



District of Columbia Housing Authority

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Michael Kelly, Executive Director

July 31, 2007

Ms. Dominique Blom
Deputy Assistant Secretary
Office of Public Housing Investments
U.S. Department of Housing and
Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Ms. Blom:

I am pleased to submit the attached FY 2008 Moving to Work (MTW) Annual Plan in accordance with the D.C. Housing Authority's (DCHA) MTW Agreement. This plan includes data and other descriptive information on DCHA's housing and resident programs. It also includes descriptions of those program initiatives that DCHA will explore during the next fiscal year. These program initiatives provide DCHA with the opportunity to create local policy and procedural modifications to existing HUD rules that better serve our clients. This is the fifth year of DCHA's participation in the MTW demonstration, and we have found the programmatic flexibility associated with MTW to be invaluable as DCHA responds to ever changing forces within the affordable housing industry.

Thematically, this plan is consistent with those submitted over the past four years; DCHA's overarching objectives are to improve program efficiencies, streamline procedures, and create opportunities to increase the availability of low income housing. We have shared these ideas, and collected some as well, through our extensive outreach process. We have consulted with our resident leadership. We have met with the local advocate community and held a public hearing. Each of our initiatives undergoes an exhaustive vetting with our core stakeholders, and we are excited about the opportunities available to us during the year ahead.

Please feel free to call me with any questions you may have regarding this plan. I look forward to sharing our FY 2007 MTW report with you later this year.

Sincerely,


Michael Kelly
Executive Director

cc: Lee Palman

DISTRICT OF COLUMBIA HOUSING AUTHORITY



**CREATIVE LIVING
SOLUTIONS PLAN
FY 2008**

MICHAEL KELLY, Executive Director

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INTRODUCTION

This plan describes both the ongoing activities and plans and the innovative initiatives that DCHA will pursue during the fifth full year of its participation in HUD's demonstration program, Moving to Work (MTW). In accordance with the administrative provisions of the DCHA MTW Agreement, this plan is for the period from the beginning of Fiscal Year 2008, October 1, 2007, through September 30, 2008.

Because DCHA is governed by the District of Columbia's public rulemaking process, and works closely with an active low income housing advocate community, its Citywide Resident Advisory Board and residents in both the public housing and voucher programs, this plan is an overview and preview of MTW activities anticipated for the coming year. Each one of the initiatives proposed in the second section of this plan, "Creative Living Solutions Initiatives", will be reviewed and crafted in detail by a diverse group of stakeholders before being adopted by the Board of Commissioners. The local regulations or other implementing tools will reflect the input from many authors before they are made final.

The basic requirements for DCHA's participation in the MTW demonstration are outlined in DCHA's MTW Agreement with HUD. The MTW Agreement commits DCHA to the following:

- At least seventy-five (75%) of the families assisted during the term of the demonstration will be very low-income families;
- DCHA will continue to assist at least substantially the same total number of eligible low-income families as would have been served without participation in the demonstration; and
- DCHA will serve a comparable mix of families (by family size) as would have been served without participation in the program.

DCHA has chosen to name its MTW program Creative Living Solutions (CLS). The CLS objectives that DCHA has established spring from the goals and objectives of its Strategic Plan. DCHA has operated under a Strategic Plan for the past seven years which consists of ten goals approved by the Board of Commissioners. The plan has been updated every two years and DCHA is operating under a FY 2007-2008 plan. DCHA's ten goals have been combined into objectives for the purpose of this plan. The Strategic Plan will continue to guide the day-to-day activities of the Authority. DCHA's four CLS objectives as outlined in this Plan are as follows:

- Develop enhanced housing opportunities;
- Sustain quality property management;
- Achieve effective customer support services; and
- Organize efficient businesslike operating systems.

