



DELAWARE STATE HOUSING AUTHORITY

# **MTW ANNUAL PLAN FY 2016**

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**MOVING TO WORK  
FY2016 ANNUAL PLAN**

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## **1.0 INTRODUCTION**

This document serves as the Delaware State Housing Authority's (DSHA) *Moving To Work* (MTW) Annual Plan for FY2016, which starts July 1, 2015 and ends June 30, 2016. On April 8, 2008, DSHA adopted and signed an Amended and Restated MTW Agreement with the U.S. Department of Housing and Urban Development (HUD) that extended the program until June 30, 2018. This is a standardized agreement that HUD presented to all MTW agencies and allows DSHA to continue all current initiatives and retain the present funding allocation of the existing contract.

### **1.1 PROGRAMS COVERED IN THE MTW DEMONSTRATION AND INCLUDED IN THIS PLAN**

The DSHA MTW Demonstration includes the following programs:

- A. Low Rent Public Housing
- B. Housing Choice Vouchers
- C. Capital Fund Program
- D. Resident Homeownership Program

### **1.2 OVERVIEW AND GOALS OF MTW PROGRAM**

The three statutory objectives of the MTW Program continue to be A) to reduce costs and achieve greater cost effectiveness; B) to give incentives to families to obtain employment and become economically self-sufficient; and C) to increase housing choices for low-income families. Due to the cycle of the waiting list and preferences, DSHA's goal is to serve up to 500 families each year in the program. During the last four (4) years, there has been an increase in the number of MTW exempt families, elderly and disabled, especially in the Housing Choice Voucher Program. DSHA instituted changes to the resident selection process to help increase the total number of MTW participants during FY2011. This includes limiting MTW exempt applicants to the first type of housing assistance available and applying time limits to market rent residents.

In the FY2012 MTW Annual Plan, DSHA expanded the MTW program from a five (5) year term limit and a Safety-Net Program, to a seven (7) year term limit, with two separate tiers of participants and the Safety-Net was eliminated. During the initial five (5) years of the program, residents will participate under MTW Tier I. Tier I participants will receive case management services with an emphasis on overcoming barriers to self-sufficiency, education, financial literacy, and increasing their potential

earning income and employability. During the final two (2) years of the program, residents will be under MTW Tier II. Tier II participants will continue to receive case management services, but with an emphasis on job placement and retention and becoming ready to move out of subsidized housing by year seven (7). A Hardship Panel was created to review cases that request housing assistance beyond year seven (7) due to extenuating circumstances and went into effect in August of 2012.

The goals and objectives under the DSHA MTW Program are outlined as follows:

- A. To reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:
  - 1. Combine the waiting lists for PH and Housing Choice Voucher Program with preferences consistent between the two programs.
  - 2. Increase the residents' share of the total tenant payment to 35% of adjusted gross income.
  - 3. Time-limit housing assistance for MTW participants.
  - 4. During the actual time a family is housed, it may not apply for an alternative form of subsidy.
  - 5. Enhance the quality of life and standard of living for residents participating in MTW by assisting residents in the removal of barriers to self-sufficiency (obtain driver's license, purchase vehicle, coordinate child care).
  - 6. Increase earned income of participating families enabling them to pay more towards their rent and requiring fewer subsidies.
  
- B. To give incentives to families who are employed or seeking employment and self-sufficiency with the following initiatives:
  - 1. Amend waiting list preferences to include working families.
  - 2. To make work pay, cap rent, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant.
  - 3. All MTW participants continuously participate in case management and are offered services and/or resource referrals including job training and

placement services, computer experience, educational opportunities and transportation stipends, as funds allow.

- C. To improve housing choices for our residents by offering or coordinating the following resources:
  - 1. Homeownership counseling and assistance.
  - 2. Budget counseling.
  - 3. Fair Market Housing counseling.
  - 4. Assistance obtaining a Low Income Housing Tax Credit Unit.
  - 5. MTW Savings Account as income increases.
  - 6. Counseling to repair credit problems.
  - 7. Financial Literacy Education.
  - 8. Individual Development Account referral for approved participants.
  - 9. Resident Homeownership Program.

### **1.3 STATUS OF MTW PROGRAM AND ACCOMPLISHMENTS TO DATE**

The accomplishments and status are cumulative from the date that the MTW Program started.

- A. Holly Square added to the PH stock on March 1, 2000.
- B. Certificate and Voucher Programs were combined into one Housing Choice Voucher Program.
- C. Rents were increased to 35% of adjusted income for all MTW participants.
- D. PH and Housing Choice Voucher Program waiting lists were combined.
- E. Working preference added.
- F. Case management services were established and contracts signed with two nonprofit counseling agencies for all Housing Choice Voucher Program MTW participants. All PH residents are assigned DSHA case managers at the time

they enter the Program. Effective July 1, 2008, all case management is done by DSHA Resident Services Staff.

- G. Report established to identify and monitor needs of the MTW participants.
- H. Agencies have been identified and contacts established that may provide services for unmet needs.
- I. All funds are block granted.
- J. MTW participants continue to be evaluated as they enter the program, and DSHA constantly networks with potential service providers and organizations to bring needed services to the participants and/or refer participants to services.
- K. An Individual Development Account (IDA) Program has been implemented and completed in September 2006 to help qualified MTW participants develop assets. Thirty-six families completed their goals with 28 buying homes, five opening a business and three pursuing educational goals. The IDA program is now available from several outside organizations.
- L. The Resident Homeownership Program (RHP) began accepting applications in FY 2004. The RHP was revised in FY2011 to create a more realistic program and better prepare new participants to assume full homeownership responsibilities in seven (7) years. There are four families now participating in the program.
- M. Although DSHA's contract with NCALL has ended, we continue to provide referrals for credit repair, budget counseling, fair market housing counseling and RHP homeownership counseling for PH MTW participants. The contract was completed in 2006 and services are available through local nonprofit organizations.
- N. DSHA completed an automated MTW case management system which tracks all statistical information for both PH and Housing Choice Voucher Program MTW participants. This system also includes an automated list that ensures timely compliance with quarterly reviews and completion of annual Resident Action Plans (RAP).
- O. DSHA amended the RAP to include a certification by MTW participants that they understand the requirement that they must be employed at least 20 hours per week earning no less than minimum wage, or in a training or educational program for at least 20 hours per week. (For residents moving in on or after July 1, 2007, requirements will be increased to 25 hours per week beginning

with their third year in the MTW program and 30 hours per week for the fourth and any subsequent years in the MTW program.)

- P. DSHA has awarded 155 educational scholarships from the MTW budget.
- Q. DSHA purchased an Adult Basic Education/GED computer program for each of its PH sites to assist residents working toward educational goals.
- R. Since MTW implementation in August 1999, 830 families have successfully completed the MTW Program. Two hundred and forty (240) have purchased homes and 590 have either begun paying the full rent at their current unit or moved to another unit and paid the full rent. Though some of those families would undoubtedly have been successful without MTW, we feel that the majority became successful by taking advantage of the counseling and social services made available through the program as well as the savings they accumulated while in the program. (See Tables 1 & 2)
- S. DHSA created a time limit safety-net feature in FY2005. This was for families who have **not** been able to increase their incomes to the level where 40% of their monthly adjusted income equals or exceeds the lower of their Housing Choice Voucher Program gross rent or Voucher payment standard, or the fair market rent for their PH unit, are being transferred to safety-net status. Their total tenant payment would revert to 30% and they forfeited the money in their MTW savings account. The condition for the family to retain the rental subsidy is that they must maintain employment of at least 20 hours per week, be involved in a full-time educational program or a combination of both which equals at least 20 hours.

Families whose monthly-adjusted incomes are at or above the safety-net threshold are having their subsidy terminated. Housing Choice Voucher Program families will begin paying the full market rent to their current landlord, while Public Housing families are required to move out of the subsidized unit. All families who have remained in compliance with MTW requirements will be given the money in their savings accounts at this time. DSHA discontinued the safety-net feature effective September 1, 2011. DSHA integrated families previously in the Safety Net into the MTW program as Tier II participants. These existing residents were given one (1) year from the date of their next annual recertification to complete the revised MTW Tier II program. After the end of this 1 year period, the family stops receiving housing assistance. A participant may request that their case be reviewed by the

Hardship Panel if they have extenuating circumstances supporting a continuation of housing assistance beyond the seven (7) year period.

- T. Funds from the Housing Choice Voucher Program Reserves were used to provide security fencing at two of the PH sites. After discussions with local police, it was determined that fencing along the side and rear perimeters of the sites would be the most effective and efficient way to assist city police to control and deter crime at those two sites and include cameras at Clarks Corner, Liberty Court, and Burton Village.
  
- U. Effective September 1, 2014, DSHA implemented the 500 unit set-aside option previously approved by HUD in the FY2011 Annual Plan. DSHA did not implement the set-aside option in FY2012 or FY2013 because of the integration of Safety Net families into the MTW program in FY2012. The 500 unit set-aside option allows DSHA to increase the overall number of MTW participants and create greater turnover of the waiting list.

**TABLE 1**

**Moving to Work Savings – Participants with Savings Accounts**

**Numbers as of January 1, 2015**

Program	Current Participants*	Total MTW Savings Accounts**	Average MTW Savings Balance	Average Monthly Contribution
Public Housing	240	206	\$2,900.02	\$241.67
Housing Choice Vouchers	48	33	\$2,230.01	\$185.83
<b>Total</b>	<b>288</b>	<b>239</b>	<b>\$2,724.71</b>	<b>\$227.06</b>

**TABLE 2**

**Moving to Work Successful Move-outs**

**Numbers from 8/1/99 through 1/01/15**

Program	Homeownership	Unsubsidized Rental
Public Housing	142	287
Housing Choice Vouchers	98	303
<b>Total</b>	<b>240</b>	<b>590</b>
<i>Percentage</i>	28.92%	71.08%

#### 1.4 SHORT-TERM GOALS FOR THE CURRENT PLAN YEAR

The sixteenth-year Plan will concentrate on the following items:

- A. Effective September 1, 2015, DSHA will further define our existing “temporary exemption” policy to be consistent with our time-limit policy. The “end date” for participation in the DSHA MTW Program is based on the date that the resident enters the program. That established end date will remain the same regardless of the number of and duration of “temporary exemptions” that the resident receives. The subsidy will end at the completion of seven years, unless the resident receives a hardship extension of a maximum of one (1) year in accordance with our current Hardship Policy.

The further definition of our “temporary exemption” policy as a short-term goal does not require MTW authority to implement; however, DSHA seeks to make HUD aware of our updates to this existing policy. The updates are as follows:

- The established end date of subsidy will remain the same regardless of the number of or duration of temporary exemptions received by the resident during the program.
  - The resident is still required to meet with their case manager for their annual Contract of Mutual Participation (COMP) and quarterly Resident Action Plan (RAP). If the resident does not meet with the case manager then a strike may be issued for non-compliance.
  - If a resident has been temporarily exempt for more than one (1) year of the MTW program, then if appropriate the case manager will discuss and assist the resident with the process of achieving permanent disability status. If permanent disability is not necessary, then the case manager will discuss and work with the resident regarding housing options and options for employment changes due to illness, injury, mental illness, etc.
  - The resident must complete the DSHA MTW Program Financial Literacy requirements. If the resident does not meet the Financial Literacy requirements then a strike may be issued for non-compliance.
  - There will be no exceptions on the MTW savings procedure regardless of the number of or duration of temporary exemptions.
  - If applicable, DSHA will require that the resident provide proof that permanent disability has been filed.
- B. Effective July 1, 2015, DSHA will increase the minimum rent to \$50.00. This initiative was approved in the FY2015 Annual Plan but not implemented due to necessary resident notifications. Currently, DSHA has no minimum rent and does not provide utility reimbursement payments to residents (except in special

circumstances approved by a Hardship Committee). With implementation of the minimum rent, all households pay a minimum of \$50.00 per month in tenant rent in addition to the previous elimination of Utility Reimbursement payments. DSHA has an existing hardship exception policy for minimum rents that was created in 1999, which is used with this new minimum rent policy. The implementation of the minimum rent is a non-MTW program short-term goal and does not require MTW authority to implement. During FY2016, DSHA will monitor the effectiveness of this modification to determine if \$50.00 is adequate or if the amount should be increased for FY2017.

