FIRST AMENDMENT

TO

MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
SAN DIEGO HOUSING COMMISSION

This First Amendment to the Moving to Work ("MTW") Agreement dated January 14, 2009 ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and the San Diego Housing Commission ("Agency") and is effective as of April 15, 2010. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement. The Attachment D is amended as follows:

Attachment D is amended as follows:
Add the following language before Section A:

Use of MTW Funds (added 12/29/09)

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 further acknowledge that the terms of the agreement under which the Agency participated in the MTW demonstration program prior to the Amended and Restated MTW Agreement (the "Original MTW Agreement") did not state that the use of such combined public housing operating and capital funds and voucher program funds (collectively, "MTW Funds") was restricted to those uses specified in Sections 8 and 9 of the 1937 Act.

The Agency and HUD hereby agree that they do not intend for the Amended and Restated MTW Agreement to limit or restrict the authority to use MTW Funds as provided by the Original MTW Agreement, 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contrary, those provisions in this Agreement or its attachments that restrict the use of funds to Sections 8 and 9 are repealed, and the Agency may use MTW Funds to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to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.
IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized representatives.

SAN DIEGO HOUSING COMMISSION

By: [Signature]
Name: Rick Gentry
Its: President and CEO
Date: 03/29/10

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: [Signature]
Name: Sandra B. Henriquez
Its: Assistant Secretary for PIH
Date: 04/15/2010
ATTACHMENT D

COMMUNITY-SPECIFIC AUTHORIZATIONS

TO
AMENDED AND RESTATED MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
SAN DIEGO HOUSING COMMISSION

This Attachment D describes and authorizes activities which may be implemented by the San Diego Housing Commission (the “Agency”) pursuant to the Moving to Work Agreement between the Agency and HUD dated January 14, 2009, which together with any and all attachments, exhibits, and appendices thereto is hereinafter referred to as the “Agreement.”

This Attachment D is updated and revised per the First Amendment to the SDHC’s Agreement dated April 15, 2010 which added the Uses of Funds paragraph.

Notwithstanding any other provision of this Agreement the Agency is authorized as follows:

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 further acknowledge that the terms of the agreement under which the Agency participated in the MTW demonstration program prior to the Amended and Restated MTW Agreement (the “Original MTW Agreement”) did not state that the use of such combined public housing operating and capital funds and voucher program funds (collectively, “MTW Funds”) was restricted to those uses specified in Sections 8 and 9 of the 1937 Act.

The Agency and HUD hereby agree that they do not intend for the Amended and Restated MTW Agreement to limit or restrict the authority to use MTW Funds as provided by the Original MTW Agreement, 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.

**A. Authorizations Related to Section 8 Housing Choice Vouchers Only**

In addition to the authorizations provided in Attachment C, D.1., the San Diego Housing Commission (Agency) is authorized to determine the inspection protocols and frequencies for both Agency-owned and non-Agency-owned units. The Agency also is authorized to conduct inspections and rent reasonableness determinations for Agency-owned units directly, without engaging an independent third party. The Agency will utilize the same inspection protocol and rent reasonableness methodology for both Agency-owned and non-Agency-owned units.

Notwithstanding any language in this Agreement or its attachments, the Agency shall follow the regulations at 24 CFR 941.202, 941.203, and 983.57.