Over the course of the seven year term of this demonstration new DCHA rules or other implementing steps, replacing those required by HUD, will be developed in consultation with the residents of DCHA's communities, the local organizations committed to helping improve the lives of low income families, local elected and appointed officials, DCHA staff and concerned members of the general public. After the exploration and consultation process, those changes that are carried through to implementation will be adopted through the District of Columbia rulemaking process after approval by the DCHA Board of Commissioners. Once adopted by the DCHA Board of Commissioners, local rules will replace HUD rules. DCHA will not implement the changes

described in this plan without hearing from and working closely with our clients, advocacy groups and all other stakeholders, not the least of which are DCHA's employees responsible for the day-to-day success of the agency in achieving its mission.

Because of DCHA's commitment to following a broadly inclusive path in implementing the initiatives described in this plan, we cannot predict exactly when or whether initiatives will be fully implemented. Thus, this plan presents the innovative activities that we plan to explore and possibly initiate during FY '08 recognizing that some of the initiatives described in this plan will take more than one year to fully implement. Additionally, this plan includes the initiatives that we began in FY'04, FY '05, FY '06 and FY '07 that will require further development during FY'08. These are identified by the numbering system. Initiatives introduced in FY'04 have "04", "05" for FY 2005 and "06" for FY '06 and so forth, representing the last two digits in the Initiative number. Similarly, initiatives introduced this year end in "08". Some initiatives have been and may be abandoned if we learn from the input gathered during the planning process that the initiative as proposed will not result in the benefits we seek.

Organization of the Plan

The first section of this plan is entitled "Overview of Activities and Issues". It is organized according to the requirements for the MTW Plan found in Attachment "B" of DCHA's MTW Agreement with HUD. The "Overview of Activities and Issues" section of the plan provides data showing trends in the core activities of the Agency. Per the MTW agreement, the data is presented by fiscal year providing statistics and indicators for the both the beginning and end of the fiscal year for which the plan is written. When DCHA reports on the benchmarks as required by its MTW Agreement, it reports on data from the end of each fiscal year. The "Overview of Activities and Issues" section also identifies issues and describes actions that DCHA will be taking to address the identified issues. DCHA is able to undertake some of the actions described in the Ongoing Activities section as a result of the authorizations of DCHA's MTW Agreement with HUD.

The second section of this plan outlines specific innovative activities that are authorized by the terms of the MTW Agreement. It is entitled "Creative Living Solutions Initiatives". Each part of the "Creative Living Solutions Initiatives" section covers a CLS Objective. The initiatives listed in this plan are organized and numbered according to the primary CLS objective that they advance the order in which they were presented and the year when they were first introduced. For example, the first initiative in this year's plan is numbered 1.4.04. This initiative advances objective 1. It was the 4th initiative proposed under MTW/CLS and it was introduced in the FY '04 Plan. Gaps in numbering sequence indicate that an initiative has been implemented or that DCHA has determined, as part of its exploration of the initiative that it is not feasible or useful to implement. Information on initiatives that were introduced in FY 2007 and that are not included in this plan will be included in the MTW/CLS Annual report for FY 2007 as we report on the status of those initiatives. This plan only addresses those initiatives that will be pursued during FY 2008.

As DCHA pursues the CLS Initiatives outlined in this plan, it also will be working to achieve the performance benchmarks established in Attachment "D" of the MTW Agreement. At the end of the year DCHA will prepare a CLS Annual Report to report on the progress it has made toward achieving the benchmarks in the Agreement, and the status of the initiatives outlined in this Plan.