- C. Effective July 1, 2015, DSHA will modify the current asset verification policy in an effort to 1) simplify rent calculations; 2) create administrative time savings and 3) significantly reduce the need for dependence of client supplied bank/financial records. The policy will not require the verification or inclusion of assets less than \$25,000. The resident/applicant will instead sign a certification form if they have assets less than \$25,000. Elimination of asset verification and inclusion in subsidy calculations will have little or no effect on subsidy for the vast majority of DSHA residents. It should also be noted the during the past five years, more financial institutions are no longer completing asset verifications or are charging resident/applicant to complete the verification forms. This initiative was approved in the FY2015 Annual Plan for implementation on January 1, 2015. Implementation was delayed due to resident notifications until July 1, 2015.
- D. Effective September 1, 2014, DSHA implemented the 500 unit set-aside option previously approved by HUD in the FY2011 Annual Plan. DSHA did not implement in FY2012 or FY2013 because of the integration of Safety Net families into the MTW program in FY2012. The 500 unit set-aside option allows DSHA to increase the overall number of MTW participants and create greater turnover of the waiting list. During FY2016, DSHA will monitor the effectiveness of the 500 unit set-aside to determine if it is increasing MTW participation as anticipated and ensure that it is not negatively impacting the waiting list process.
- E. In the FY2015 Plan, DSHA proposed to create a “Fair Market Housing Track” to compliment and expand our existing Financial Literacy requirement. Residents will be required to complete within 3 years an additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate and assist residents with credit repair as well as increase their knowledge of what is needed to be a successful homeowner or fair market renter. DSHA is still working with NCALL to create this track and exploring the funding needs necessary to implement. As a result, this enhancement to our Financial Literacy requirement is on hold until January 1, 2016, unless it can be implemented sooner.
- F. DSHA is continuing forward with the renovation of Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. The property is

currently in the extended use period of a LIHTC agreement and is owned by Wexford Village Housing Corporation, a wholly owned nonprofit corporate affiliate of DSHA. DSHA has been approved to use \$500,000 from the MTW Reserves to complete a moderate renovation of the property. In addition to the amount from MTW Reserves, DSHA will also issue a grant of \$582,702 in non-MTW funds, issue \$1,645,216 in HOME funds, provide a low-interest loan of \$500,000 to the property and has arranged for the current deferred mortgage (\$2,036,583) to be interest-free. In addition, twenty (20) existing tenant-based Housing Choice Vouchers (HCV) will be project-based at the property upon completion of renovations and the remaining units will be offered to households with annual incomes between 60% and 80% of area median income.

Renovations at Wexford Village Apartments were originally scheduled to begin in May/June 2013, but were delayed after bids for the construction came in significantly higher than anticipated. DSHA revised the scope of renovations and also obtain additional funding through the HOME Program to proceed with a moderate renovation plan. The project was rebid in November 2013 and work was started in April 2014. Renovations are to be fully completed as of February 28, 2015. The project based vouchers will begin utilization no later than April 2015. The project was finished per the anticipated timeline above. DSHA had 21 households on the waiting list with only 20 PBV slots available.

## **1.5 LONG TERM GOALS FOR THE CURRENT PLAN YEAR**

- A. DSHA's long-term vision for the MTW Program will be to expand and evolve current activities, specifically to increase the successful completion rate for MTW participants, encourage homeownership and to utilize operating efficiencies. DSHA will be looking at the following areas:
  - 1. Create additional incentives to encourage MTW participants to meet self-sufficiency goals, overcome self-sufficiency barriers and move from assisted housing in less than five years.

## **1.6 NON-MTW RELATED HOUSING AUTHORITY INFORMATION:**

Delaware State Housing Authority (DSHA) was created in 1968. Over the past 40 years, DSHA has emerged to serve an integral role in Delaware's overall economic and social plan, demonstrated by the inclusion of the DSHA Director as part of the Governor's Cabinet in Delaware State Government. Today, DSHA functions as a government agency and an entrepreneurial developer and lending institution.

DSHA makes mortgage and other loans to both for-profit and nonprofit housing sponsors. We also extend loans to mortgage lenders and require that proceeds be used to create new residential mortgage loans. DSHA also applies for, and receives, subsidies from the federal government and other sources, in addition to issuing its own bonds and notes. In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it also owns and operates Public Housing, and acts as a community development agency.

Our core business focuses on preservation, new construction, homeownership, rental assistance, resident services, asset management, rehabilitation, homeless prevention, emergency and transitional housing, and community development. DSHA provides a host of programs to address Delaware's affordable housing needs, most of which are available on a statewide level.

To assist in supporting these types of assistance, DSHA also researches the nature of Delaware's housing needs through such vehicles as needs assessments, rental surveys and housing production reports. DSHA staff members serve on a variety of boards and committees related to housing.

To administer all of these programs and to achieve its goal of providing affordable and safe housing for low- and moderate-income persons, DSHA employs a full-time staff of 133 and is divided into six interdependent sections: Administration, Community Relations, Housing Development, Housing Finance, Housing Management, and Policy & Planning.

In July 2011, The Delaware State Housing Authority and its partners the Delaware Department of Health and Social Services (DHSS), and the Department of Services for Children, Youth, and their Families (DSCYF), launched a state funded voucher program called the State Rental Assistance Program (SRAP). SRAP is designed to assist low-income households who have access to continuing supportive services but require affordable housing to live safely in the community. The program will utilize SRAP vouchers administered by DSHA for households referred by DHSS and DSCYF. DHSS and DSCYF will leverage existing funds to provide supportive services to SRAP applicants during the program application, screening, and housing selection processes. After an SRAP applicant is approved and moves into the SRAP-assisted unit, DHSS, DSCYF, or an approved service provider will continue to provide supportive services to the participant for a designated period of time, or until supportive services are no longer necessary.

All units subsidized by SRAP must meet the U.S. Department of Housing and Urban Development's Housing Quality Standards, and must meet a Payment Standard determined by DSHA. Program participants contribute 28% of their income for rent, less a standardized utility allowance. SRAP subsidizes the remaining portion.

The State Rental Assistance Program will serve eligible applicants from the following populations:

- A) DHSS clients exiting state-supported or privately run long-term care facilities who require affordable housing to transition to community-based care;
- B) DHSS clients exiting the Delaware Psychiatric Center who require affordable housing and supportive services to live safely in community;
- C) Youth at least 18 years old and not more than 21 years old who left foster care at age 16 or older, are receiving supportive services from the Division of Family Services (DFS), and require affordable housing to live safely in community;
- D) Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care, or in a delay of discharge of a child or children to the family from out-of-home care;
- E) Participants in the DSHA Step-Up program identified by Step-Up program administrators as unlikely to successfully transition to independent living in the community without the assistance of SRAP vouchers; and
- F) Applicants identified by case managers as at-risk of requiring supportive services from an institution.

During FY2013/2014, DSHA requested to convert its current Public Housing Home Ownership Program from a Section 5 (h) program to a Section 32 Homeownership Program. The request includes the ability to dispose of the remaining five (5) homes under the current program, to either the current occupants or other eligible buyer, within five (5) years and close-out the program.

Since the inception of the Moving To Work (MTW) program in 1999, overall resident participation in the Section 5 (h) program has slowly decreased. The overall success of DSHA's MTW program has allowed all participants the ability to save funds through individual MTW escrow accounts and provided a more accessible path to self-sufficiency and homeownership opportunities than the traditional Section 5 (h) program. While the MTW program has provided more homeownership opportunities to a greater range of residents, the Section 5 (h) program has become less effective and more burdensome to maintain and manage.

## 1.7 RESIDENT PROGRAMS

From July 1999 to the date of this Plan, DSHA has funded, partnered, obtained or coordinated annual and ongoing activities, events and programs to enhance the quality of life for our residents. One unit at two sites has been provided for activities due to space and scheduling conflicts in the community buildings at those sites.

- A. Holiday Parties - Each community has appropriate holiday celebrations in which the residents take the lead on planning and organizing the event.
- B. Computer access and instruction for youth and adults – DSHA provides computers with Internet access at all sites. The computer labs are monitored by volunteers from DSHA staff, outside agencies, GED instructors or other nonprofit organizations. DSHA purchased an assortment of educational software and board games (funded by Lightspan/Discover) for its sites. The games and software target youth and adults.
- C. Student Award Program for Honor Roll, Perfect Attendance and College Acceptance – Each year DSHA hosts a Student Award Luncheon to recognize students who make the extra effort to succeed. Winners receive a backpack filled with age-appropriate school supplies and are treated to lunch with DSHA’s Director and Management staff. A guest speaker is invited to address the group. This event has been very successful and a positive motivation for the students and parents at our sites.
- D. DSHA has signed MOUs with the Boys and Girls Club of Delaware to provide after-school programs, including pregnancy prevention, at one site. Youth from other sites have access to Boys and Girls Clubs located at facilities nearby. Funding is provided through grants from the Division of Public Health and the United Way.
- E. DSHA has signed an MOU with the University of Delaware to provide 4-H programs at five sites. Services include after-school homework assistance and recreation. DSHA is working with 4-H staff to develop programs for other sites.
- F. DSHA has awarded 155 Scholarships to MTW participants and expects to continue this service from MTW Budget funds.

- G. DSHA signed a Memorandum of Understanding with James Groves Adult High School to provide Adult Basic Education and GED classes for two communities.
- H. Children and Families First - Provides pregnancy testing, family planning material, STD testing, treatment and counseling; and also organizes resources for grandparents and relatives raising someone else's children. They currently offer support groups at two sites and are planning to offer Family Enrichment programs at 2-3 additional sites in the fall.
- I. Even Start - Offers parenting classes to families with children under the age of eight. Activities involve both parent and child(ren) at two sites.
- J. Child, Inc. - Provides one-on-one case management services upon request or referral and offers parenting classes.
- K. Consumer Credit Counseling provides financial counseling and assists with budgeting and establishing credit.
- L. Rental Assistance/Other financial assistance – Peoples Place II and First State Community Action Agency, Catholic Charities, Salvation Army, Casa San Francisco, State Service Centers and local churches.
- M. First State Community Action Agency - Provides limited financial assistance, administers the Summer Food Service Program for Sussex County sites and offers employment training at a center in Georgetown.
- N. Department of Labor - Provides all aspects of employment training, including assistance preparing resumes and applications and improving interviewing skills and workplace training. DSHA serves on the Workforce Investment Board for Delaware. This board administers the state's requirements and initiatives for employment and job training.
- O. Delaware Technical and Community College, Kent County Poly-Tech, Sussex Tech, Delaware State University - All institutions have various courses available for general education as well as specific job training. They require a minimum number of participants to come to DSHA sites, but individuals can go to the schools for classes. Many courses are free of charge, based on income, or have a small fee.
- P. DSHA has installed GED tutorial software at multiple sites. The program is used by instructors giving group instruction and by residents who study independently.

