dollars	\$26,810	\$30,147	\$30,633	Yes
CHA Metric: Median Household Income/PH/RAD				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Median earned income of household affected by this policy in dollars.	\$24,440	\$25,118	\$25,090	Yes

NOT YET IMPLEMENTED ACTIVITIES

EM.2014.02 - TRANSITION TO MARKET RENT/PUBLIC HOUSING

DESCRIPTION

Transition to Market Rent is a program that would provide financial support to households interested in moving out of public housing and into the private market. While public housing residents must have an income below 80% of AMI at the time of their acceptance into the Public Housing Program, CHA does not enforce an income limit during the tenancy period. Households with incomes at or above 100% of the Area Median Income (AMI) –as established by HUD – may be ready to successfully transition to the private rental market. Transition to Market Rent assists these households who find a unit in Cambridge by paying for their first and last month’s rent, and security deposit.

This initiative was approved in the FY14 Annual Plan.

UPDATE

Implementation of this activity will occur after the RAD transition is completed.

TIMELINE

Implementation of this activity will occur after the RAD transition is completed.

HC.2008.08 - IMPLEMENT RECERTIFICATIONS EVERY TWO YEARS FOR HOUSEHOLDS IN PROJECT BASED UNITS/HCV

DESCRIPTION

Similar to the biennial recertification policy in Public Housing, a biennial recertification schedule would apply to households living in Project-Based units. This initiative would allow residents to retain any additional income that they experience between recertifications and provide them with an opportunity to build savings and, at the same time, ease the burden of administering annual recertifications. For non-elderly, non-disabled households, up to two voluntary requests for interim rent reductions may be made between regular recertifications. The limit on interim recertifications would not apply to elderly or disabled households.

This initiative was approved in the FY08 Annual Plan.

UPDATE

Implementation of this initiative was part of the Administrative Plan revision. CHA finalized the document without addressing rent or income calculation reform. Metrics will be used after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

TIMELINE FOR IMPLEMENTATION

No timeline has been set for this activity at the present time. This activity requires further consideration as it would affect the feasibility, effectiveness, and possible implementation of an expanded FSS+ program.

HC.2008.06 - CHANGE INCOME CALCULATION TO ALLOW USE OF PRIOR YEAR/HCV

DESCRIPTION

Prospective and past income may be used to calculate resident rents, especially for families with irregular or sporadic employment histories. For example, W-2s may be used as evidence of past family income when more detailed information is not available.

This initiative was approved in the FY08 Annual Plan.

UPDATE

Implementation of this initiative was part of the Administrative Plan revision. CHA did not address rent or income calculation reform in the revised Administrative Plan. Metrics will be developed after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

TIMELINE FOR IMPLEMENTATION

No timeline has been set for this activity at the present time. This activity requires further consideration as it would affect the feasibility, effectiveness, and possible implementation of an expanded FSS+ program.

HC.2008.04 - ALIGN INCOME DEDUCTIONS WITH FEDERAL PUBLIC HOUSING RENT SIMPLIFICATION DEDUCTIONS/HCV

DESCRIPTION

Similar to the medical and childcare deductions established in the Public Housing program, Housing Choice Voucher holders would adopt the same or similar deduction schedule in calculating annualized income for lease-up, interim recertification, and/or regular recertification. Currently, a household need to show applicable expenses above \$2,500 in one category (medical or childcare) to receive a deduction. Additional deductions may be applied depending on the expenses.

This initiative was approved in the FY08 Annual Plan.

UPDATE

Implementation of this initiative was part of the Administrative Plan revision. CHA did not address rent or income calculation reform in the revised Administrative Plan. Metrics will be developed after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

TIMELINE FOR IMPLEMENTATION

No timeline has been set for this activity at the present time. The implementation of this activity would likely be aligned with other income calculation modification policies in the HCV program.

ACTIVITIES ON HOLD - NONE AT THIS TIME.

ACTIVITIES CLOSED OUT

PH.2010.01 - INTEGRATE NEAR-ELDERLY (58-59 YEAR OLD) INTO ELDERLY SITES' WAIT LISTS.

REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Pursuant to CFR (Definitions) 945.105, this policy does not require MTW authority. Current regulations allows any PHA to implement the same policy.

This initiative was approved in the FY10 Annual Plan and implemented in FY10. This activity is ongoing but was closed out as an MTW activity in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

HC.2008.01 - IMPLEMENT REVISED PROJECT-BASED VOUCHERS IN COOPERATIVE EFFORT WITH CITY'S HOUSING TRUST FUND

REASON FOR CLOSING OUT INITIATIVE

This initiative was implemented for specific sites and with a finite number of PBAs (46) allocated. Both sites are completed. This initiative was approved in the FY08 Annual Plan and implemented in FY08. This activity was closed out in FY14.

FINAL OUTCOME AND LESSONS LEARNED

The activity was successful. The site construction was completed and all 46 PBAs were issued for the site.

HC. 2007.01 - REVIEW OF ALTERNATIVE SUBSIDY APPROACHES

REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that the activity is composed of four distinct programs (see below), each with its own distinct metrics. It is not a stand-alone policy and therefore we have closed it out. The following four programs originally fall under this policy.

1. Sponsor-based Voucher Program.
2. Family Opportunity Subsidy, now known as Pathways to Permanent Housing - Heading Home.
3. Career Family Opportunity - CFO (closed out)
4. Family Stability and Savings Plus Program (renamed Financial Stability and Savings Plus)

This initiative was approved in the FY07 Annual Plan and implemented in FY07. This activity was closed out in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

PD.2000.01 - REQUEST FOR REGULATORY RELIEF FOR MIXED FINANCE

REASON FOR CLOSING OUT INITIATIVE

A HUD notice on streamlining mixed finance activities (PIH 2004-5) was issued on 04/09/04 and rendered this activity moot.

This initiative was approved in the FY00 MTW Plan, never implemented, and closed out in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

PD.2008.01 - LIBERATING ASSETS

REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that this activity is a component of the Public Housing Preservation Fund and not a stand-alone MTW activity. As a result, this activity has been combined and collapsed into HC.2010.01 Public Housing Preservation Fund.

This initiative was approved in the FY08 Annual Plan and implemented in FY8. This activity is ongoing but was closed out as a stand-alone MTW activity in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

PH.2013.02 - PROJECT-BASED VOUCHER IN PUBLIC HOUSING

REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that this activity is a component of the Public Housing Preservation Fund and not a stand-alone MTW activity. As a result, this activity has been combined and collapsed into HC.2010.01 Public Housing Preservation Fund.