OVERVIEW OF ACTIVITIES AND ISSUES

A. Households Served

Public Housing Families	
At beginning of period (Oct. 1, 2007)	Projected at the end of period (Sept. 30, 2008)
7,380 ¹	7,390 ²

HCVP Recipients	
At beginning of period (Oct. 1, 2007)	Projected at the end of period (Sept. 30, 2008)
10,997 ³	11,092 ⁴

Total Households Served (public housing and HCVP)	
At beginning of period (Oct. 1, 2007)	Projected at the end of period (Sept. 30, 2008)
18,357	18,482

Households Served ⁵ by bedroom Size: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0BR	2,408	2,255	2,956	2,563	1,021	1,022		
1BR	3,472	3,592	3,626	3,531	4,274	4,860		
2BR	5,049	5,193	5,196	4,992	5,522	5,801		
3BR	3,741	3,857	3,757	3,795	4,115	4,426		
4BR	1,149	1,177	1,204	1,327	1,462	1,567		
5BR	336	343	370	417	465	494		
6BR	33	35	57	70	78	82		
TOTAL	16,188	16,452	17,166	16,695	16,937	18,253		

¹ This figure represents the number of households served as of July 2003 plus the projected number of households to be served between July and October 1, 2007.

² This figure represents the number of households served as of July 2003 plus the projected number of households to be served between July and October 1, 2007 and the number projected to be served between October 2007 and September 30, 2008, the end of the fiscal year.

³ This figure represents the number of households served as of July 2003 plus the projected number of households to be served between July and October 1, 2007.

⁴ This figure represents the number of households served as of July 2003 plus the projected number of households to be served between July and October 1, 2007 and the number projected to be served between October 2007 and September 30, 2008, the end of the fiscal year.

⁵ This figure represents the number of households served as of July, 2003, the month in which DCHA is submitting the Plan.

Households Served by Household Type: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	9,582	9,683	9,732	10,158	10,158	10,829		
Elderly/non-disabled	1,976	2,140	2,249	2,476	2,399	2,791		
Disabled ⁶	4,626	4,629	5,185	5,743	6,126	6,420		
other	4	-	-	-	-	-		
TOTAL	16,188	16,452	17,166	18,377	18,683	20,041		

Households Served by Income Group: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	15,258	15,465	15,869	15,432	15,428	16,451		
30%-50%AMI	876	926	1,187	1,153	1,322	1,622		
50%-80% AMI	54	60	105	104	176	123		
>80%AMI	-	1	5	6	11	56		
TOTAL	16,188	16,452	17,166	16,695	16,937	18,253		

Households Served by Race: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	48	48	53	51	59	70		
Black	15,734	15,829	16,643	16,185	16,458	17,706		
Native American / Hawaiian	6	7	27	28	28	29		
White	313	326	369	363	364	436		
Other	87	242	74	68	28	12		
TOTAL	16,188	16,452	17,166	16,695	16,937	18,253		

⁶ This figure represents the number of household members who are disabled.

Households Served by Ethnicity: TOTAL								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	--	339	350	413	344	389		
Non-Hispanic	--	16,113	16,816	16,282	16,593	17,864		
TOTAL	--	16,452	17,166	16,695	16,937	18,253		

As of July 2007, the month in which the FY 2008 MTW Plan is submitted, DCHA served a total of 18,253 households. As shown in the tables above, DCHA projects to start its FY 2008 serving approximately 7,380 in its Public Housing program and approximately 10,997 in its Housing Choice Voucher Program or a collective of 18,357 for both programs. By the end of the fiscal year, DCHA anticipates serving a total of 18,482 or 7,390 in the Public Housing Program and 11,092 in the Housing Choice Voucher Program.

We anticipate modest increases in both programs during the course of the fiscal year. The increase in the public housing program is the result of public housing replacement units coming on line at DCHA's HOPE VI sites and other existing units coming back on line after being treated under the bond funded modernization program. The slight growth in the voucher program will be due to continued opt-outs in the District of Columbia resulting in DCHA's issuance of tenant-based vouchers to affected tenants.

DCHA projects the demographic of households served to remain generally remained consistent with previous years.

It should also be noted that in addition to the households served in the Voucher program, DCHA currently serves additional 655 households through the Moderate Rehabilitation program. This is a significant reduction in service compared to three to four years ago when DCHA served over 2,000 households. It is anticipated that landlords will continue to opt-out in the coming years.