- Q. In a partnership with DSHA's Clarks Corner Public Housing site, Lake Forest School District, University of Delaware Cooperative Extension, Greater Milford Area Boys and Girls Club and Kidz Kottage received a 21<sup>st</sup> Century Grant of \$335,000 to provide a variety of youth and family programs including educational and social activities. The 4-H Club is actively seeking grants to continue the program.
- R. DSHA participates on the Interagency Council for Adult Literacy. This is a group from various agencies that are working to address literacy issues for Delaware. The group meets regularly and continues to develop and coordinate adult literacy programs for DSHA residents.
- S. Since December 2012, DSHA Resident Service's section has published a quarterly newsletter for residents in our public housing communities. The newsletter provides residents with DSHA updates, recipes, crafts, community happenings and articles about various life skill topics.

DSHA consistently evaluates both the individual families and communities to determine the services and programs that are needed. Additionally, all MTW families are reviewed and assessed quarterly for progress on their RAP. Each year at the recertification, the family prepares a RAP for the next year. These quarterly and annual reviews/contacts enable DSHA to make current, accurate plans and recommendations for appropriate services.

The statistics from the MTW Program are reviewed and evaluated regularly to determine trends, progress and compliance with the Program and to make recommendations for possible changes to MTW.

## **1.8 HOMEOWNERSHIP PROGRAMS**

MTW participants will be able to take advantage of several DSHA Homeownership Programs as they move out of a rental situation and into their first home. The programs include first mortgage financing and down payment assistance at below-market interest rates for both low- and moderate-income borrowers.

DSHA implemented a Resident Homeownership Program (RHP) in 2004. This program allows qualified participants from either the Public Housing or Housing Choice Voucher program to use a Housing Choice Voucher subsidy toward the mortgage for up to 15 years on a first home. To date, four (4) families have successfully purchased homes in the program.

In FY2011, DSHA made changes to the RHP program to reduce the duration of the subsidy from the 15 year period (for non-disabled, non-elderly families), and revise the calculation

formula used to determine the amount of voucher assistance. These changes provide a more realistic program for the homeowner as they will be better prepared to assume all responsibility for the mortgage at the end of the subsidy period. Families that currently participate in the RHP program will be grandfathered under the existing subsidy calculation.

After FY2011, the Resident Homeownership Program (RHP) duration is seven (7) years. Those participants prior to FY 2011 are grandfathered in at the previous 15 year duration, except elderly/disabled who can receive assistance as long as they continue to qualify.

The subsidy calculation is as follows:

- A. **Homeownership Assistance Payment**: Homeownership Assistance Payment (“HAP”) is the monthly amount paid to the lender by DSHA. The HAP check is issued to the participant as a co-payee with the master servicer. The HAP amount will be the monthly mortgage payment (including principal, interest, tax and insurance escrows) less the greater of:
1. The amount left after subtracting the applicable utility allowance, from a percentage of the monthly gross income of the family (30%-1<sup>st</sup> & 2<sup>nd</sup> years, 32%-3<sup>rd</sup> & 4<sup>th</sup> years 34%-the 5<sup>th</sup> & 6<sup>th</sup> years and 34% for the 7<sup>th</sup> year), or;
  2. A percentage of the mortgage payment (including principal, interest, tax and insurance escrow), 40%-1<sup>st</sup> & 2<sup>nd</sup> years, 50%-3<sup>rd</sup> & 4<sup>th</sup> years, 60%-5<sup>th</sup> & 6<sup>th</sup> years and 70% during the 7<sup>th</sup> year.
- B. **Total Family Payment (“TFP”)**: is that portion the family must pay towards the actual mortgage amount. The TFP will be the greater of:
1. The amount left after subtracting the applicable utility allowance, from a percentage of the monthly gross income of the family (30%-1<sup>st</sup> & 2<sup>nd</sup> years, 32%-3<sup>rd</sup> & 4<sup>th</sup> years 34%-the 5<sup>th</sup> & 6<sup>th</sup> years and 34% for the 7<sup>th</sup> year), or;
  2. A percentage of the mortgage payment (including principal, interest tax and insurance escrows), 40%-1<sup>st</sup> & 2<sup>nd</sup> years, 50%-3<sup>rd</sup> & 4<sup>th</sup> years, 60%-5<sup>th</sup> & 6<sup>th</sup> years and 70% during the 7<sup>th</sup> year.

DSHA MTW participants, who have established a savings account under the program, have access to those funds for homeownership. Participants must provide verification of moving into non-subsidized housing in order to be eligible for these funds.

## **1.9 SECURITY**

As the Public Housing Drug Elimination Program is no longer available, DSHA is consistently seeking resources to continue security services. Limited funds are available from the MTW Budget and reserves, and lighting upgrades have been completed at two DSHA sites during FY2011. Security cameras have been installed and are operational at three (3) sites. During FY2012, security cameras were installed at two (2) additional sites, McLane Gardens and Mifflin Meadows. DSHA meets with all local law enforcement agencies to provide some security and to participate in site prevention activities. In addition, DSHA has a "One-Strike" Policy and, through reports received from the police, DSHA tracks arrests made on DSHA properties.

Through strong lease enforcement, DSHA is able to create a standard of pride and care that greatly inhibits drug and criminal activity.

DSHA plans to use funds from CFP to continue extra duty police security, even though funding for the PHDEG has been discontinued. DSHA's Policy & Planning Section reviews federal, state and foundation requests for proposals that could assist with this need.

## **1.10 HARDSHIP POLICY:**

### **A. MTW PARTICIPANTS**

During FY2012, the time limit for the MTW program increased from five (5) to seven (7) years, with two levels of participation; MTW Tier I for the first five (5) years and MTW Tier II for the final two (2) years. The Safety-Net program was eliminated. After the seventh (7<sup>th</sup>) year of participation, the participant stops receiving housing assistance. A participant may request that their case be reviewed by a Hardship Panel if they have extenuating circumstances supporting a continuation of housing assistance beyond the seven (7) year period. The three (3) person Hardship Panel is comprised of one (1) DSHA staff member, one (1) non-DSHA member and one (1) member from another State agency or housing advocate organization. Requests to have cases reviewed by the Hardship panel must be made at least six (6) months prior to the end of participation in the MTW program during the seventh (7<sup>th</sup>) year. All recommendations made by the Hardship Panel will be forwarded to the Housing Management Program Administrator for review.

Extenuating circumstances that may be considered include:

- Health and/or medical issues;
- Job availability and/or under-employment issues;
- Past performance of participant and adherence to MTW program requirements;
- Previous participation in DSHA sponsored or referred services and programs;
- Personal initiative of participant in achieving self-sufficiency; and
- Other extenuating circumstances.

**B. DSHA MINIMUM RENT HARDSHIP EXCEPTIONS POLICY**

Existing families affected by the elimination of Utility Reimbursement payments, specifically in cases where the utility allowance is greater than the Total Tenant Payment (TTP), and may request an exemption from the policy when one or more of the following financial hardships exist:

1. The family has lost eligibility or are waiting for an eligibility determination for a Federal, State or local assistance program;
2. The income of the family has decreased because of significant change in circumstances, including loss of employment, which are beyond their control;
3. The death of a household member has occurred affecting a major source of income for the family; and/or
4. Other circumstances determined by DSHA or HUD.

The hardship policy is only for existing residents. New Public Housing and Housing Choice Voucher residents that are housed after the effective date of the Utility Reimbursement Elimination Policy will not be eligible for the hardship policy.

Requests for a hardship exemption from the Utility Reimbursement Elimination Policy must be received by DSHA in writing. The resident must provide documentation with the request showing that the loss of the utility reimbursement would have a significant impact on their ability to abide by the terms of the lease.

Requests for an exemption to the Utility Reimbursement Elimination Policy will be reviewed by the Section 8 Supervisor and Housing Management Program Administrator for Housing Choice Vouchers and the Housing Manager and Regional Manager for Public Housing.

If a hardship exemption is granted, the family will be eligible to receive utility reimbursement payments no greater than \$50.00 per month. The resident would be required to re-verify the need for a hardship exemption at any annual certification or interim re-certification.

An exemption may not be provided if the hardship is determined temporary. DSHA will request reasonable documentation of hardship and also documentation of whether it is temporary or long term.

## II.1.Plan.HousingStock

### A. MTW Plan: Housing Stock Information

#### Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type *	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible	Adaptable
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0

**Total Public Housing Units to be Added**

0

\* **Select Population Type from:** Elderly, Disabled, General, Elderly/Disabled, Other

If Other, please describe:

Description of "other" population type served

**Planned Public Housing Units to be Removed During the Fiscal Year**

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
PIC Dev. # /AMP PIC Dev. Name	0	Explanation for Removal
PIC Dev. # /AMP PIC Dev. Name	0	Explanation for Removal
PIC Dev. # /AMP PIC Dev. Name	0	Explanation for Removal
<b>Total Number of Units to be Removed</b>	0	

**New Housing Choice Vouchers to be Project-Based During the Fiscal Year**

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project
Wexford Village	20	<p>DSHA is continuing forward with the proposal to renovate Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. The property is currently in the extended use period of a LIHTC agreement and is owned by Wexford Village Housing Corporation, a wholly owned nonprofit corporate affiliate of DSHA. DSHA has been approved to use \$500,000 from the MTW Reserves to complete a moderate renovation of the property. In addition to the amount from MTW Reserves, DSHA will also issue a grant of \$582,702 in non-MTW funds, issue \$1,645,216 in HOME funds, provide a low-interest loan of \$500,000 to the property and has arranged for the current deferred mortgage (\$2,036,583) to be interest-free. In addition, twenty (20) existing tenant-based Housing Choice Vouchers (HCV) will be project-based at the property upon completion of renovations and the remaining units will be offered to households with annual incomes between 60% and 80% of area median income. Renovations at Wexford Village Apartments were originally scheduled to begin in May/June 2013, but were delayed after bids for the construction came in significantly higher than anticipated. DSHA revised the scope of renovations and also obtain additional funding through the HOME Program to proceed with a moderate renovation plan. The project was rebid in November 2013 and work is scheduled to be completed no later than the end of April 2015. The project was finished per the timeline.</p>
Property Name	0	Description of project 2
Property Name	0	Description of project 3
Property Name	0	Description of project 4

**Anticipated Total New Vouchers to be Project-Based**

20

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

20  
 20

New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

**Other Changes to the Housing Stock Anticipated During the Fiscal Year**

DSHA does not anticipate any other changes to the Housing stock

Description of other changes to the housing stock anticipated during the fiscal year

Description of other changes to the housing stock anticipated during the fiscal year

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 All Planned Capital Fund Expenditures During the Plan Year**

Descriptions of planned capital expenditures to be made during FY2016:

Laverty Lane: \$200,000 kitchen renovations and \$150,895 parking lot re-paving. Re-pave parking lot at Peach Circle

(\$65,000) and repair paving at Burton Village (\$25,000)

See attached detailed chart and narrative of all planned Capital Fund Expenditures in the Appendix section of this Annual Plan.

## II.2.Plan.Leasing

### B. MTW Plan: Leasing Information

#### Planned Number of Households Served at the End of the Fiscal Year

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
Federal MTW Public Housing Units to be Leased	508	6096
Federal MTW Voucher (HCV) Units to be Utilized	904	10848
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	0	0
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	0	0
<b>Total Households Projected to be Served</b>	<b>1412</b>	<b>16944</b>

\* Calculated by dividing the planned number of unit months occupied/leased by 12.