This initiative was approved in the FY13 Annual Plan and implemented in FY13. This activity is ongoing but was closed out as a stand-alone MTW activity in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

SS.2013.02 - WORK FORCE SUCCESS INITIATIVE - MATCHED SAVINGS COMPONENT

REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, this policy does not require MTW authority. This initiative was approved in the FY13 Annual Plan and implemented in FY14. This activity is ongoing but was closed out as an MTW activity in FY14.

FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

SS.2011.01 - CAREER FAMILY OPPORTUNITY PROGRAM (CFO)

REASON FOR CLOSING OUT INITIATIVE

Given the reductions in federal funding, CHA could not continue to provide the administrative funding to cover the program staff and related administrative costs.

This initiative was approved in the FY11 Annual Plan and implemented in FY11. This activity was closed out in FY14.

SUMMARY TABLE OF OUTCOMES

	BASELINE	FY11	FY12	FY13
NUMBER OF HOUSEHOLDS ADMITTED	0	10	17	3
AVERAGE INCOME OF ENROLLEES	\$19,849	\$19,849	\$19,595	\$22,000
MEDIAN INCOME OF ENROLLEES	\$15,000	\$15,000	\$18,616	\$12,100
MEDIAN HOUSEHOLD ASSETS OF ENROLLEES	N/A	N/A	UNAVAILABLE	\$3,000

FINAL OUTCOME AND LESSONS LEARNED

CHA and CWU (non profit partner) recognized that there is continued difficulty in recruitment and a different referral and intake process is required for CFO. The tough economy has also played a factor in the earning expectations for the families and it seems more likely that while overall participants can show improvement in many areas (including increases in income and savings) they are unlikely to achieve self-sufficiency (that is subsidy-free) within the five year timeline envisioned in the original program design.

CE.2008.05 - IMPLEMENT NEW INSPECTION PROTOCOL/HCV

YEAR CLOSED OUT: FY15

REASON FOR CLOSING OUT INITIATIVE

This activity was closed out because Federal Register/Vol. 79, No. 122/Wednesday, June 25, 2014/Rules and Regulations has rendered this activity a standard practice across all PHAs. Therefore, this activity no longer requires any MTW authority.

SUMMARY TABLE OF OUTCOMES

	BASELINE (FY08)	FY14	FY15
TOTAL COST OF TASK IN DOLLARS (DECREASE)	\$152,956	\$30,722	\$102,608
TOTAL TIME TO COMPLETE TASK IN STAFF HOURS (DECREASE)	3,822	1,415	1,350
AVERAGE ERROR RATE IN COMPLETING A TASK AS A PERCENTAGE (DECREASE)	not available	not available	not available

FINAL OUTCOME AND LESSONS LEARNED

This was a successful activity that HUD adopted for all PHAs. This activity continues to be in place at CHA.

HUD REQUIREMENTS

Actual Sources and Uses of MTW Funding for the Fiscal Year

PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system

Describe the Activities that Used Only MTW Single Fund Flexibility

Given the fungibility of work items under CFP and CHA's 5-year plan, CHA capital plan is extensive and comprehensive. In order to plan, develop private investment opportunities and address local issues such as planning and zoning, CHA believes that it is in its best interest to not budget capital soft costs by AMP. Instead, CHA has created a pool of working capital funds based on all planned capital work for the fiscal year.

CHA's Planning and Development Department draws against this pool to cover pre-rehabilitation and/or pre-development costs such as financial consulting, legal, architectural or engineering fees and viability assessments. As the need arises, CHA also intends to charge pre-development administrative costs to this pool. As work progresses, CHA will collapse costs into the capital budget for a specific project, and then track soft costs by AMP. However, not all costs may be AMP-based. In the event a project is deferred or infeasible, CHA at its discretion, can choose to leave those costs in the common pool and not charge them to a project. For projects that go forward, financial statements at year-end will reflect all capital expenses incurred by AMP. Costs charged to the working capital pool are a direct cost to the pool and once a project goes forward will be considered a direct cost to a specific project. In the event CHA receives a developer fee it will reserve the option to charge the fee back to the pool or the AMP where the capital project was completed.

Amendment 1, Section F. 2. b. and c., requires that costs be accorded consistent treatment. The above description comports with Amendment 1 in that the working capital pool can be considered a direct cost for pre-development expenses. Once underway, costs to the extent possible, can be shifted or considered a direct cost to a project.

Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?

Has the PHA implemented a local asset management plan (LAMP)?

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. It 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?

Commitment of Unspent Funds

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

Account	Planned Expenditure	Obligated Funds	Committed Funds
A&E	Elevator Modernization, Truman and Jefferson Park	\$342,000	\$641,000
A&E	Architect & Engineering - Manning	\$0	\$1,688,000
A&E	Architect & Engineering - Jefferson Park	\$13,000	\$1,004,000
A&E	Architect & Engineering - Newtowne Court	\$9,000	\$1,216,000
A&E	Architect & Engineering - Woodrow Wilson	\$0	\$130,000
LEGAL	Legal Costs - RAD Projects	\$39,486	\$125,000
	Planning & Development Working Capital	\$164,000	\$3,294,000
	PT Lab	\$15,000	\$325,000
	Resident Services	\$0	\$252,000
Total Obligated or Committed Funds*:		\$582,486	\$8,675,000

*Committed Funds represent executed contract obligations approved by the Board. Obligated Funds represent services that have been incurred and billed to the Agency.

MTW AGREEMENT ATTACHMENT D REQUIREMENT

Attachment D of the Moving-to-Work (MTW) Agreement dated 1/15/2009 includes the following requirements at paragraph A.6.d.