B. Waiting List Issues

Households on Waiting List by Housing Type								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Public Housing	17,374	20,492	26,458	27,622	29,797	29,756		
HCVP	26,218	30,876	40,884	44,500	47,229	48,748		
TOTAL	43,592	51,368	67,342	72,122	77,026	78,505		

Households on Waiting List by Bedroom Size: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
0 BR	6,325	7,011	6,367	6,450	6,995	6,868		
1 BR	2,531	3,363	6,636	7,535	8,690	8,966		
2 BR	4,620	5,502	7,453	7,730	7,848	7,899		
3 BR	2,947	3,485	4,667	4,580	4,906	4,649		
4 BR	714	846	1,088	1,118	1,186	1,211		
5 BR	116	141	119	95	71	67		
6 BR	20	30	25	19	6	7		
6+ BR	101	114	103	95	95	89		
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756		

Households on Waiting Lists by Income Group: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	17,006	20,077	25,971	27,244	29,385	29,374		
30%-50% AMI	330	357	421	318	353	334		
50%-80% AMI	9	13	23	20	19	9		
>80% AMI	29	45	43	40	40	39		
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756		

Households on Waiting Lists by Income Group: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
<30% AMI	25,565	30,164	39,951	43,659	46,349	47,906		
30%-50% AMI	582	622	821	739	776	749		
50%-80% AMI	27	29	48	39	41	24		
>80% AMI	44	61	64	63	63	69		
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748		

Households on Waiting Lists by Household Type: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	15,390	18,340	23,320	24,269	25,962	25,921		
Elderly/non-disabled	956	1,133	1,323	1,051	1,343	1,200		
Disabled	988	969	1,751	2,251	2,445	2,590		
other	40	50	64	51	47	45		
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756		

Households on Waiting Lists by Household Type: HCVP

	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Non-elderly/non disabled	22,073	26,304	34,103	37,142	38,924	39,854		
Elderly/non-disabled	1,749	2,080	2,881	2,690	3,237	3,508		
Disabled	2,340	2,422	3,825	4,668	4,989	5,317		
other	56	70	75	-	79	69		
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748		

Households on Waiting Lists by Household Type: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	95	111	185	140	150	147		
Black	16,750	19,780	25,505	26,653	28,733	28,688		
Native American / Hawaiian	52	59	69	65	74	77		
White	395	465	640	672	765	773		
Other	82	77	59	92	75	71		
TOTAL	17,374	20,492	26,458	27,622	29,797	29,756		

Households on Waiting Lists by Race: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Asian/Pacific Islander	135	154	263	231	263	281		
Black	25,216	29,722	39,335	42,803	45,383	46,842		
Native American / Hawaiian	66	90	100	164	113	121		
White	660	769	1,070	1,187	1,308	1,345		
Other	141	141	116	115	162	159		
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748		

Households on Waiting List by Ethnicity: Public Housing								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	--	700	412	542	548	539		
Non-Hispanic	--	19,792	24,609	27,080	29,249	29,186		
Non-Reported	--	--	1,437	-	-	31		
TOTAL	--	20,492	26,458	27,622	29,797	29,756		

Households on Waiting List by Ethnicity: HCVP								
	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY'09	FY '10
Hispanic	842	992	664	895	1,005	1,008		
Non-Hispanic	25,376	29,884	40,220	43,605	46,224	47,644		
Non-Reported	-	-	-	-	-	96		
TOTAL	26,218	30,876	40,884	44,500	47,229	48,748		

As shown above, the waiting lists for both HCVP and Public Housing programs have more applicants than could be housed within any reasonable time period. Since 2003, the waiting list has grown by 46% and it is projected to continue to grow steady during FY 2008. With an astonishing 58,000 households currently on either the public housing or voucher lists or both, DCHA is contemplating ways manage the list given the real pressures placed on the intake staff and the realities of the hot market in the District of Columbia that is driving up the cost of both rental and homeownership units and thereby reducing the availability of affordable units.