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

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

#### Reporting Compliance with Statutory MTW Requirements

If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.

DSHA is currently in compliance with statutory MTW requirements.

**Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions**

**Housing Program**

**Description of Anticipated Leasing Issues and Possible Solutions**

Public Housing

The Public Housing occupancy rate has been on average 96% to 98%. The high turnover rates experienced at some sites are the result of DSHA's strict enforcement of rent payment and anti-crime policies. Though criminal background checks are performed prior to admission of all new residents 18 years of age and older, we still lose some families because of drug-related criminal activity, many times involving their non-resident visitors. DSHA has also found that the larger four (4) and five (5) bedroom units are the most challenging to fill with acceptable residents.

Housing Choice Vouchers

In March 2004, DSHA implemented an on-line rent reasonableness system which ensures objectively and accurately that HCV units are rented at rates comparable to the local markets. DSHA's Housing Choice Voucher actual units leased from July 2014 through January 2015 averaged 93%. The budget utilization for the same period averaged approximately 101%.

## II.3.Plan.WaitList

### C. MTW Plan: Wait List Information

#### Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW Public Housing Units and Federal MTW Housing Choice Voucher Program	Merged (Combined Public Housing or Voucher Wait List)	7,307	Open	N/A
Wexford Village PBV	Site-Based	21	Open	N/A
Housing Program(s)	Wait List Type	Number of Households	Open, Partially Open or Closed	Yes or No

*Rows for additional waiting lists may be added, if needed.*

*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.

Housing Program and Description of the populations for which the wait list is open

Housing Program and Description of the populations for which the wait list is open

Housing Program and Description of the populations for which the wait list is open

If Local, Non-Traditional Housing Program, please describe:

Name and Description of "Local, Non-Traditional" Housing Program

Name and Description of "Local, Non-Traditional" Housing Program

Name and Description of "Local, Non-Traditional" Housing Program

If Other Wait List Type, please describe:

Name and Description of "other" wait list type

Name and Description of "other" wait list type

Name and Description of "other" wait list type

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.

For the Wexford Village PBV's, the waiting list will be maintained at our central wait list office, but will be separate from the HCV waiting list. When an applicant applies, they will be placed on both lists.

\*At this time, DSHA has noted that Wexford Village will use a site based waiting list for the Project Based Vouchers, but this may be modified to either an off-site, centrally based waiting list or a coordinated waiting list kept at both site and central locations.

### **3.0 PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED**

DSHA is not proposing any new MTW Activities for the upcoming FY2016 Plan year that require HUD approval.

**4.0 (A.) APPROVED MTW ACTIVITIES: IMPLEMENTED ACTIVITIES**

REQUIRED ELEMENTS FOR APPROVED ACTIVITIES
<b>ACTIVITY NAME: ELIMINATION OF UTILITY REIMBURSEMENT PAYMENTS</b>
<b>ACTIVITY NUMBER: A-1</b>
PROPOSED PLAN YEAR: FY 2013
EFFECTIVE DATE: January 1, 2013
STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)
ACTIVITY DESCRIPTION: Effective January 1, 2013, DSHA eliminated utility reimbursement checks to Public Housing and Housing Choice Voucher residents. Previously, residents whose utility allowance for the unit was greater than Total Tenant Payment (TTP) received a utility reimbursement payment. Under this activity, residents in this situation no longer receive a utility reimbursement payment. These residents who would normally receive a utility reimbursement, would no longer receive this payment, but would pay no rent.
HARDSHIP POLICY: Existing families affected by the elimination of Utility Reimbursement payments, specifically in cases where the utility allowance is greater than the Total Tenant Payment (TTP), may request an exemption from the policy when one or more of the following financial hardships exist: <ol style="list-style-type: none"> <li>1. The family has lost eligibility or are waiting for an eligibility determination for a Federal, State or local assistance program;</li> <li>2. The income of the family has decreased because of significant change in circumstances, including loss of employment, which are beyond their control;</li> <li>3. The death of a household member has occurred affecting a major source of income for the family; and/or</li> <li>4. Other circumstances determined by DSHA or HUD.</li> </ol> <p>The hardship policy is only for existing residents. New Public Housing and Housing Choice Voucher residents that are housed after the effective date of the Utility Reimbursement Elimination Policy will not be eligible for the hardship policy.</p> <p>Requests for a hardship exemption from the Utility Reimbursement Elimination Policy must be received by DSHA in writing. The resident must provide documentation with the request showing that the loss of the utility reimbursement would have a significant impact on their ability to abide by the terms of the lease.</p> <p>The requests for an exemption will be reviewed by the Section 8 Supervisor and Housing Management Program Administrator for Housing Choice Vouchers and the Housing Manager and Regional Manager for Public Housing.</p> <p>If a hardship exemption is granted, the family will be eligible to receive utility reimbursement payments no greater than \$50.00 per month. The resident would be required to re-verify the need for a hardship exemption at any annual certification or interim re-certification.</p>

An exemption may not be provided if the hardship is determined temporary. DSHA will request reasonable documentation of hardship and also documentation of whether it is temporary or long term.

IMPACT: By eliminating the accounts payable utility check, DSHA saved approximately \$20,444 monthly or \$245,328 annually, during FY2013, not including staff time. As a result of the changes made by HUD to the required standard metrics, DSHA is establishing a benchmark and projected outcome for time savings (Metrics CE#2) effective for FY2015. These crucial funds will be reallocated to (a) supplement costs to provide current residents and their children with critical educational and financial literacy programs necessary to end the cycle of poverty or (b) fund upgrades to public housing sites.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

#### **ACTIVITY METRICS INFORMATION**

The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: CE#1, CE#2, CE#3 and CE#5.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

#### **NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY**

- 1) Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 11. Rent Policies and Term Limits. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R 5.603,5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency’s Annual MTW Plan.
- 2) Attachment C, Section D. Authorizations Related to Housing Choice Vouchers Only, Paragraph 2(a) and 2(d). Rent Policies and Term Limits. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R 982.508,982.503 and 982.518 A as necessary to implement the Agency’s Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: Time Limit Housing Assistance for MTW Participants**

**ACTIVITY NUMBER: A-2**

PROPOSED PLAN YEAR: FY 2012

EFFECTIVE DATE: September 1, 2012

STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)

ACTIVITY DESCRIPTION: Time-limit housing assistance for MTW participants to seven (7) years (proposed FY2012). This included an initial five (5) year period, with a two (2) year extension. The initial five (5) year period will be called MTW Tier I and the two (2) year extension will be called MTW Tier II. The previous time limit was five (5) years, with a potential one (1) year extension. #1. This improves the overall cost effectiveness of the housing programs by #2. Moving families into self-sufficiency and nonsubsidized housing, and #3. Allowing another eligible family in need of housing to participate in the MTW program.

Definition of Self-Sufficiency: Families who increase their incomes to the level where 40% of their monthly gross income equals or exceeds the fair market rent for the unit they are currently renting or a non-subsidized unit they contract to lease, and move into unsubsidized rental housing or homeownership.

Effective September 1, 2012, DSHA implemented the MTW activity time-limiting housing assistance for MTW participants to 7 years. DSHA provided intensive case management and individualized financial literacy to assist residents formally in the Safety Net as they transitioned from the MTW program to either FMR or homeownership. As of this 2016 Plan, all previous Safety Net participants including families granted a hardship extension have ended their subsidy and DSHA has closed out the Safety Net component of our MTW Program.

Effective July 1, 2013, DSHA expanded the portability definition for incoming families from another PHA in order for the policy requirements to be consistent with those policies currently enforced to incoming families that are not porting-in from another PHA to the DSHA MTW Program. The DSHA portability policy did not previously require participants to provide proof that they had secured employment in order to meet the minimum work requirements of the DSHA MTW Program; had secured transportation to and from employment; and it did not restrict previous DSHA MTW participants from porting back in with a voucher from another PHA.

Effective July 1, 2013, any residents porting in from another Housing Authority must:

- Meet DSHA's definition of employment or be able to provide documentation that employment has been secured which will meet the minimum work requirements of DSHA's MTW Program.
- Have secured transportation to and from their place of employment.
- Not have previously participated in the MTW Program with DSHA. If a resident who previously participated in or completed the DSHA MTW Program obtains a new voucher from another Housing Authority, they will not be permitted to

port back into DSHA.

Effective September 1, 2015, DSHA will further define our existing “temporary exemption” policy to be consistent with our time-limit policy. The “end date” for participation in the DSHA MTW Program is based on the date that the resident enters the program. That established end date will remain the same regardless of the number of and duration of “temporary exemptions” that the resident receives. The subsidy will end at the completion of seven years, unless the resident receives a hardship extension of a maximum of one (1) year in accordance with our current Hardship Policy.

IMPACT: Ability to serve more people with same amount of funding. Creates increased homeownership or Fair Market rental options with the use of MTW savings. Reduces recidivism on the waiting list.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

#### **ACTIVITY METRICS INFORMATION**

The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: CE #1, CE#2, SS#1, SS#3, SS#4, SS#5, SS#6, SS#7 and HC#3

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

#### **NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY**

1) Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 11. Rent Policies and Term Limits. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R 5.603,5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency’s Annual MTW Plan.

2) Attachment C, Section D. Authorizations Related to Housing Choice Vouchers Only, Paragraph 2(a) and 2(d). Rent Policies and Term Limits. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R 982.508,982.503 and 982.518 A as necessary to implement the Agency’s Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: MTW Tier I- Mandatory Employment and/or Education Requirements**

**ACTIVITY NUMBER:A-3**

PROPOSED PLAN YEAR: FY 2000

MODIFIED IN PLAN YEARS: FY 2008 and FY 2012

EFFECTIVE DATE: July 1, 2012

STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)

ACTIVITY DESCRIPTION: MTW participants are required to be employed at least 20 hours per week earning no less than minimum wage, or in a training or educational program for at least 20 hours per week. (For residents moving in on or after July 1, 2007, requirements were increased to 25 hours per week beginning with their third year in the MTW program and 30 hours per week for the fourth and any subsequent years in the MTW program.) #1. This is to stimulate an increase in resident earning potential; #2. Create a stepped requirement leading to self-sufficiency; and #3. Reduce the subsidy needed for the participant. Initially implemented in FY2000 Annual Plan, revised in the FY2008 Annual Plan.

Effective July 1, 2012 (FY2013), DSHA time-limited compliant school, education or training program participation to Tier I only. Tier I participants must begin school, education or training within years 1 through 3 of MTW participation in order for the time to be considered toward hourly work compliance. For MTW Tier II participants, compliance will be based on work hours only.

Effective July 1, 2013, DSHA further defined "employment" as working 20 hours or more weekly for a business paying federal, state and local taxes or a documented self-employed contractor providing a 1099 form.

IMPACT: Ability to serve more people with same amount of funding. Creates increased homeownership or Fair Market rental options with the use of MTW savings. Reduces recidivism on the waiting list.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#1, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 2, Local Preferences and Admission and Continued Occupancy Policies and Procedures. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: MTW Tier II Work Requirement**

**ACTIVITY NUMBER: A-4**

PROPOSED PLAN YEAR: FY 2012

EFFECTIVE DATE: July 1, 2012

STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)

ACTIVITY DESCRIPTION: Participants who do not successfully complete the MTW program within five (5) years (under MTW Tier I) will continue to be required to work at least thirty(30) hours per week, earning no less than minimum wage, for the remaining two (2) years while under the MTW Tier II. This requirement increases the earned income of MTW Tier II participants enabling them to pay more towards their rent and requiring less overall subsidy.