EPC Reporting Requirements: Each year the Agency shall report on the performance of its EPC in its Annual MTW Report. Reporting requirements include an audited consumption baseline and an annual measurement and verification of cost and consumption savings report. The Annual MTW Report will include the following data elements for each asset management project (AMP), by project number:

	DANIEL F. BURNS APARTMENTS (MA003000307)	MILLERS RIVER APARTMENTS (MA003000310)
IS THE PROJECT ESCO OR SELF-DEVELOPED?	Phases 1 & 2 are ESCo-developed.	This ESCo was self-developed in 2002.
WHAT [IS] THE NUMBER OF REHABILITATED UNITS IN THE ENERGY PROJECT?	Phase I was implemented in May 1997 and affected 199 units. Subsequent conversions reduced the unit count to 196, which is the number included in Phase 2.	301 residential units at Millers River.
WHAT [IS] THE NUMBER OF REHABILITATED AMPS IN THE ENERGY PROJECT?	One (1)	One (1)
WHAT IS THE TOTAL INVESTMENT?	Phase 1 was \$1,464,970 Phase 2 was contracted at \$1,859,757	\$2,699,720
WHAT IS THE TOTAL FINANCED?	Original Phase 1 financing closed in May 1997 and totaled \$1,448,711. The balance was refinanced in May 1999 to reduce interest costs after two payments were made. The par value of the refinancing was \$1,382,983. This financing was paid off in FY10. Phase 2 financing closed on 2/16/2010 and totaled \$1,908,807. Amortization commenced 3/16/2010 and continues through 12/16/2017.	Original amount financed was \$1,822,094. Amortization commenced 12/15/2002 and awaiting data on current status.

	DANIEL F. BURNS APARTMENTS (MA003000307)	MILLERS RIVER APARTMENTS (MA003000310)
WHAT IS THE DEBT SERVICE (ANNUAL)?	\$255,037	\$208,921
WHAT ARE THE GUARANTEED SAVINGS? (SOURCE: INVESTMENT GRADE ENERGY AUDIT)	Same as debt service.	Not applicable
WHAT ARE ACTUAL SAVINGS? (SOURCE: ANNUAL MONITORING AND VERIFICATION REPORT)	\$50,890	(\$15,550)
WHAT IS THE INVESTMENT PER UNIT?	Phase I: \$7,366.68 Phase II: \$9,488.61	\$8,969.17
WHAT IS THE FINANCE PER UNIT?	Phase I: \$6,949.66 Phase II: \$9,738.81	\$5,934.78
WHAT IS THE SAVINGS PER UNIT?	Guaranteed Savings: \$1,318 Actual Savings: \$1,318	Guaranteed Savings: N/A Actual Savings: (\$52)
WHAT IS THE SAVINGS PER PROJECT (AMP)?	Guaranteed Savings: \$260,861 Actual Savings: \$ 50,890	Guaranteed Savings: Not applicable Actual Savings: (\$15,550)
WHAT IS THE TERM OF THE CONTRACT?	Phase I: 12 years Phase II: 7.75 years	12 years
WHAT DATE WAS THE REQUEST FOR PROPOSAL ISSUED?	March 1, 1994 for both Phase I and II.	Not applicable to self-esco.
WHAT WAS DATE AUDIT EXECUTED?	Phase I: January 30, 1995 Phase II: February 26, 2009	November 15, 2002
WHAT WAS DATE ENERGY SERVICES AGREEMENT EXECUTED?	Phase I: May 9, 2007 Phase II: February 26, 2010	Not applicable
WHAT WAS DATE REPAYMENT STARTS?	Phase I: February 13, 1998 Phase II: March 16, 2010	December 15, 2002
WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?	See Description Below.	See Description Below.

DANIEL F. BURNS APARTMENTS (MA003000307)

WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?

PHASE I ENERGY CONSERVATION MEASURES

In 1997, the CHA contracted with Citizens Conservation Services (now Ameresco), to convert the electric heat and hot water systems at Daniel F. Burns Apartments from electricity to natural gas. This first such conversion in federal public housing presented challenges both technical and programmatic that CHA and Ameresco overcame to make the overall project a success.

CONVERT HEATING, HOT WATER, LAUNDRY SYSTEMS FROM ELECTRIC TO GAS

The majority of the Phase 1 project funding was dedicated to the installation of a gas piping, building distribution systems, and heating terminal units, and related controls and accessories throughout the occupied facility to convert the heat, hot water and laundry to natural gas. This included demolition and coring, MEP and carpentry for removing existing electric resistance terminal units, coring, trenching, piping, electrical, carpentry and finishes for fully functional gas and forced hot water heating distributions systems; last but not least, the creation of a boiler room and all associated piping, venting and accessories. The building work is an estimated 65% of the total hard cost; the boiler room brings the total conversion to roughly 86% of the total Phase I hard cost.

ADD TIME-OF-DAY/DEMAND CONTROL TO ROOFTOP EXHAUST FANS

This measure reduced the air changes in the building to a reasonable level and further promoted the reduction in heating energy use.

REPLACE WATER CLOSETS

1st generation, pressurized flush 1.6-gallon toilets were installed in the majority of the units.

PHASE 2 ENERGY CONSERVATION MEASURES

INSTALL HET TOILETS & LOW-FLOW SHOWERHEADS AND AERATORS

Ameresco installed in new HET (high-efficiency toilets) flushing at 1.0 GPF and low-flow aerators and showerheads in all apartments and common area bathrooms. (The prior retrofit included 1.6 GPF left wall-hung 5.0 GPF models.)

ADDRESS BOILER ROOM MAINTENANCE ISSUES

The Phase I boiler systems were providing efficient heat and hot water to the building, but were producing increasingly high contracted maintenance costs. Ameresco replaced the Aerco heating boilers with four gas-fired Hydrotherm KN10 boilers. The new boilers have a higher overall efficiency than the existing boilers because they will run in condensing mode for a longer portion of the year. Concurrently, Ameresco installed new indirect-fired Veissman boilers, a new brazed plate heat exchanger, and new primary and secondary loop circulator pumps for domestic hot water to replace the open loop DHW system; installed a new water softener in line with the cold water feed to the DHW system to reduce the occurrence of liming and scale build up; and replaced the mixing valve.

INSTALL HOT WATER UNIT VENTILATORS IN COMMON AREAS

Ameresco replaced the existing, first-floor, common area, electric unit ventilators with new hot water coil unit ventilators. The new unit ventilators will be connected to the existing space heating distribution system and will save electric energy by converting to a gas heat source and by means of their higher cooling efficiency.

UPGRADE APARTMENT LIGHTING AND UPGRADE COMMON AREA LIGHTING AND CONTROLS

Ameresco completed lighting fixtures, retrofits, and controls. The scope of work involved 601 fixtures and 46 occupancy sensors in common area locations.