In an effort to be efficient, DCHA requires only a simplified waiting list application, allowing the applicant to self certify as to program eligibility and preference categories. As an applicant family nears the top of the waiting list, the applicant is required to provide more extensive information for eligibility and certification purposes. Staff then verifies more extensive information before offering the applicant a unit or a voucher. DCHA will continue to employ this method of waiting list management. Moreover, in FY 2008, DCHA will also be implementing new software program, VISUALHOMES, which will have a waiting list management module. In addition, DCHA will be working to fully implement a digital file management system, whereby all applicant files will be scanned and made available electronically.

C. Number of households projected to be served at the end of FY '08

DCHA projects that it will serve a total of 18,375 households in its Public Housing and HCV programs at the beginning of FY'08 and 18,502 by the end of FY '08. Through DCHA's numerous mixed-finance redevelopment opportunities, the housing authority also serves and will continue to serve a substantial number of low income families in other subsidized units, such as those developed and financed with Low Income Tax Credits. Collectively, DCHA is managing, preserving and creating a large majority of affordable and low income units, housing very low and low income families in the District of Columbia.

DCHA will continue to seek to adding public housing units to its inventory through partnerships with other nonprofit and for-profit housing providers to assign unused increments of Annual Contributions Contract authority to affordable housing units owned, operated and being developed and acquired by these groups. DCHA is working with HUD on a streamlined implementation of this under a previous MTW initiative referred to as the OPERA program. The units added to DCHA's inventory in this manner will replace obsolete public housing units that have been demolished or disposed.

Occupancy Policies

A. Statement of policies governing Eligibility, Selection, Admissions, Assignment and Occupancy of Families including Deconcentration

In order to establish a mix of incomes at its properties, DCHA has had an Admissions and Occupancy Policy in place for the past eight years that places importance on including working families in the DCHA community mix. Fifty percent of the applicants admitted in any year are working families, the elderly or disabled. Fifty percent are all other categories of applicants. The latter group includes up to 100 families facing an emergency situation that includes homelessness. With a public housing waiting list of nearly 30,000, 98% of whom are extremely low-income, a typical applicant can expect to wait many years before being offered a public housing unit. Those with a need for a unit in high demand and in short supply will wait the longest. With such a large waiting list, DCHA does not offer public housing as emergency housing; as such it has no provisions for preferences for families with emergency housing needs.

To further enhance housing opportunities, DCHA screens applicants for criminal and drug related activity, reliability in paying rent, various good neighbor factors and ability to comply with the terms of the lease. Applicants are given at least two opportunities to select a unit before they are removed from the waiting list.

In its screening of applicants for criminal activity, if it is determined by DCHA that an applicant may be ineligible as a result of criminal history, an informal conference is held with the applicant and s/he is provided an opportunity to present any mitigating factors that would indicate to the Authority that the applicant should not be determined to be ineligible based on an unsatisfactory criminal history. At this conference, if it is clear that the criminal history is the result of actual or threatened domestic violence against the applicant, then the applicant will not be determined to be ineligible.

DCHA's continuing occupancy policies are based on principles of equity for all residents and the protection of the right to quiet enjoyment of the residential premises. In order to foster the best living environment for all residents, DCHA enforces recertification, rent payment policies and other requirements of the resident's lease and uses landlord-tenant court and eviction, as necessary, to assure that all tenants comply with their lease obligations. DCHA pursues lease enforcement in cases of criminal activity both on and off DCHA's premises. The authority uses One Strike evictions as an important part of its crime reduction activities, but each case is based on a review of the particular facts in each situation before proceeding.