Previously, the participants who did not successfully complete the MTW Program within five (5) years were eligible to continue receiving housing subsidy under a Safety-Net Program for an indefinite period. The Safety-Net has been renamed MTW Tier II and the entire program time-limited to seven years (five (5) years under MTW Tier I and two (2) years under MTW Tier II).

Effective in FY2013, MTW Tier II participant compliance is based on work hours only. School, education or training program hours will not be counted toward the work hour compliance requirement.

Effective July 1, 2013, DSHA further defined "employment" as working 20 hours or more weekly for a business paying federal, state and local taxes or a documented self-employed contractor providing a 1099 form.

IMPACT: Ability to serve more people with same amount of funding. Creates increased homeownership or Fair Market rental options with the use of MTW savings. Reduces recidivism on the waiting list. By continuing the work requirement in Tier II, the resident will require fewer subsidies and will continue to work to achieve self-sufficiency.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#1, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 2, Local Preferences and Admission and Continued Occupancy Policies and Procedures. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: Alternative Re-Certification Schedule for Elderly and Disabled Residents**

**ACTIVITY NUMBER: A-5**

PROPOSED PLAN YEAR: FY 2011

EFFECTIVE DATE: FY 2011

STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)

ACTIVITY DESCRIPTION: Adopt alternative re-certification schedules for elderly and disabled residents. For example, re-certifying residents on fixed incomes (fixed pensions, Social Security, SSI) every other year. For the Housing Choice Voucher Program, half of the approximately 650 elderly/disabled re-certifications would be performed during FY2011, and the remaining half would be completed during FY2012. For Public Housing, which has a significantly lower elderly/disabled population, all re-certification of these individuals would be done every other year starting FY2011.

Hardship Policy: If a resident has a significant change in income or allowable medical expenses, they can request an interim recertification be completed during the years when an annual recertification is not scheduled.

IMPACT: Reduce the total number of annual re-certifications processed by PH and HCV staff, thus creating administrative efficiencies (reduction in postage costs, time savings).

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: CE#1, CE#2 and CE#5.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 4, Initial, Annual and Interim Income Review Process, Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only, (1) Operational Policies and Procedures, Paragraph (c.). This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: MTW Savings Account and Disbursements**

**ACTIVITY NUMBER: B-1**

PROPOSED PLAN YEAR: FY2000

MODIFIED IN PLAN YEARS: FY2011 and FY2012

EFFECTIVE DATE: FY2000

STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.

ACTIVITY DESCRIPTION: To make work pay, cap rent, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant. When a client reaches the end of the contract (5 years or less) if their income has increased to where 40% of their monthly gross income equals or exceeds the fair market rent for their unit they currently rent, or a non-subsidized unit they commit to lease or home ownership they will receive the balance of any monies in their savings account. If a client does not successfully complete the MTW Program, all savings account funds will be forfeited. Initiated in the FY2000 Annual Plan.

As of FY2011, this activity was modified to include provisions for the use of MTW saving funds. Successful MTW clients will be required to utilize at least 60% of the savings fund for homeownership/fair market rental related expenses. This includes: down payment, closing costs, security deposits, utility deposits, clearing credit issues and satisfying debt for medical bills, education and transportation. The remaining 40% of the MTW savings is distributed to the client for discretionary use. Initiated in the FY2011 Plan.

For FY2012, The MTW Savings Account was expanded to include individuals in years 6 and 7 of the program. For participants that successfully complete the program before or in the fifth (5<sup>th</sup>) year of the program (under MTW Tier I), they will be eligible to utilize 100% of their MTW savings account. Contributions to the MTW Savings will stop after the 5<sup>th</sup> year. For participants in their sixth (6<sup>th</sup>) and seventh (7<sup>th</sup>) year of the MTW Program (under the MTW Tier II), they will have access to only 60% of MTW Savings in year six and 40% of MTW Savings in year 7.

IMPACT: Encourage residents to work at capacity rather than least amount required. Provides participants with funds to repair credit, debt issues and/or move into homeownership upon successful completion of the MTW program.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: CE#1, CE#2, CE#3, CE#5, SS#1, SS#2, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

1) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency. This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: MTW Case Management Services**

**ACTIVITY NUMBER: B-2**

PROPOSED PLAN YEAR: FY2000

MODIFIED IN PLAN YEARS: FY2012, FY2013 and FY2015

EFFECTIVE DATE: FY2000

STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.

ACTIVITY DESCRIPTION: All MTW participants (MTW Tier I and Tier II) continuously participate in case management and are offered services and/or resource referrals including job training and placement services, computer experience, financial literacy classes and transportation stipends, as funds allow. Initiated in the FY 2000 Annual Plan.

During FY2012, case management activities included not only the participants within their initial five (5) year period under MTW Tier I, but those participants that continue in the program for the remaining two (2) years under MTW Tier II.

Effective July 1, 2012 (FY2013), DSHA required all MTW program participants to complete a DSHA approved Financial Literacy training course within the first two years of Tier I. If they do not complete the training, then a strike may be issued for program non-compliance. Currently, MTW program participants must take a Financial Literacy course but they can do so whenever they want. DSHA has found that in order for residents to receive the optimal benefits of credit repair and Financial Literacy then they must complete the program early in MTW participation.

Effective January 1, 2015, DSHA will create a Fair Market Housing Track to compliment and expand the current Financial Literacy requirement. Residents will be required to complete within 3 years additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate residents on credit repair as well as what is needed to be a success homeowner or fair market renter. If they do not complete the training, then a strike may be issued for program non-compliance. No changes or modifications, or any additions to Attachment C/D authorizations for the changes noted above are required. This initiative is still being developed with NCALL and has been placed on hold until January 1, 2016.

IMPACT: Better prepares MTW participants to succeed in finding employment and overcoming barriers to self-sufficiency as they move toward Fair Market Housing or Homeownership.

DSHA will modify this activity effective January 1, 2015 to include a Fair Market Housing Track to compliment and expand current Financial Literacy requirements. Residents will be required to complete within 3 years additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate residents on credit repair as well as what is needed to be a successful homeowner or fair market renter. If they do not complete the training, then a strike may be issued for program non-compliance. No changes or modifications, or any additions to Attachment C/D authorizations for the changes noted above are required.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

**ACTIVITY METRICS INFORMATION**

The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: SS#1, SS#2, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

**NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY**

- 1) Attachment C, Section B. Authorizations Related to Both Public Housing and Housing Choice Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency’s Annual MTW Plan.
- 2) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency’s Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: Removal of Barriers to Self-Sufficiency**

**ACTIVITY NUMBER: B-3**

PROPOSED PLAN YEAR: FY2000

EFFECTIVE DATE: FY2000

STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.

ACTIVITY DESCRIPTION: Enhance the standard of living for residents participating in MTW by assisting residents in the removal of barriers to self-sufficiency (obtain employment, driver's license, purchase vehicle, coordinate child care, obtain GED, enroll for college courses, expunge criminal record, clear credit history). Initiated in the FY2000 Annual Plan.

DSHA MTW participants continue to be assisted in removing barriers to self-sufficiency in areas such as transportation, education and childcare.

IMPACT: Better prepares MTW participants to succeed in finding employment and overcoming barriers to self-sufficiency.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#3, SS#5 and SS#8.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

- 1) Attachment C, Section B. Authorizations Related to Both Public Housing and Housing Choice Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency's Annual MTW Plan.
- 2) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: 500 Unit Set-Aside for MTW Eligible Families**

**ACTIVITY NUMBER: B-4**

PROPOSED PLAN YEAR: FY2012

EFFECTIVE DATE: September 1, 2014

STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.

ACTIVITY DESCRIPTION: To create a 500 unit set-aside for eligible MTW participants. The set-aside will be administered for both Public Housing and the Housing Choice Voucher Programs to increase the overall number MTW participants. To reach the goal of having 500 participants enrolled in the MTW program, two of every three available units/vouchers will be offered to MTW eligible applicants. Once the set-aside is reached and maintained, public housing units and vouchers would be offered based on preference and date of application.

DSHA had anticipated activating the 500 unit set-aside effective January 1, 2014. However due to resident notification issues, DSHA activated the previously approved 500 unit set-aside for eligible MTW participants effective on September 1, 2014. DSHA did not initiate the activity during FY2012 or FY2013 due to increases in MTW eligible participants with the re-integration of Safety- Net participants into the program with the restructuring of the time-limit feature. Since the majority of the re-integrated Safety-Net families will have completed their subsidy by January 1, 2014, the number of active MTW participants will have decreased thereby necessitating the activation of the 500 unit set-aside. During FY2016, DSHA will monitor the effectiveness of the 500 unit set-aside in increasing our MTW participation.

IMPACT: Increase the overall number of MTW participants and create greater turnover of the waiting list as successful participants complete the five (5) year MTW program.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#5.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

- 1) Attachment C, Section C. Authorizations Related to Public Housing, Paragraph (2). This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.
- 2) Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only, Section 3. Eligibility of Participants, Paragraph (4), Waiting List Policies. Use of Public Housing as an Incentive for Economic Progress. This authorization waives certain provisions of Section 8 (o)(6),8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R 982 subpart E, 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: Resident Homeownership Program (RHP)**

**ACTIVITY NUMBER: C-1**

PROPOSED PLAN YEAR: FY2004

MODIFIED IN PLAN YEAR: FY2011

EFFECTIVE DATE: FY2004

STATUTORY OBJECTIVE: MTW activities to improve housing choices for our residents.

ACTIVITY DESCRIPTION: A Resident Homeownership Program (RHP) was created to provide eligible DSHA Housing Choice Voucher and Public Housing residents the ability to participate in a program to own a home by utilizing Housing Choice Voucher rental assistance towards the payment of a mortgage. The flexibility of the MTW program has been used to make the program accessible to Public Housing residents and other non-MTW participants, including elderly and disabled families, in addition to Housing Choice Voucher residents.

Initiated in the FY2004 Annual Plan.

In FY2011, DSHA made changes to the RHP program to reduce the duration of the subsidy from the 15 year period (for non-disabled, non-elderly families), and revise the calculation formula used to determine the amount of voucher assistance. These changes provide a more realistic program for the homeowner as they will be better prepared to assume all responsibility for the mortgage at the end of the subsidy period. Families that currently participate in the RHP program will be grandfathered under the existing subsidy calculation.

IMPACT: To be able to utilize Housing Choice Voucher to assist eligible participants to purchase a home through this program, especially elderly/disabled (non-MTW) that do not have the opportunity to participate in MTW.

DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.

### ACTIVITY METRICS INFORMATION

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#6, SS#7, SS#8, HC#4 and HC#5.

The baseline performance levels are stated in the metric tables on the following page.

The yearly benchmarks are stated in the metric tables on the following page.

The final projected outcomes are stated in the metric tables on the following page.

The Easy Housing resident software will be utilized to track and identify performance levels and funding.

### NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY

Attachment C, Section D. Authorizations Related to Housing Choice Voucher Only, Paragraph 8. Homeownership Program (a) and (b), This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

**ACTIVITY NAME: RENOVATION OF WEXFORD VILLAGE USING MTW HOUSING CHOICE VOUCHER RESERVES**

**ACTIVITY NUMBER: C-2**

PROPOSED PLAN YEAR: FY2013

EFFECTIVE DATE: In development, see anticipated timeline in description category.