ROOF REPLACEMENT AND INSTALLATION OF SOLAR PHOTO-VOLTAIC ARRAY

Ameresco replaced the existing roof, improving the insulation which resulting in a small stream of gas savings. Roof replacement also allowed for the installation of a 46 kW solar array, which will provide annual electricity savings and increase the CHA's percentage of on-site generation.

DANIEL F. BURNS APARTMENTS (PHASE 2 REPORTING)

	DEBT PAYMENT		GUARANTEED SAVINGS		ACTUAL SAVINGS	
	Total	per Unit	Total	per Unit	Total	per Unit
APRIL 2014 TO MAY 2015	\$260,861	\$1,318	\$260,861	\$1,318	\$50,890	\$257

MILLERS RIVER APARTMENTS (MA003000310)

WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?

ENERGY CONSERVATION MEASURES

CONVERT HEATING, HOT WATER, LAUNDRY SYSTEMS FROM ELECTRIC TO GAS

The majority of the project funding was dedicated to installation of gas piping, building distribution systems, heating baseboard, and related controls and accessories throughout the occupied facility to convert the heat, hot water and laundry to natural gas.

The existing electric resistance heating system was replaced with a high

efficiency gas fired hydronic system. The existing electric water heater was converted to an indirect gas fired water heater, and the electrical roof top ventilation units were converted to gas fired hydronic systems.

The project included demolition and carpentry necessary for removing the existing electric resistance terminal units; the coring, trenching, piping, electrical, carpentry and finishes necessary to install fully functional gas and forced hot water heating distribution systems; and last but not least, the creation of a boiler room with all associated piping, venting and accessories.

REPLACE WATER CLOSETS

The existing 3-gallon per flush toilets were replaced with 1.6-gallon toilets throughout the 303 units. This project also replaced the central water booster pump and installed faucet aerators at kitchen and bathroom sinks.

MILLERS RIVER APARTMENTS

	DEBT PAYMENT		GUARANTEED SAVINGS		ACTUAL SAVINGS	
	Total	per Unit	Total	per Unit	Total	per Unit
APRIL 2013 TO MAY 2014	\$146,668	\$487	N/A	N/A	(\$15,550)	(\$52)

ADMINISTRATIVE

CHA BOARD APPROVAL

EXTRACT OF THE MINUTES OF THE REGULAR MEETING OF THE
BOARD OF COMMISSIONERS OF THE
CAMBRIDGE HOUSING AUTHORITY
WEDNESDAY, JUNE 24, 2015 5:30 P.M.

MEMBERS PRESENT: GERARD J. CLARK, CHAIRPERSON
WARREN R. MCMANUS, VICE-CHAIRPERSON
SUSAN T. CONNELLY, TREASURER
VICTORIA BERGLAND, ASSISTANT TREASURER
ANTHONY PINI, MEMBER

ALSO PRESENT: GREGORY RUSS, EXECUTIVE DIRECTOR
MICHAEL JOHNSTON, EXECUTIVE DEPARTMENT
SUSAN COHEN, GENERAL COUNSEL
TERRY DUMAS, PLANNING DEPARTMENT
SHIRLEY SANFORD, RECORDING SECRETARY

SUBMISSION OF THE FY15 MTW ANNUAL REPORT

MOTION: Mr. Pini moved to approve the Moving To Work Deregulation Demonstration Program FY15 Annual Report. Mr. McManus seconded the motion, which upon being put to vote, was passed unanimously.


Gregory Russ, Executive Director

Attest
Seal



SUBMISSION

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TERRY DUMAS, PLANNING DEPARTMENT
SHIRLEY SANFORD, RECORDING SECRETARY

SUBMISSION OF THE FY15 MTW ANNUAL REPORT

MOTION: Mr. Pini moved to authorize the submission of the final Report to the U.S. Department of Housing and Urban Development, pursuant to the memorandum from Martha Tai to Gregory Russ, Executive Director, dated June 19, 2015. Mr. McManus seconded the motion, which upon being put to vote, was passed unanimously.


Gregory Russ, Executive Director

Attest
Seal



LOCAL ASSET MANAGEMENT PLAN

AS SUBMITTED IN THE FY15 PLAN

CHA is in compliance with most of the asset management/operating fund rule requirements set by HUD. The agency has established a fee-for-service and shared resources structure for most activities, as well as a Central Office Cost Center (COCC). Because of the flexibility allowed by CHA's MTW Agreement, some activities do not readily translate into fiscal policy choices that meet all of the stipulated provisions of the Asset Management rule. In Accordance with Amendment 1 of the Amended and Restated Moving to Work Agreement, CHA has instituted a Local Asset Management Plan. Below key differences from the HUD guidelines are outlined:

SINGLE FUND FLEXIBILITY

CHA will continue to exercise full fungibility across programs, Asset Management Projects (AMPs) and if necessary the COCC, at any time throughout the fiscal year.

Per Attachment D.3 of CHA's MTW Agreement states that the funds are not restricted. In addition Amendment 1 Section F. 2. f. provides for full authority to move funds among projects. CHA believes that continued fungibility as described above is permitted.

TRANSFERS TO PROGRAM AND ACTIVITIES USING THE BLOCK GRANT

CHA uses the block grant fund to move MTW and other funds across program funding streams and into particular activities or initiatives. The block grant is the fund that most expresses CHA's use of the Single Fund Flexibility provided by the MTW agreement.

Money in the block grant is generally used in the following targeted ways:

1. Transfers to property operations (both State and Federal) to offset shortfalls in operating subsidy.
2. Transfers in support of other State programs like the Massachusetts Rental Voucher Program (MRVP) where the Federal funds supplement State funds for rental assistance (a State version of Section 8).
3. Transfers in support of a working capital fund for the planning and analysis needed to redevelop properties (see Working Capital section).
4. Transfers in support of planning and development staff that cannot be charged to a specific capital project (especially in the planning phase prior to the project closing).
5. Transfers to make capital contributions, loans or grants, and guarantees for the redevelopment of properties.
6. Transfers to a property for extraordinary maintenance needs.
7. Transfers in support of a specific resident services program or initiative, such as the Workforce Program.
8. Transfers in support of a "working capital" fund for policy development, internships, evaluations, and other costs associated with the planning, refinement, implementation, and evaluation of MTW initiatives or business systems changes that can lead to cost savings.