DCHA does not have any properties with a large number of families with relatively higher incomes, except in HOPE VI properties where explicit policies have been established to market to and recruit families with a wide-range of incomes. The majority of families residing in all DCHA's properties have incomes below 30% of the Area Median Income (AMI), and most of those families have incomes only at 10-12% of AMI. Since the majority of families on DCHA's waiting list are also below 30% of median income, DCHA's efforts to deconcentrate its communities is focused on improving the incomes of its current residents. This has been DCHA's deconcentration policy since QHWRA instituted the requirement for a deconcentration policy. Several of the CLS Initiatives proposed in this plan will be an important part of this ongoing effort.

In May 2006, DCHA signed a new Amended Voluntary Compliance Agreement (VCA) with the U.S. Department of Housing and Urban Development (HUD) resulting in several revisions to DCHA Admissions and Continued Occupancy Policy (ACOP), Transfer Policy and public housing lease. These revisions will impact how families with disabilities requiring special unit features are assisted by DCHA.

Admissions and Continued Occupancy Policy (ACOP) and Transfer Policy

Priority order for offering the following types of available UFAS-Accessible Units and Reasonable Accommodation Units:

UFAS-Accessible Units—DCHA-owned inventory

1. Current DCHA residents with verified mobility disabilities requiring the accessible features of the unit; and
2. Qualified applicants with verified mobility disabilities needing a UFAS-Accessible unit

New UFAS-Accessible Units at Mixed Income/New Construction “MINC” Developments—in the event there is more than one family falling in the following priority groups, they will be ordered according to the re-entry system of the development, the families’ initial transfer request dates or the families’ application dates, whichever is applicable.

1. Qualified returning residents (former resident of one of the developments being redeveloped) with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size;
2. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *Interim Immediate Needs Plan*;
3. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, who are housed in accordance with the *2007 Interim Immediate Needs Plan*;
4. Qualified residents with verified mobility disabilities needing a UFAS-Accessible unit, of the appropriate bedroom size, on the DCHA’s Transfer List;
5. Qualified Public Housing applicants on the DCHA Waiting List with verified mobility disabilities needing a UFAS-Accessible unit of the appropriate bedroom size; and
6. Qualified Housing Choice Voucher applicants with verified need for a UFAS-Accessible unit of the appropriate bedroom size.

Reasonable Accommodation Units—offered to applicants on the Walker/Canes/Crutches (WCC) Applicant List:

1. Next Eligible Applicant on the WCC Applicant List requiring the accessibility features of the unit; and
2. Next eligible applicant on the WCC Applicant List who does not need the accessible features of the unit, in the event there are no WCC Applicant List applicants on the list or who are on the list and do not want the accessibility features of the unit.

Supplement to the Lease

The DCHA lease has been revised to address the following situations in order to ensure that UFAS-Accessible and Reasonable Accommodation units are readily made available to families requiring the features of such units. Both DCHA and private owners or their management agent (POMA) of MINC developments shall enforce these provisions:

1. Non-disabled families housed in UFAS-Accessible and Reasonable Accommodation Units will sign a special lease supplement agreeing to be transferred within ten (10) days of being notified by DCHA that a family requiring the accessible features of the unit has been identified. Non-disabled families are offered and housed in UFAS-Accessible and Reasonable Accommodation Units when there are no qualified residents or applicants at the time needing the features of the unit.
2. Remaining Family Members for which the disabled family member has died or has been relocated must relocate to a vacant non-accessible unit within six (6) months of the former resident's death or relocation

Property and Unit Designations

DCHA has six (6) properties designated as "elderly only". These include:

Edgewood Terrace with 89 public housing units,
 Senior Building at Wheeler Creek with 89 public housing units, (HOPE VI)
 "Capper I" Senior Building at the Capper/Carrollsborg HOPE VI site with 162 units,
 Capitol Gateway Senior⁷ building with 151 units, (HOPE VI)
 Triangle View (formerly known as Eastgate) 100 units, (HOPE VI)
 Knox Hill with 122 units,
 Regency House with 160 units, and
 Carroll Apartments with 60 units.