STATUTORY OBJECTIVE: MTW activities to improve housing choices for our residents.

ACTIVITY DESCRIPTION: In FY2013, DSHA proposed to renovate Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. The property was in the extended use period of a LIHTC agreement and owned by Wexford Village Housing Corporation, a wholly owned nonprofit corporate affiliate of DSHA. DSHA currently has \$2.4 million in the Housing Choice Voucher Reserves. In addition to the amount from MTW HCV Reserves, DSHA will also issue a grant of \$582,702 in non-MTW funds, provide a low-interest loan of \$500,000 to the property and has arranged for the current deferred mortgage (\$2,036,583) to be interest-free. In addition, twenty (20) existing tenant-based Housing Choice Vouchers (HCV) will be project-based at the property upon completion of renovations and the remaining units will be offered to households with annual incomes between 60% and 80% of area median income. DSHA will insure that the terms of PIH Notice 2011-45 in the implementation of this activity.

Renovations at Wexford Village Apartments were originally scheduled to begin in May/June 2013, but were delayed after bids for the construction came in significantly higher than anticipated. Based on these higher bids, DSHA revised the scope of renovations and also obtained additional funding through the HOME Program to proceed with a moderate renovation plan. Items removed from the original renovation plan include the replacement of all siding and windows, interior doors and flooring. A matrix has been prepared based on thorough inspection of the units by an architect to determine the specific needs for each unit instead of fully renovating each and every unit. Requests for bids have been published and are to be opened November 7, 2013. Listed below is the revised timeline for the renovations:

### **Wexford Village Timeline**

- **Resident Meeting – November 5, 2013-Completed**
- **Bid Opening – November 7, 2013-Completed**
- **Contract and all paperwork- Completed April 9, 2014**
- **Notice to Proceed- Completed April 21, 2014**
- **Construction Period- Anticipated completion date end of April 2015**

Project was completed per anticipated timeline above.

IMPACT: By improving housing choices for our residents, DSHA will achieve one of the statutory objectives of the MTW program. After the renovation, Wexford Village would add an additional 60 units of affordable housing to DSHA's MTW portfolio, insuring that the apartment community will continue to remain affordable and financially viable for many years to come. In addition, DSHA can provide a unique opportunity for mixed-income housing in the community by project-basing 20 existing Housing Choice Vouchers and leasing the remaining 40 units to nonsubsidized families with incomes between 60% and 80% of area median income. This will enable more families to be served

by DSHA's MTW program, over and above the 508 public housing units currently owned and managed by DSHA and the 955 vouchers currently administered by the agency.

DSHA anticipates finishing construction in October 2014 with leasing beginning once construction is completed.

#### **ACTIVITY METRICS INFORMATION**

The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: CE#1, CE#2 and CE#4

The baseline performance levels will be established at implementation.

The yearly benchmarks will be established at implementation.

The final projected outcomes will be established at implementation.

DSHA and Wexford Village management would track and identify the leasing of project voucher units. No outside evaluators will be used.

#### **NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY**

- 1) Attachment C, Authorizations Related to Section 8 Housing Choice Vouchers Only, Section 1, paragraph e. – Authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24C.F.R 983 as necessary to implement the Agency's annual MTW Plan.
- 2.) Attachment C, Authorization D.7.a, Establishment of an Agency MTW Section 8 Project-Based Program – Authorization waives certain provisions of Section 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan.

4.0 (B.) Not Yet Implemented

REQUIRED ELEMENTS FOR PROPOSED ACTIVITIES
<b>ACTIVITY DESCRIPTION</b>
<b>ACTIVITY NAME: Rent Simplifications and Asset/Income Verifications</b>
<b>ACTIVITY NUMBER: A-6</b>
A. <b>ACTIVITY DESCRIPTION:</b> DSHA will modify the current asset verification policy in an effort to 1) simplify rent calculations; 2) create administrative time savings and 3) significantly reduce the need for dependence of client supplied bank/financial records. The policy will not require the verification or inclusion of assets less than \$25,000. The resident/applicant will instead sign a certification form if they have assets less than \$25,000. Elimination of asset verification and inclusion in subsidy calculations will have little or no effect on subsidy for the vast majority of DSHA residents. It should also be noted the during the past five years, more financial institutions are no longer completing asset verifications or are charging resident/applicant to complete the verification forms. <b>This initiative was approved in the FY2015 Annual Plan for implementation on January 1, 2015. Implementation was delayed due to resident notifications until July 1, 2015.</b>
B. <b>STATUTORY OBJECTIVE:</b> Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)
C. <b>ANTICIPATED IMPACT:</b> With the current asset verification procedure, DSHA spends approximately 432 staff hours on PH residents and 595 staff hours on HCV residents. By modifying the current asset verification procedure, DSHA anticipates reducing the amount of staff hours to 216 for PH residents and 298 for HCV residents.
D. <b>ANTICIPATED SCHEDULE:</b> Original effective date was January 1, 2015 but implementation is now scheduled for July 1, 2015. Asset verification will be completed at initial and recertification.
<b>ACTIVITY METRICS INFORMATION</b>
E. The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: CE#1, CE#2, and CE #3.
F. The baseline performance levels are stated in the metric tables on the following page.
G. The yearly benchmarks are stated in the metric tables on the following page.
H. The final projected outcomes are stated in the metric tables on the following page.
I. The Easy Housing resident software will be utilized to track and identify performance levels and funding.
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>
Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 11. Rent Policies and Term Limits. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R 5.603,5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency’s Annual MTW Plan. Attachment C, Section D. Authorizations Related to Housing Choice Vouchers Only, Paragraph 2(a) and 2(d). Rent Policies and Term Limits. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R 982.508,982.503 and 982.518 A as necessary to implement the Agency’s Annual MTW Plan.

#### **4.0 (C.) Activities On Hold**

DSHA does not have any previously approved activities that are “on hold”.

#### **4.0 (D.) Closed Out Activities**

DSHA does not have any previously approved activities that are “closed out”.

**(V) Sources and Uses of Funds**

**Annual MTW Plan**

**V.1.Plan.Sources and Uses of MTW Funds**

**A. MTW Plan: Sources and Uses of MTW Funds**

**Estimated Sources of MTW Funding for the Fiscal Year**

PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item.

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$693,600
70600	HUD PHA Operating Grants	\$9,800,315
70610	Capital Grants	\$570,590
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$1,020
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$439,870
<b>70000</b>	<b>Total Revenue</b>	<b>\$11,505,395</b>

**Estimated Uses of MTW Funding for the Fiscal Year**

PHAs shall provide the estimated uses and amounts of MTW spending by FDS line item.

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$1,642,303
91300+91310+92000	Management Fee Expense	\$0
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$45,830
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$471,180
93500+93700	Labor	\$563,010
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$1,135,360
95000 (95100+95200+95300+95500)	Total Protective Services	\$0
96100 (96110+96120+96130+96140)	Total insurance Premiums	\$159,870
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$982,560
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	Housing Assistance Payments + HAP Portability-In	\$5,364,510
97400	Depreciation Expense	\$0
97500+97600+97700+97800	All Other Expenses - Capital Grant Expenses	\$570,590
90000	Total Expenses	\$10,935,213

**Describe the Activities that Will Use Only MTW Single Fund Flexibility**

DSHA has no planned uses of MTW Single-Fund Flexibility for FY2016.

**V.2.Plan.Local Asset Management Plan**

**B. MTW Plan: Local Asset Management Plan**

Is the PHA allocating costs within statute?  or  **No**

Is the PHA implementing a local asset management plan (LAMP)?  **Yes** or

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. The narrative 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?  **Yes** or

**No Changes for FY2016.**

**THIS PART IS NOT PART OF THE NEW MTW ANNUAL PLAN FORMAT - KEEPING FOR OUR INFORMATION**

**E. Actual Reserve Balances at the Beginning of the Fiscal Year**

**Reserve Account**

**Reserve Balance**

<b>MTW Reserve Account @ 7/1/14</b>	<b>984,620</b>
<b>Estimated Addition/Reduction to Reserve FY15 - PH</b>	<b>367,938</b>
<b>Estimated Addition/Reduction to Reserve FY15 - HCV</b>	<b>270,425</b>
<b>Estimated MTW Reserve Account @ 7/1/15</b>	<b>1,622,983</b>
<b>Scattered Sites Homeownership @ 7/1/15</b>	<b>128,660</b>
<b>Total Reserve Balance Amount:</b>	<b>1,751,643</b>

## 6.0 ADMINISTRATIVE

- **Resolution signed by the Director adopting the Annual Plan Certification of Compliance:**

See Attachment B for General Order and Certification

- **Descriptions of any planned or on-going Agency-directed evaluations of the demonstration, as applicable; and**

A resident satisfaction survey has been developed and will be sent to Public Housing residents every year.

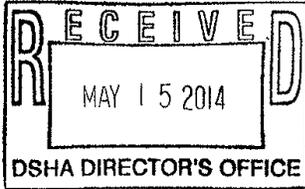
- **ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT (HUD 50075.1)**

# **Attachment A**

Annual Statement/Performance

And

Evaluation Report



U.S. Department of Housing and Urban Development

Philadelphia Office  
The Wanamaker Building  
100 Penn Square East  
Philadelphia, Pennsylvania 19107-3380

May 13, 2014

Mr. Anas Ben Addi  
Executive Director  
Delaware State Housing Authority  
18 The Green  
Dover, DE 19901

Dear Mr. Addi:

Enclosed is a fully executed original of the ACC for the Authority's FY 2014 Capital Fund Program funding, Grant # DE26P00450114 in the amount of \$679,753.00.

You are reminded that the Authority cannot begin to undertake, obligate or expend capital funds on physical activities or other choice-limiting actions until the Environmental Review Requirements have been met. Once this has been completed, you may begin to obligate FY 2014 Capital Funds.

Once again, particular attention must be given to expediting the obligation and expenditure of capital funds. This office has approved an implementation schedule for your authority not to exceed May 12, 2016 for the obligation and May 12, 2018 for expenditure of these funds.

If you have any questions, please contact Edward Williams, Revitalization Specialist, at 215-861-7609 or via email at [edward.williams@hud.gov](mailto:edward.williams@hud.gov). Our text telephone number for the hearing impaired is (215) 656-3452.

Sincerely,

Dennis G. Bellintier  
Director  
Office of Public Housing

Enclosure

**2014 Capital Fund**

**Capital Fund Program  
(CFP) Amendment**  
To The Consolidated Annual Contributions  
Contract (form HUD-53012)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

Whereas, (Public Housing Authority) Delaware State Housing Authority DE004 (herein called the "PHA") and the United States of America, Secretary of Housing and Urban Development (herein called "HUD") entered into Consolidated Annual Contributions Contract(s) ACC(s) Numbers(s) P-4520 dated 2/13/1996

Whereas, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the purpose of assisting the PHA in carrying out development, capital and management activities at existing public housing projects in order to ensure that such projects continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised ACC Amendment authorizing such additional amounts.

\$ \$679,753.00 for Fiscal Year 2014 to be referred to under Capital Fund Grant Number DE26P00450114  
PHA Tax Identification Number (TIN): On File DUNS Number: On File

Whereas, HUD and the PHA are entering into the CFP Amendment Number 52

Now Therefore, the ACC(s) is (are) amended as follows:

- The ACC(s) is (are) amended to provide CFP assistance in the amount specified above for development, capital and management activities of PHA projects. This CFP Amendment is a part of the ACC(s).
- The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) published at 78 Fed. Reg. 63748 (October 24, 2013), as well as other applicable HUD requirements.
- The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five Year Action Plan where the PHA proposes a Significant Amendment the Capital Fund Five Year Action Plan.
- For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee within 3 days of the due date.
- Unless otherwise provided, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.
- Subject to the provisions of the ACC(s) and paragraph 3, and to assist in development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.
- The PHA shall continue to operate each public housing project as low-income housing in compliance with the ACC(s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP assistance for development activities for each public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project.