WORKING CAPITAL

INCLUSION OF FULL CAPITAL FUNDING PLAN (CFP) DATA ON EACH AMP BUDGET

Planning + Development single fund flexibility has been exercised for predevelopment and administrative costs related to capital projects. Given the fungibility of work items under CFP and CHA's 5-year plan, the CHA capital plan is extensive and comprehensive. In order to plan, develop private investment opportunities and address local issues such as planning and zoning, CHA believes that it is in its best interest to not budget capital soft costs by AMP. Instead, CHA has created a pool of working capital funds based on all planned capital work for the fiscal year.

CHA's Planning and Development Department will draw against this pool to cover pre-rehabilitation and/or pre-development costs such as financial consulting, legal, architectural or engineering fees and viability assessments. As the need arises, CHA also intends to charge pre-development administrative costs to this pool. As work progresses, CHA will collapse costs into the capital budget for a specific project, and then track soft costs by AMP. However, not all costs may be AMP-based. In the event a project is deferred or infeasible, CHA at its discretion, can choose to leave those costs in the common pool and not charge them to a project. For projects that go forward, financial statements at year-end will reflect all capital expenses incurred by AMP. Costs charged to the working capital pool are a direct cost to the pool and once a project goes forward will be considered a direct cost to a specific project. In the event CHA receives a developer fee it will reserve the option to charge the fee back to the pool or the AMP where the capital project was completed.

Amendment 1, Section F. 2. b. and c., requires that costs be accorded consistent treatment. The model proposed above comports with Amendment 1 in that the working capital pool can be considered a direct cost for pre-development expenses. Once under-way, costs to the extent possible, can be shifted or considered a direct cost to a project.

POLICY + TECHNOLOGY

The Policy + Technology Lab utilizes single fund flexibility to carry out MTW-related policy-making, research, and the funding of interns, fellows, and other academic support and consultant services.

CAPITAL PROJECTS - GUARANTEES AND TRANSFERS

Single fund flexibility has been exercised to pledge certain portions of our funding to meet investor requirements and to pay for capital projects. These projects may range from major capital improvements (e.g. elevators) to small capital improvements to large-scale portfolio changes such as the Rental Assistance Demonstration (RAD) program.

COCC FEES

This fiscal year, due to the uncertainty surrounding HUD funding, CHA made every effort to reduce the burden on the property budgets. The management fee is \$65 per eligible unit month. (HUD allowable maximum rate is \$72.10). The book keeping fee is at the standard allowable rate of \$7.50 per unit month. Asset management fees are retained at cash flowing properties at \$10 per unit month.

PENSION + OTHER POST EMPLOYMENT BENEFITS (OPEBS)

CHA is in compliance with the Generally Accepted Accounting Principles (GAAP) and Statement No. 45 of the Government Accounting Standards Board (GASB) in its treatment of postemployment benefits (OPEB) expenses and liabilities. Project-based budgeting and accounting is the cornerstone of the Asset Management Program. It appears to CHA that HUD is deviating from this principle by requesting that liabilities related to OPEB for all employees are charged to COCC (from the date of Asset Management implementation forward).

CHA will use its MTW authority to charge OPEB to AMPs and only charge the COCC for the portion directly related to COCC staff. CHA believes this supports the requirements of a true Asset Management Program. Costs should stay where they are incurred (i.e. direct charges and liabilities to the AMPs should remain at the AMPs in order to accurately represent the true cost of running these projects). In addition, since OPEB is excluded from the excess cash calculation, reflecting it under each AMP has no adverse impact on excess cash. Asset management calls for a project level accounting. CHA's methodology supports true project level accounting.

GROSS POTENTIAL OPERATING SUBSIDY

While HUD is planning to mandate the reporting of gross potential subsidy on each AMP, CHA's MTW Agreement does not call for calculation of subsidy by AMP. HUD Form 52723 as submitted by CHA is not AMP-driven at the subsidy level and our fungibility through MTW allows cross-funding of subsidy. CHA thus finds the calculation and reporting of gross potential subsidy inconsequential within an MTW program that has full fungibility. CHA's position is in line with Attachment A to the MTW Agreement which outlines CHA's subsidy computations.

RESIDENT SERVICE EXPENSES

While HUD has encouraged costs associated with resident services to be treated as direct or front line costs, to the extent practical, CHA is now budgeting Resident Services at the site level as a shared cost including some overhead for the Tenant Liaison position.

FEES EARNED FOR AGENCY SERVICES

CHA has established a fund derived from fees earned by the agency for services rendered on non-public housing transactions, to be utilized for purposes consistent with the CHA's mission as determined by the Board of Commissioners and Executive Director.

PUBLIC COMMENTS + RESPONSES

THE FY15 REPORT WAS RELEASED FOR PUBLIC COMMENT¹ ON FRIDAY, MAY 15, 2015 AT 2 PM AND THE COMMENT PERIOD ENDED ON THURSDAY, JUNE 4, 2015 AT 6 PM. CHA RECEIVED TWO COMMENTS DURING THE COMMENT PERIOD. A PUBLIC COMMENT PERIOD FOR THE ANNUAL REPORT IS NOT A REQUIREMENT OF THE AMENDED AND RESTATED MOVING TO WORK AGREEMENT (01-15-09) BETWEEN HUD AND CHA.

COMMENT: *Page 19: RAD Phase 1 list of properties - Woodrow Wilson Court is listed incorrectly as “Elderly/Disabled Units” and should be corrected to “Family Units”.*

CHA RESPONSE: CHA appreciates the clarification. The error has been corrected.

COMMENT: *Page 24: Tenant Services - ACT should be spelled out as the Alliance of Cambridge Tenants.*

CHA RESPONSE: CHA appreciates the clarification. The error has been corrected.

COMMENT: *Page 24: Tenant Services - The Manning Apartments did not have an election conducted by the MA Union of Public Housing Tenants in FY15. The election mentioned, 11/17/14, was monitored by the Alliance of Cambridge Tenants.*

CHA RESPONSE: CHA appreciates the clarification. The error has been corrected.

COMMENT: *The Report states that the implementation of RAD Phase 1 has “impacted all departments,” and that the shift from public housing to project-based vouchers and “transition to a mixed-finance structure changes the structure of the entire agency.” (page 11) How has the organizational structure of CHA changed as a result of the RAD conversion?*

CHA RESPONSE: At the time of this writing, CHA’s organizational structure has been maintained during RAD conversion. However, after RAD is completed, CHA will no longer receive capital funds and operating funds from HUD. Accordingly, CHA departments such as, Planning and Development, would adjust their approach to financing and executing modernization and future development opportunities. CHA will also consider aligning the public housing functional areas around the non-profit/LLC structure resulting from RAD.

