

SECOND AMENDMENT TO THE MOVING TO WORK AGREEMENT

This Second Amendment to the Moving to Work Agreement (“Second Amendment”) is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development (“HUD”) and The Housing Authority of the City of Baltimore (“HABC”) and is effective as of December 30, 2008.

HABC and HUD are parties to the Standard Moving To Work Agreement, executed December 24, 2008 (the “Standard Agreement”). Immediately after Section E. of Attachment D of the Standard Agreement are two sections headed, “The following items may be modified or deleted pending the result of the Uses of Funds question:” that served as placeholder language regarding the ability of HABC to use funds outside of Sections 8 and 9 of the United States Housing Act of 1937.

After review by the Department, standard language that defines this ability has been developed. Accordingly the language in Attachment D of the Standard Agreement is amended as follows:

1. Strike all the language after Section E, beginning on page six, and substitute the following,

Use of MTW Funds. The Agency and HUD acknowledge that Section 204(a) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) provides that an agency participating in the MTW demonstration program may combine public housing operating and capital funds provided under Section 9 of the U.S. Housing Act of 1937 (the “1937 Act”) and voucher program funds provided under Section 8 of the 1937 Act “to provide housing assistance for low-income families, as defined in section 3(b)(2) of the [1937 Act], and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.”

The Agency and HUD hereby agree that they do not intend for the Standard Agreement to limit or restrict the authority to use MTW Funds, that notwithstanding any language to the contrary, those provisions in this Agreement or its attachments that restrict the use of funds to Sections 8 and 9 are repealed, and the Agency may use MTW Funds to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work, whether or not any such use is authorized by Sections 8 or 9 of the 1937 Act, provided such uses are consistent with other requirements of the MTW statute [i.e., including but not limited to the requirements to maintain a comparable mix of families and serve substantially the same number of families as would have been assisted if the Agency were not in the MTW demonstration, assuring that housing assisted under the demonstration meets housing quality standards established or approved by the Secretary, that at least 75 percent of the families assisted be very low income families, that the agency has established a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, that the requirements of sections 12 of the 1937 Act are applied to any housing assisted under the demonstration other than housing assisted solely because of occupancy by families receiving tenant-based assistance, and that Section 18 of the 1937 Act shall continue to

apply to public housing notwithstanding the use of any use of the housing under the demonstration] and have been proposed in an Agency's Annual MTW Plan and approved by HUD.

Notwithstanding the above, such funds remain Federal funds, and are subject to any and all other Federal requirements outside of the 1937 Act (e.g., including but not limited to Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements), as modified from time to time.

Single Fund Budget with Full Flexibility.

- a. Pursuant to Section B.1 of Attachment C of the MTW Agreement, HABC may combine its public housing operating subsidies and capital funds (including development and replacement housing factor funds), and tenant-based Section 8 rental assistance voucher funds into a single, authority-wide funding source, excluding funds like HOPE VI, which must be kept separate. HABC may use this funding source to carry out the purposes of the MTW demonstration to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, education programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through but not limited to the following activities:
 - i. The preservation of units currently serving people of low income or the acquisition and/or development of new units for people of low income.
 - ii. The operation or preservation of locally developed housing programs.
2. **Certification and Concurrence.** HABC hereby certifies to HUD that the initial public hearing and consultation process for the Standard Agreement included the use of funds language as currently stated in Attachment D, and that the authorized representative of HABC has obtained all necessary HABC board approvals to execute this Second Amendment. HUD concurs that no further public hearing or consultation is needed with respect to this Second Amendment.
3. **Status of Standard Agreement.** Except as modified in this Second Amendment, the Standard Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Second Amendment to be executed by their duly authorized representatives.

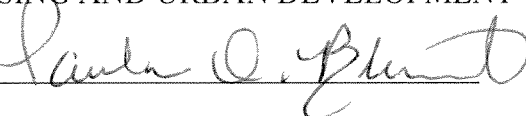
THE HOUSING AUTHORITY OF THE
CITY OF BALTIMORE

By: 

Its: Executive Director

Date: March 20, 2009

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

By: 

Its: General Deputy Assistant Secretary

Date: 4/8/09