However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.

8. The PHA will accept all CFP assistance provided for this FY. If the PHA does not comply with any of its obligations under this CFP Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement of the Annual PHA Plan. In such case, the PHA shall only incur additional costs with HUD approval.

9. Implementation or use of funding assistance provided under this CFP Amendment is subject to the attached corrective action order(s).  
(mark one):  Yes  No

10. The PHA is required to report in the format and frequency established by HUD on all open Capital Fund grants awarded, including information on the installation of energy conservation measures.

11. If CFP assistance is provided for activities authorized pursuant to agreements between HUD and the PHA under the Rental Assistance Demonstration Program, the PHA shall follow such applicable statutory authorities and all applicable HUD regulations and requirements.  
For total conversion of public housing projects, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition or conversion of any public housing project covered by these terms and conditions shall occur unless approved by HUD. For partial conversion, the PHA shall continue to operate each non-converted public housing project as low-income housing in accordance with paragraph 7.

12. CFP assistance provided as an Emergency grant shall be subject to a 12 month obligation and 24 month expenditure time period, respectively. CFP assistance provided as a Safety and Security or Natural Disaster grant shall be subject to a 24 month obligation and 48 month expenditure time period, respectively. The start date shall be the date on which such funding becomes available to the PHA for obligation. The PHA must record the Declaration(s) of Trust within 60 days of the effective date or HUD will recapture the funds.

The parties have executed this CFP Amendment, and it will be effective on 5/13/2014. This is the date on which CFP assistance becomes available to the PHA for obligation.

U.S. Department of Housing and Urban Development By: <u>Diana A. Bellino</u> Title: <u>Assistant Director, Office of Public Housing</u> Date: <u>MAY 13 2014</u>	PHA (Executive Director or authorized agent) By: <u>[Signature]</u> Title: <u>ASST. DIR., FIN. MGMT.</u> Date: <u>4/14/14</u>
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Previous versions obsolete Form HUD-52840-A 03/04/2003

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 8/31/2011

Part I: Summary		Grant Type and Number		FFY of Grant: FY2014	
PHA Name:		Capital Fund Program Grant No: DE26P00450114		FFY of Grant Approval: FY2014	
Delaware State Housing Authority		Replacement Housing Factor Grant No:			
		Date of CFPP:			
Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no: )	
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report	
Line		Summary by Development Account		Total Estimated Cost	
				Total Actual Cost <sup>1</sup>	
				Expended	
				Obligated	
				Revised <sup>2</sup>	
		Original			
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration			679,753.00	
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
<sup>4</sup> RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 08/31/2011

<b>Part I: Summary</b>			
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450114 Replacement Housing Factor Grant No: Date of CFPF:	FFY of Grant: FY2014 FFY of Grant Approval: FY2014	
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:			
		<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup> Obligated      Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant: (sum of lines 2 - 19)	679,753.00	
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director: Anas Ben Addi <i>Anas Ben Addi</i>		Signature of Public Housing Director <i>Debra S. ...</i>	Date: 4/9/14 Date: 2014 Date: 2014

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
<sup>4</sup> RHF funds shall be included here.







Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 06/30/2017

<b>Part I: Summary</b>		FFY of Grant: FY2014	
PHA Name: Delaware State Housing Authority		FFY of Grant Approval: FY2014	
Grant Type and Number Capital Fund Program Grant No: DE26P00450114 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/14		<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
Summary by Development Account		Total Estimated Cost	Total Actual Cost <sup>1</sup>
Line		Original	Obligated
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant:: (sum of lines 2 - 19)	679,753	275,361
21	Amount of line 20 Related to LBP Activities		263,895
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
<b>Signature of Executive Director</b>		<b>Signature of Public Housing Director</b>	
Date 7/16/15		Date	

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFFP Grants for operations.  
<sup>4</sup> RHF funds shall be included here.









U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 06/30/2017

Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

Part I: Summary		FFY of Grant: FY 2015 FFY of Grant Approval: FY 2015	
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450115 Replacement Housing Factor Grant No: Date of CFFP:		
Type of Grant	<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:	<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost Revised <sup>2</sup>	Total Actual Cost <sup>1</sup> Expended
1	Total non-CFFP Funds		
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>		
3	1408 Management Improvements		
4	1410 Administration (may not exceed 10% of line 21)		
5	1411 Audit		
6	1415 Liquidated Damages		
7	1430 Fees and Costs		
8	1440 Site Acquisition		
9	1450 Site Improvement		
10	1460 Dwelling Structures		
11	1465.1 Dwelling Equipment—Nonexpendable		
12	1470 Non-dwelling Structures		
13	1475 Non-dwelling Equipment		
14	1485 Demolition		
15	1492 Moving to Work Demonstration		
16	1495.1 Relocation Costs	694,913.00	
17	1499 Development Activities <sup>4</sup>		

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFFP Grants for operations.  
<sup>4</sup> RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

<b>Part I: Summary</b>		FFY of Grant: FY2015 FFY of Grant Approval: FY2015	
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450115 Replacement Housing Factor Grant No: Date of CFFP:		
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:			
<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost Original	Total Actual Cost <sup>1</sup> Revised <sup>2</sup> Obligated Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant: (sum of lines 2 - 19)	694,913.00	
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
<b>Signature of Executive Director</b>		<b>Date</b> 7/16/15	<b>Signature of Public Housing Director</b>
			<b>Date</b>

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFF Grants for operations.  
<sup>4</sup> RHF funds shall be included here.









## **Attachment B**

General Order,  
Certification Statement,  
Public Hearing Minutes and Notice Publications

**GENERAL ORDER NO. 626**

**GENERAL ORDER ADOPTING  
THE MOVING TO WORK  
ANNUAL PLAN FOR FY2016**

**WHEREAS**, The Delaware State Housing Authority (DSHA) entered into a Moving to Work Restated and Amended Agreement with HUD; and

**WHEREAS**, The Moving to Work Restated and Amended Agreement requires that the Delaware State Housing Authority submit an Annual Plan; and

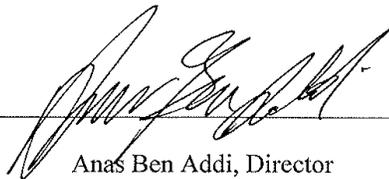
**WHEREAS**, The Moving to Work Restated and Amended Agreement requires certification that a public hearing was held regarding the Moving to Work Plan; and

**WHEREAS**, The Annual Plan shall describe the activities and sources and uses of funding that Delaware State Housing Authority is undertaking through the Moving to Work Program.

**NOW THEREFORE BE IT ORDERED AS FOLLOWS:**

1. The Director has reviewed and approved the Moving To Work Annual Plan for FY2016.
2. The Delaware State Housing Authority certifies that it held public hearings on March 17, 2015 and March 19, 2015 in accordance with the requirements of the Moving to Work Restated and Amended Agreement regarding the Moving to Work Annual Plan for FY2016.

DELAWARE STATE HOUSING AUTHORITY

  
\_\_\_\_\_  
Anas Ben Addi, Director

4-9-15  
\_\_\_\_\_  
Date

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

**Certifications of Compliance**

Annual Moving to Work Plan  
Certifications of Compliance

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

**Certifications of Compliance with Regulations:  
Board Resolution to Accompany the Annual Moving to Work Plan\***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning July 1, 2015, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

**Delaware State Housing Authority**

PHA Name

DE004/DE901

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

**Anas Ben Addi**

Name of Authorized Official

**Director**

Title

Signature

Date

\*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.



## PUBLIC HEARING NOTICE

### ON THE FY2016 MOVING TO WORK ANNUAL PLAN

Notice is given that the Delaware State Housing Authority (DSHA) will conduct two Public Hearings concerning the submission of their Moving To Work Annual Plan for FY2016 to the U.S. Department of Housing and Urban Development (HUD). This Plan outlines the activities of the Moving To Work Program as well as the sources and uses of funding that DSHA will implement during the sixteenth year of the Moving To Work Demonstration.

DSHA is not proposing any new MTW initiatives in the FY2016 Annual Plan. DSHA is proposing to modify existing MTW Program education requirements and the “temporary exemption” definition:

1. Effective September 1, 2015, DSHA will further define our existing “temporary exemption” policy to be consistent with our time-limit policy. The “end date” for participation in the DSHA MTW Program is based on the date that the resident enters the program. That established end date will remain the same regardless of the number of and duration of “temporary exemptions” that the resident receives.
2. Effective January 1, 2016, all MTW residents entering the program without a high school diploma/GED certificate must complete and obtain their GED certificate within the first 2 years of their MTW participation.

A copy of the Draft Plan will be available for inspection and review at DSHA’s offices during normal business hours, Monday through Friday, at 18 The Green, Dover and each Public Housing development beginning February 16, 2015. The Plan will also be available on the DSHA website, [www.destatehousing.com](http://www.destatehousing.com) beginning February 16, 2015. After the end of the comment period on April 3, 2015, the Plan will be finalized and submitted to HUD for final approval.

The first hearing will be held in the Community Building of the Liberty Court complex at 5:30 P.M., Tuesday, March 17, 2015. Liberty Court is located at 1289 W. Walker Road, Dover, DE 19904. The Community Building is handicapped accessible.

The second hearing will be held in the Community Building of the Burton Village complex at 5:30 P.M., Thursday, March 19, 2015. Burton Village is located at 37511 Burton Village Avenue, Rehoboth Beach, DE 19971. The Community Building is handicapped accessible.

Written comments, questions or requests for additional information, including copies of the Plan itself, should be directed to Christopher A. Whaley of DSHA at (302) 739-7419.

Delaware State Housing Authority  
Telephone (302) 739-7419  
TDD (302) 739-4264  
Equal Opportunity Employer  
Equal Housing Opportunity



MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY  
PUBLIC HEARING ON THE  
MOVING TO WORK FY2016 ANNUAL PLAN  
March 17, 2015

The hearing convened at 5:35 p.m. at Liberty Court in Dover with Christopher A. Whaley, Housing Management Program Administrator, presiding. He started by explaining that the purpose of the hearing was to provide interested parties with an opportunity to present questions and/or comments regarding the FY2016 Moving To Work Annual Plan before it is submitted to the U. S. Department of Housing and Urban Development (HUD) for final approval. The Plan begins July 1, 2015 and ends June 30, 2016.

Chris Whaley discussed the details of the MTW Program proposed changes to the MTW Annual Plan for FY2016. He also reviewed some proposed capital fund improvements. Major proposed changes to the MTW Program include:

- DSHA will modify the current asset verification policy in an effort to 1) simplify rent calculations; 2) create administrative time savings and 3) significantly reduce the need for dependence of client supplied bank/financial records. The policy will not require the verification or inclusion of assets less than \$25,000. The resident/applicant will instead sign a certification form if they have assets less than \$25,000. Elimination of asset verification and inclusion in subsidy calculations will have little or no effect on subsidy for the vast majority of DSHA residents. It should also be noted the during the past five years, more financial institutions are no longer completing asset verifications or are charging resident/applicant to complete the verification forms.