COMMENT: *The chronological summary of RAD Activities in FY15 and the section of the Report describing policy changes under RAD, which includes the increase in ceiling rents due to RAD, the new tax credit and rent recertification schedule, the wait list policy for non-tax credit eligible applicants, and the switch from REAC and HQS inspections, tell parts of the story. (pages 14-18) I wondered why the “Summary of Major Administrative & Policy Changes under RAD” (posted on CHA website) was not part of the Report. It is a more exhaustive list of the impacts of RAD on the CHA’s various departments including changes in fiscal procedures, staff roles, and reporting requirements.*

CHA RESPONSE: CHA appreciates the suggestion. The Summary of Major Administrative and Policy Changes under RAD has been included at the end of the RAD narrative that begins on page 13 of this Report.

¹ A public comment period for the MTW Annual Report is not a requirement of the Amended and Restated Moving to Work Agreement (01-15-09) between HUD and CHA.

COMMENT: *I don't disagree with the Report's assertion that without RAD there would likely be a de facto demolition of CHA's public housing stock, and that would in turn decrease the housing choices for low-income people. (Getting a voucher is no guarantee of being able to use it in Cambridge.) I am interested in knowing more about the intersection between RAD and MTW from CHA's perspective. If CHA's MTW authority was "integral to CHA's RAD application," does CHA need to continue to be a MTW agency for RAD to work? (page 13).*

CHA RESPONSE: When the original RAD notice was released, the program did not allow MTW flexibility to be used. CHA reviewed the notice extensively and with interest. However, CHA was not able to make the numbers work. HUD's RAD notice was revised approximately one year later and the second notice allowed MTW flexibility. CHA revisited RAD and assembled a RAD application with a financing structure that exercises MTW single fund flexibility and has led to current RAD activities. Please see page 13 for key activities permitted through CHA's MTW authority. At each RAD closing, CHA's MTW flexibility is integral in making the numbers work. Following full RAD conversion, CHA would not need to retain its MTW flexibility in order to continue operations under RAD. However, other MTW activities with metrics attached may be discontinued if CHA does not retain its MTW authority.

COMMENT: *The Report states that "HUD is intent on limiting MTW flexibility in the current negotiation of the MTW extension (beyond 2018.)" (page 13) HUD is proposing to cut the Housing Choice Voucher (HCV) administrative fee for 17 MTW agencies, including CHA, by removing it from the MTW formula and prorating it at 69%. How much funding would CHA lose?*

CHA RESPONSE: CHA's current MTW agreement combines the HCV administrative fee with HCV HAP funding as one pot of money. In FY15, HCV HAP funding was at over 99%. A reduction from 99% to 69% would equate to a deficit of \$1,137,071 in funding at CHA. Since the public comment period, HUD raised its HCV administrative fee proration estimate to 79%. Based on a 79% administrative fee proration rate, CHA would receive an administrative fee reduction of \$758,047.

COMMENT: *How damaging would it [HCV Admin Fee proration] be at a time when CHA is offering tenants who have to move out of their apartments during construction RAD relocation voucher, and has committed to leasing up 250 current applicants on the public housing wait list?*

CHA RESPONSE: Based on the MTW negotiations to-date, the admin fee proration change that impacts 17 MTW agencies, would go into effect in 2019. CHA anticipates that all RAD conversions would be completed by then. Even so, the reduction in admin fee funding would likely reduce the number of households that CHA is able to serve.

COMMENT: When will HUD decide on the terms of the MTW extension? When would the administrative fee cut take effect?

CHA RESPONSE: HUD has stated that they would like the MTW extension negotiation to wrap up in June 2015. Since the public comment period end, HUD and the MTW Steering Committee have agreed to move beyond the June target with further negotiations in July 2015. Based on the MTW negotiations to-date, the admin fee proration change would go into effect in 2019.

COMMENT: *At the beginning of the Report it states that "four FSS+ program graduates exited the voucher program and entered the private housing market." (page 12) On page 62, it says that three households experienced an end in subsidy in FY15. When did the fourth household graduate? FSS+ was implemented in FY13 which means that these participants completed the program in less than five years. Did they enter the program with a higher level of income from earnings than other program participants? Were there other characteristics that distinguished these households (i.e. older children, higher level of educational attainment)?*

CHA RESPONSE: As of March 31, 2015 a total of four (4) FSS+ participants have graduated since the program started in FY13. In FY15, three (3) out of four (4) participants graduated from the program. The first participant that graduated from the program on November 30, 2013 (FY14) and the fourth participant graduated on March 22, 2015. All four participants completed the program in less than five years. The fourth FSS+ graduate was a dual-earner household, with income above the client average income level at program start and no other distinguishing characteristics. The majority of Compass participants are single-earner households.

COMMENT: *Did these [FSS+] households move to private rental housing? Did any purchase a home (and if yes, was it through the city's first-time homeownership program)? How many households moved outside of Cambridge?*

CHA RESPONSE: The following summarizes outcomes of the four (4) FSS+ participants that graduated early from the program early.

- One (1) graduate purchased a home outside of Cambridge.
- One (1) graduate assumed a family member's mortgage outside the City of Cambridge.
- Two (2) graduates transitioned to market rate rental housing: one in Cambridge and one outside of Cambridge.
- Three (3) out of the four (4) graduates moved outside of Cambridge. This decision was the participants' own and was due to rising rent and home prices in the City of Cambridge.

The FSS+ program does not encourage clients to move outside of Cambridge. However, with the high prices in Cambridge, it is difficult for families to find affordable housing.

COMMENT: *Did any of the [FSS+] households that exited the voucher program meet the criteria of "no longer needs assistance" (i.e. their Housing Assistance Payment or HAP had dropped to zero and remained at zero for 180 consecutive days)?*

CHA RESPONSE: One (1) out of the four (4) households exited CHA housing because they participant had \$0 HAP for 180 consecutive days. The remaining three (3) households voluntarily gave up their vouchers.