As of October 1, 2008, DCHA will have either created or converted a total of 442 UFAS units. With the creation of these additional accessible units throughout DCHA's properties and our HOPE VI sites, DCHA is creating affordable housing opportunities for families that have members who are mobility impaired. It is projected that during FY 2008, DCHA will have created additional 97 UFAS units, bringing the total UFAS unit count to 575. Of the 97 that will be delivered, 37 will be at HOPE VI developments, including Henson Ridge, Arthur Capper I and II, and other HOPE VI developments as well other conventional public housing properties and mixed income developments.

Housing Choice Voucher Program Eligibility, Selection, Admissions of Families including Deconcentration

⁷ This development is a Project-Based Section 8.

The DCHA waiting list for tenant-based assistance requires most applicants to wait many years before being issued a voucher. While DCHA gives first preference to homeless families, it does not provide emergency vouchers. With the limited availability of vouchers compared to the demand, no special sub preferences have been established for types of homeless applicants, such as victims of domestic violence. Prior to participation in the MTW demonstration, several critical actions were already being taken aimed at reducing the time on the waiting list and improving the success rate of customers with vouchers seeking to lease a home. These include:

- Implementation of Fair Market Rents based on the 50th percentile of area rents
- Increase in utilization rates
- Increasing voucher term to lease up a unit to 180 days
- Establishing a Landlord Advisory Committee to advise on program improvements to maintain and increase the number of participating landlords
- Establishing a 110% payment standard to assist clients in D.C. aggressive rental market.

As a result of these efforts and the introduction of housing search assistance, the success rates of new voucher assistance recipients has improved from 50% to the current 75%.

In addition to increasing success rates for HCVP recipients, DCHA also counsels its voucher participants to mitigate the concentration of low income voucher holders in already poverty impacted neighborhoods. DCHA has also upgraded its briefing package and presentation to include materials to assist new voucher recipients in finding a home in a non-poverty impacted areas. Unfortunately, achieving the deconcentration goal promoted by HUD and supported by DCHA, has resulted in a dramatic increase in per voucher costs over the past five years. Given the shift to a budget-based rather than a unit-based program, DCHA must now balance the need to maintain a cost effective voucher program with the goal of encouraging participants to seek units in non-impacted neighborhoods.

B. Rent Policy

The rent that a resident of a DCHA property must pay is based on 30% of adjusted income or 10% of gross income, whichever is greater, using the formula first established in 1972 by the Brooke amendment to the 1937 Housing Act.

In FY '04, DCHA adopted a local regulation using MTW flexibility that reduces the administrative overhead of offering the QHWRA initiated Flat Rents to public housing residents, while providing the same benefits to residents. Called "Market-Based Rents" to differentiate the local DCHA revised program from HUD's "Flat Rents", the new rule, implemented in October, 2004 makes charging a market-based rent in lieu of an income-based rent automatic whenever it provides a financial advantage to the household. Conversely, whenever a household requests an interim recertification because of a reduction in income the lower of the two rent options is charged to the resident. DCHA will continue this policy in FY 2008.

Changes in Housing Stock

Number of Public Housing units in Inventory	
At beginning of period (Oct. 1, 2007)	Projected at end of period (Sept. 30, 2008)
7,870	8,000

Number of Vouchers in Inventory	
At beginning of period (Oct. 1, 2007)	Projected at end of period (Sept. 30, 2008)
11,959	11,959

As shown above, DCHA housing stock inventory will be at 7,870 by the beginning of the fiscal year and will grow by at least 139 units by the end of the fiscal year, bringing the total housing stock inventory to approximately 8,000. This increase is the results of many units returning to service following the completion of bond funded modernization activities and also new public housing replacement units as a result of HOPE VI redevelopment activities.

The voucher inventory is based on the total voucher allocation as determined by HUD.