COMMENT: *The number of FSS+ participants has increased from 86 to 99. (page 62) How many households have left the program? What were the reasons?*

CHA RESPONSE: The number of participants that have enrolled in FSS+ is actually 158. Language stating "86 to 99" participants was incorrect and has been removed in the metrics. Contracts were terminated for five (5) participants. An additional four (4) participants have graduated from the program. Termination occurs for one of two reasons:

1. The client voluntarily withdraws from the program.
2. The client misses two required coaching appointments spanning a one year timeframe.

COMMENT: *Housing terms and acronyms appear throughout the report without explanation. Most readers won't know that FSS+ is the Financial Stability and Savings Plus program until they get to the end of the report though it is referenced on page 13 and page 23. On page 25, ACT is mentioned three times. The first time it should say the Alliance of Cambridge Tenants (ACT). Other examples include VASH and DHVP on page 30 and HAP on page 62.*

CHA RESPONSE: CHA appreciates the suggestion. The acronyms in the pages referenced have been updated and a list of frequently used acronyms has been included on page 10 of this Report.

COMMENT: *The average HAP of FSS+ participants that have been in the program at least six months is \$928. (page 62) How does that compare to the average HAP of all CHA voucher participants.*

CHA RESPONSE: The average HAP of all CHA voucher holders is \$902.

COMMENT: *In the introduction to the Report, it states that CHA “secured funding to initiate a pilot of the FSS+ expansion.” (page12) On page 23, the Report elaborates on this point and says the funding was “not sufficient to support the entire pilot,” and so CHA and its partners Compass Working Capital and Abt Associates are seeking additional funding. Will the public meeting and comment period not take place until the additional funding is secured? Will the pilot be implemented at the same time that Jefferson Park and Corcoran Park are converted under RAD?*

CHA RESPONSE: At the time of this writing, CHA expects to hold a public meeting and comment period in August 2015, regardless of whether additional funding is secured. We anticipate that the pilot will commence before Jefferson Park and Corcoran Park are converted to RAD. The pilot period would be three years and would overlap with RAD.

COMMENT: *How has FSS+ been modified? Are there any potential conflicts with RAD? For example, is it conceivable that the program would interfere with the property’s net operating income?*

CHA RESPONSE: Details on the expansion of the FSS+ program into public housing are still under development and taking into consideration the RAD conversion schedule and anticipated impacts. There will be minimal impact on each site’s net operating income.

COMMENT: *Would ceiling rent households be eligible to participate in the program? If yes, could it change the amount of their RAD rent increase? The Report states “households who choose not to participate in the program would experience no change.” (page 23) Will participation in the program be completely voluntary or will households be “opted-in” and allowed to “opt-out” after a specified period?*

CHA RESPONSE: The FSS+ expansion still retains an opt-out model in which every household at the two pilot sites would be automatically enrolled in the program, including ceiling rent households. Participation in the program would be completely voluntary. For example, a household could take no action during the pilot period and that would be one way that a household would be opting out of the program.

COMMENT: *It doesn’t make sense to use End of Subsidy (EOS) as the definition of self-sufficiency given the local conditions of a high cost housing market. According to the Report, in FY13, 150 households leased units in Cambridge at over 110% FMR at their initial move-in compared to 98 households that leased in Cambridge at over 120% FMR in FY15. (pages 73-74) As CHA point out, EOS wasn’t the intended outcome of implementing rent simplification or a realistic outcome. In FY13, 46 households left public housing to enter the private market. Since CHA does not do exit interviews we do not know if any of these households purchased a home or moved outside of Cambridge. We have no idea what has happened to these households in the past two years including how housing cost burdened they are in the private market. The Report states that the number of households that transitioned to self-sufficiency (as defined by HUD as EOS) in FY15 was 22, which is less than half of the baseline number. (page 93) It might be useful to compare the incomes of the households that left public housing in FY13 and FY15 (if that information is available). Were any of the leavers ceiling rent households? Did they leave*

public housing for reasons that had nothing to do with economic self-sufficiency?

CHA RESPONSE: CHA agrees with the commenter that EOS should not be used as a definition of self-sufficiency at CHA. The commenter is correct in stating that CHA does not track household income once a household exits CHA. As stated in an earlier comment, CHA does not carry out formal exit interviews. Therefore, CHA cannot provide information on the reason a household in good standing leaves public housing. The table below provides a comparison of earned income for those who experienced a positive exit out of CHA housing in FY13 and FY15. Further examination of the positive exits in FY13 reveal that several households were duplicated in the positive exit count for FY13. After removing duplicate households, 37 public housing households experienced a positive exit in FY13. This updated number is reflected in the table below. Due to the limited number of households that leave public housing, it is difficult to draw conclusions based on the average and median earned income of those who left in good standing.

	FY13	FY15
Number of positive exits out of CHA housing	37	22
Number of those participants with earned income	15	14
Earned income range	\$0 - \$68,276	\$0 - \$74,951
Average annual earned income for those who had earned income	\$30,417	\$39,417
Median annual earned income for those who had earned income	\$24,692	\$36,232
Median annual earned income for all positive exits	\$0	\$29,120
Number of participants paying ceiling rent who experienced a positive exit	2	9

COMMENT: *Could CHA include in the Report the percentage of CHA households with tenant-based vouchers that live outside of Cambridge? How much has it increased over the past five years?*

CHA RESPONSE: The following outcomes for 2004 and 2012 are drawn from a spatio-temporal analysis of HCV participants (page 6) completed by a 2012 Rappaport fellow and sponsored by PT Lab.

YEAR	Percent of CHA HCV participants living in Cambridge (approximate)
2004	93%
2012	68%
2015*	74% All MTW vouchers (1,706 out of 2,297) 51% MTW tenant-based vouchers (780 out of 1,517)

* The methodology for deriving the 2015 number is different from the 2004 and 2012 numbers.

The results suggest that CHA's Expiring Use Program has increased the proportion of CHA's HCV holders living in Cambridge.

COMMENT: *Have any families completed the redesigned two-year Heading Home program? (page 67) If yes, were they deemed eligible for public housing? Are there six households currently participating in the program? (page 68) How long have they been part of the program?*

CHA RESPONSE: No participant households in the Pathways to Permanent Housing - Heading Home program have graduated from the program. At the time of this writing, six (6) households are enrolled in the program. The first participant enrolled in April 2014. Two participants enrolled in June 2014. An additional two participants enrolled in July 2014. The sixth participant enrolled in October 2014.

COMMENT: *Why is the number of Heading Home households receiving services aimed to increase self-sufficiency (20) different from the number of Heading Home households receiving services to increase housing choice (6), and the number of Heading Home households able to move to a better unit and/or neighborhood (6)*

CHA RESPONSE: CHA appreciates the comment. The number of Heading Home households receiving services aimed to increase self-sufficiency has been corrected to six (6). The same households are counted in receiving services aimed to increase housing choice.

COMMENT: *I would like to suggest that the Report state that the Customer Service Committee is comprised of tenant leaders and two members of the CHA staff, namely, the customer service manager and the deputy executive director. (page 24). The Committee went on a hiatus during 2014. This was largely due to all of the activity related to the RAD conversion including nine months of discussions about the new lease. The Committee resumed meeting in 2015 because the Alliance of Cambridge Tenants pressed CHA to act on its commitment to hold a customer service and diversity awareness training for its staff. WorkTerrain, the consultant hired by CHA to design and lead the training, conducted a customer service focus group at the May 26, 2015 Quarterly Meeting with Tenant Leaders. The meeting, which was organized by the Customer Service Committee, was very successful. Tenants actively participated in the focus group because they believed their concerns would be taken seriously by CHA.*

CHA RESPONSE: CHA appreciates the comments regarding the May 26 Quarterly Meeting. In the Customer Service narrative in this Report, a sentence has been added to state “The Committee has been staffed by CHA’s Customer Service and Communications Manager and Deputy Executive Director.”

COMMENT: *What did CHA learn from Cambridge’s Community Engagement Team about how to reach community members for whom English is not their first language and include them in discussions about what is happening at CHA (page 24) Was information about this resource shared with any tenants?*

CHA RESPONSE: If there is interest, the Tenant Liaison will set up a meeting and workshop on the findings of the Engagement Team in the Fall.

COMMENT: *In FY15, how much of the tenant liaison’s time was spent involved in activities not related to working directly with the tenant councils and ACT? (pages 23-24) Has this changed from previous years?*

CHA RESPONSE: The scope and work of the Tenant Liaison has not changed. However, with RAD, the Tenant Liaison was involved in some work that intersected with tenant impacts and RAD-related logistics (e.g. relocation agreements). The Tenant Liaison plans to provide more concerted support in getting Tenant Councils active as described in previous annual plans.

COMMENT: *The Report states that in FY15 the Policy and Technology Lab retained one intern who worked to “facilitate the planning and feasibility of FSS+expansion into public housing.” (page 24) Was a working paper or draft proposal produced? What is the process for deciding which policy issues will be researched by the PT Lab? Is CHA planning on recruiting new interns?*

CHA RESPONSE: The PT Lab intern has been driving the development of the FSS+ expansion and working directly with CHA staff, Compass Working Capital, and Abt Associates to develop a feasible implementation model and schedule. A working paper or draft proposal has not been produced for the expansion. At present there is no formal process for deciding policy issues to be researched or for recruiting new interns. Individuals may contact the PT Lab if they have a policy or project idea in line with CHA's needs.

COMMENT: *The rent determination error rate for the HCV program decreased from 30% in December 2013 to 21% in April 2015, and increased from 7% in July 2013 to 14% in FY15 in the public housing program (pages 84 and 91). Does CHA have any explanations for the changes in the error rate?*

CHA RESPONSE: In the HCV program, the shift to case management combined with additional training and weekly meetings with supervisors may have contributed to the reduction in the error rate. In the public housing program, no specific explanation can be provided for the increase in error rate. With any staff turnover, we expect the error rate to slightly fluctuate from year to year. It is important to note that CHA's error rate in both programs is below the national error rate average of 25%.

COMMENT: *I would like to suggest that the Report indicate which preservation transactions were RAD conversions. (pages 23 and 64) I think that expiring-use preservation should be mentioned in the section on RAD?*

CHA RESPONSE: CHA appreciates the comment. At the time of this writing, CHA is involved in two expiring use preservation developments (Louis Barrett and Brookside). These developments are under a different program under RAD and occur independent of CHA's RAD conversion of public housing. CHA's role in Louis Barrett and Brookside is similar in scope to CHA's role in other expiring use developments and could confuse the reader regarding CHA's RAD conversion. The pages referenced above have been modified to include RAD in the description.

COMMENT: *Why is the percentage of younger disabled residents so low, 7.5% (only 7 of 94 households), at Putnam Square? I'm aware that the property was originally a "(94-unit) apartment house for elderly persons, low-income." (City of Cambridge Board of Zoning Appeals Case Number: 4132-2, July 1, 1970) Is it reasonable to anticipate that the tenant population at Putnam Square will shift, increasing the number of younger disabled households, when the new project-based voucher wait list system is put into place and Putnam Square is paired with Inman Square Apartments?*

CHA RESPONSE: In prior years, CHA screened new admissions into Putnam Square and therefore had more direct influence in the resident composition. CHA paid very close attention to the numbers. Currently, Homeowner's Rehab Inc (HRI) performs all new screenings and its resident composition will not be included in the Report because the site will be treated in line with other project-based sites, such as Inman Apartments.

COMMENT: *What tenant participation regulations will apply to Temple Place? (page 20)?*

CHA RESPONSE: Temple Place, when completed, will be a project-based Section 8 property that will follow the same rules and regulations as other affiliate sites. Examples include Lancaster Street and 195 Prospect Street.

COMMENT: *It was fascinating to see the mix of family sizes served by the CHA. (pages 54-55) Has the CHA compared the data on the number of persons in each household served by CHA with the list of under- and over-housed households? I would like to see included in this Report information about the waiting periods for different bedroom sizes (by sites) prior to the closing of the public housing wait list, and the churn rates in both the public housing and leased housing programs in FY15.*

CHA RESPONSE: CHA has not compared under- and over-housed households relative to the household size. Waiting periods based on bedroom size and housing sites vary as a result of many factors (e.g. vacancy rate and modernization/construction schedules). In particular, unit turnover is unpredictable and inconsistent year to year and month to month, thereby making it very difficult to provide a reasonable measure of average wait periods.

COMMENT: *Based on the profile of the current applicants on the public housing wait list (local preference/no preference, income levels, household size) and eligibility policies under RAD, who will CHA be serving in the future?*

CHA RESPONSE: CHA will continue to serve the current public housing and RAD households. New RAD households must meet tax credit requirements for as outlined in CHA's Administrative Plan in order to be considered.