Sources and Uses of Funding

A. All sources and amounts of funding

Sources	
Classification	Projected Amount
Low Rent Program	\$71,297,567
HCVP ¹	\$150,153,863
Capital Fund	\$23,300,000
HOPE VI Program & other Dev. Grants	\$15,000,000
Bond Proceeds	\$15,123,569
Misc. Grants	
ROSS- Family Homeownership	\$500,000
ROSS- Elderly & Disabled	\$450,000
Community Visions	\$25,000
Subsidiary Corporations	\$2,000,000
Interest Income	\$1,500,000
TOTAL	\$279,350,000

B. Sources, amounts and planned uses of special purpose outside the consolidated budget.

The sources presented above are based on DCHA's current knowledge of grants approved and/or requested, adjusted by any new information we have received via PIH Notice or other reliable source regarding funding trends. Due to the expected decline in low rent program subsidies, the Uses presented reflect DCHA's response to the anticipated funding realities. It should also be noted that DCHA will continue to work towards project based budgeting and project based management.

As shown above, DCHA is pursuing or plans to pursue other funding opportunities, including two ROSS grants and local funding. DCHA has successfully submitted ROSS grant application in the past and anticipates receiving funding in FY 2008. If awarded, the two ROSS grants will bring in \$950,000 to the agency for resident services activities. If the application is successful, these funds, like all the special grants DCHA receives, will be used in accordance to the applicable grant agreement.

In addition to the grants, City funds, and HUD Operating Subsidy and HAP, DCHA receives funds from its subsidiary corporations, including Construction Services Administration (CSA) and DC Housing Enterprises (DCHE), which provide services within the District to other District organizations and agencies. Over the course of the MTW demonstration, DCHA expects to see a growing part of its funding derive from the revenue generated by these subsidiaries. They are able to earn net revenues that are returned to DCHA. A third subsidiary, Community Vision, Inc is a 501(c)3 organization that is actively fundraising on behalf of DCHA residents. Through Community Vision, Inc. DCHA hopes to receive \$1.5 million in funding during FY 2008 from its subsidiaries.

C. Consolidated Budget Statement

DCHA has for several years managed its budget using a consolidated budget format. This comprehensive presentation combined with monthly expenditure projections compared to actual expenditures serves as an effective management tool for the Board of Commissioners, who approve the DCHA budget and review budget versus actual expenditure reports monthly.

Uses of Funds

A. Previous year expenditures by line item

The table below presents an estimate of the expenditures for FY 2007. However, since neither the close-out, nor the audit for FY 2007 has been completed, these are estimates and projections only. The final audited FY2007 numbers will be forwarded to HUD upon its completion.

	FY07
<u>Classification</u>	<u>Budget</u>
Administration	\$36,510,000
Tenant Services	\$1,019,814
Utilities	\$23,272,866
Maintenance	\$16,221,545
Security	\$6,035,583
General	\$13,687,595
Capital	\$49,000,000
HAP	\$132,212,683
All	\$277,960,086

B. Planned expenditures by line item

Projected expenditures for FY 2008 are presented by line item in the table below based on estimated expenditure for FY 2007. As noted above, however, DCHA is yet to closeout its FY 2007 and complete the FY 2007 audit. As such, the estimated expenditures for FY 2008 are only estimates.

	FY08	FY07	Change
<u>Classification</u>	<u>Budget</u>	<u>Budget</u>	<u>^</u>
Administration	\$37,600,000	\$36,510,013	3%
Tenant Services	\$1,500,000	\$1,019,814	47%
Utilities	\$27,000,000	\$23,272,866	16%
Maintenance	\$17,500,000	\$16,221,545	8%
Security	\$6,500,000	\$6,035,583	8%
General	\$14,000,000	\$13,687,595	2%
Capital	\$39,000,000	\$49,000,000	-20%
HAP	\$136,250,000	\$132,212,683	3%
All	\$279,350,000	\$277,960,099	1%