*\*\*This change was approved in the FY2015 Annual Plan for implementation on January 1, 2015. However, implementation was delayed due to resident notifications until July 1, 2015.*

- Effective September 1, 2015, DSHA will further define our existing “temporary exemption” policy to be consistent with our time-limit policy. The “end date” for participation in the DSHA MTW Program is based on the date that the resident enters the program. That established end date will remain the same regardless of the number of and duration of “temporary exemptions” that the resident receives. The subsidy will end at the completion of seven years, unless the resident receives a hardship extension of a maximum of one (1) year in accordance with our current Hardship Policy.

The further definition of our “temporary exemption” policy as a short-term goal does not require MTW authority to implement; however, DSHA seeks to make HUD aware of our updates to this existing policy. The updates are as follows:

- The established end date of subsidy will remain the same regardless of the number of or duration of temporary exemptions received by the resident during the program.
- The resident is still required to meet with their case manager for their annual Contract of Mutual Participation (COMP) and quarterly Resident Action Plan (RAP). If the

resident does not meet with the case manager then a strike may be issued for non-compliance.

- If a resident has been temporarily exempt for more than one (1) year of the MTW program, then if appropriate the case manager will discuss and assist the resident with the process of achieving permanent disability status. If permanent disability is not necessary, then the case manager will discuss and work with the resident regarding housing options and options for employment changes due to illness, injury, mental illness, etc.
- The resident must complete the DSHA MTW Program Financial Literacy requirements. If the resident does not meet the Financial Literacy requirements then a strike may be issued for non-compliance.
- There will be no exceptions on the MTW savings procedure regardless of the number of or duration of temporary exemptions.
- If applicable, DSHA will require that the resident provide proof that permanent disability has been filed.

There were only general questions regarding the current MTW Program and no comments offered by the two attendees regarding the proposed changes, and the meeting was adjourned at 6:02 p.m.

MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY  
PUBLIC HEARING ON THE  
MOVING TO WORK FY2016 ANNUAL PLAN  
March 19, 2015

The hearing convened at 5:30 p.m. at Burton Village in Rehoboth Beach with Christopher A. Whaley, Housing Management Program Administrator, presiding. He started by explaining that the purpose of the hearing was to provide interested parties with an opportunity to present questions and/or comments regarding the FY2016 Moving To Work Annual Plan before it is submitted to the U. S. Department of Housing and Urban Development (HUD) for final approval. The Plan begins July 1, 2015 and ends June 30, 2016.

Chris Whaley discussed the details of the MTW Program proposed changes to the MTW Annual Plan for FY2016. Major proposed changes to the MTW Program include:

- DSHA will modify the current asset verification policy in an effort to 1) simplify rent calculations; 2) create administrative time savings and 3) significantly reduce the need for dependence of client supplied bank/financial records. The policy will not require the verification or inclusion of assets less than \$25,000. The resident/applicant will instead sign a certification form if they have assets less than \$25,000. Elimination of asset verification and inclusion in subsidy calculations will have little or no effect on subsidy for the vast majority of DSHA residents. It should also be noted the during the past five years, more financial institutions are no longer completing asset verifications or are charging resident/applicant to complete the verification forms.

*\*\*This change was approved in the FY2015 Annual Plan for implementation on January 1, 2015. However, implementation was delayed due to resident notifications until July 1, 2015.*

- Effective September 1, 2015, DSHA will further define our existing “temporary exemption” policy to be consistent with our time-limit policy. The “end date” for participation in the DSHA MTW Program is based on the date that the resident enters the program. That established end date will remain the same regardless of the number of and duration of “temporary exemptions” that the resident receives. The subsidy will end at the completion of seven years, unless the resident receives a hardship extension of a maximum of one (1) year in accordance with our current Hardship Policy.

The further definition of our “temporary exemption” policy as a short-term goal does not require MTW authority to implement; however, DSHA seeks to make HUD aware of our updates to this existing policy. The updates are as follows:

- The established end date of subsidy will remain the same regardless of the number of or duration of temporary exemptions received by the resident during the program.
- The resident is still required to meet with their case manager for their annual Contract of Mutual Participation (COMP) and quarterly Resident Action Plan (RAP). If the resident does not meet with the case manager then a strike may be issued for non-compliance.

- If a resident has been temporarily exempt for more than one (1) year of the MTW program, then if appropriate the case manager will discuss and assist the resident with the process of achieving permanent disability status. If permanent disability is not necessary, then the case manager will discuss and work with the resident regarding housing options and options for employment changes due to illness, injury, mental illness, etc.
- The resident must complete the DSHA MTW Program Financial Literacy requirements. If the resident does not meet the Financial Literacy requirements then a strike may be issued for non-compliance.
- There will be no exceptions on the MTW savings procedure regardless of the number of or duration of temporary exemptions.
- If applicable, DSHA will require that the resident provide proof that permanent disability has been filed.

There were only general questions regarding the current MTW Program and no comments offered by the one attendee regarding the proposed changes, and the meeting was adjourned at 6:00 p.m.



**The News Journal**  
**Media Group**

A GANNETT COMPANY

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SD STATE HOUSING AUTHORITY  
18 THE GRN

DOVER, DE 19901

**AFFIDAVIT OF PUBLICATION**

**State of Delaware**

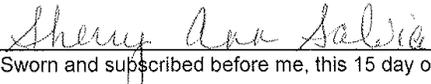
**New Castle County**

Personally appeared **The News Journal**

Of the **The News Journal Media Group**, a newspaper printed, published and circulated in the State of Delaware, who being duly sworn, deposeth and saith that the advertisement of which the annexed is a true copy, has been published in the said newspaper 6 times, once in each issue as follows:

02/22/15, 02/25/15, 03/01/15, 03/08/15, 03/11/15,  
03/15/15 A D 2015

  
\_\_\_\_\_

  
Sworn and subscribed before me, this 15 day of March,  
2015

Ad Number: 0000301882



Legal notification printed at larger size for affidavit.

# INDEPENDENT NEWSMEDIA INC. USA

110 Galaxy Drive • Dover, DE • 19901 • 1-800-282-8586

State of Delaware:

County of Kent:

Before me, a Notary Public, for the County and State aforesaid, Edward Dulin, known to me to be such, who being sworn according to law deposes and says that he is President of Independent Newsmedia Inc. USA, the publisher of the **Delaware State News**, a daily newspaper published at Dover, County of Kent, and State of Delaware, and that the notice, a copy of which is hereto attached, as published in the **Delaware State News** in its issue of 2/22+25 3/18, 11/15/2015.



President  
Independent Newsmedia Inc. USA

Sworn to and subscribed before me this 15th  
Day of March A.D. 2015



  
Notary Public

**DELAWARE WAVE & COAST PRESS**

PO Box 1420  
Bethany Beach, DE 19930

March 11, 2015

Delaware State Housing Authority  
26 The Green  
Dover, DE 19901

To Whom It May Concern:

Here is the Certificate of Publication for your Legal Ad that published in The Delaware Coast Press.

Sincerely,

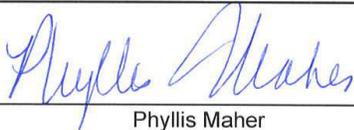
Phyllis Maher  
Legals Representative  
410-749-7171, ext. 309

**CERTIFICATE OF PUBLICATION**

This is to certify that the attached has been published in The Delaware Coast Press, a weekly paper of general circulation in Sussex County, published in Rehoboth Beach, Delaware.

Public Hearing Notice on the FY2016 Moving to Work Annual Plan

March 4, 2015  
March 11, 2015

  
Phyllis Maher

# GATEHOUSE MEDIA DELAWARE HOLDINGS, INC

**Office:**

Smyrna/Clayton Sun-Times  
224 E. Glenwood Ave.  
Smyrna, DE 19977

**Delaware State Housing Authority  
26 The Green  
Dover, DE 19901**

This is to certify that the following legal advertisement:

**Public Hearing: FY2016 Moving To Work  
Annual Plan**

was carried in Smyrna/Clayton Sun-Times, a weekly newspaper, on the following dates:

**February 25<sup>th</sup> & March 11<sup>th</sup>, 2015**

A copy of that advertisement is attached.

*Amy S Jensen*

For the Smyrna/Clayton Sun-Times

Sworn to and subscribed before me this 11<sup>th</sup>  
Day of March, 2015.

*Linda F Spry Miller*

Notary Public

Total Due: \$233.20

Please return a copy with your remittance.

Thank you.



# GATEHOUSE MEDIA DELAWARE HOLDINGS, INC

**Office:**

1196 S. Little Creek Rd.,  
Dover, DE 19901

**Mailing Address:**

P.O. Box 664  
Dover, DE 19903

**Delaware State Housing Authority  
26 The Green  
Dover, DE 19901**

This is to certify that the following legal advertisement:

**Public Hearing: FY2016 Moving To Work  
Annual Plan**

was carried in The Kent County Sunday, a weekly  
newspaper, on the following dates:

**March 1<sup>st</sup>, 2015**

A copy of that advertisement is attached.

*Amy S. Jensen*

For The Dover Post

Sworn to and subscribed before me this 11<sup>th</sup>  
Day of March, 2015.

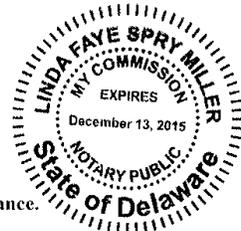
*Linda F. Spry Miller*

Notary Public

Total Due: \$116.60

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# GATEHOUSE MEDIA DELAWARE HOLDINGS, INC

**Office:**

1196 S. Little Creek Rd.,  
Dover, DE 19901

**Mailing Address:**

P.O. Box 664  
Dover, DE 19903

**Delaware State Housing Authority  
26 The Green  
Dover, DE 19901**

This is to certify that the following legal advertisement:

**Public Hearing: FY2016 Moving To Work  
Annual Plan**

was carried in The Dover Post, a weekly newspaper, on  
the following dates:

**February 25<sup>th</sup>, March 4<sup>th</sup> & 11<sup>th</sup>, 2015**

A copy of that advertisement is attached.

*Amy Spenser*

For The Dover Post

Sworn to and subscribed before me this 11<sup>th</sup>  
Day of March, 2015.

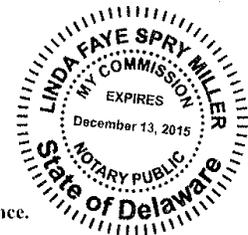
*Linda Faye Spry Miller*

Notary Public

Total Due: \$349.80

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# Cape Gazette

Beach Paper • www.capegazette.com  
 Phone: 302-645-7700 • Fax: 302-645-1664  
 17585 Nassau Commons Blvd Lewes, DE 19958 • Mailing Address: PO Box 213 Lewes, DE 19958

## INVOICE and Statement

### Cape Gazette

Beach Paper • www.capegazette.com

Phone: 302-645-7700 • Fax: 302-645-1664  
 17585 Nassau Commons Blvd Lewes, DE 19958  
 Mailing Address: PO Box 213 Lewes, DE 19958

### Remittance Stub

Delaware State Housing Authority  
 Christopher Whaley  
 26 The Green  
 Dover, DE 19901

Date: 2/28/15  
 Terms: Net 30  
 Act. No.: 263

Delaware State Housing Authority

Date: 2/28/15  
 Terms: Net 30

Act. No.: 263

To ensure proper credit, please check those amounts that you are paying. Please return this remittance stub with your payment.

Transaction No. Amount ✓

#### Current Charges

#### Current Charges

Date	Description	Fin.Chg.	Pub.	Invoice#	Billed	Applied	Amount Due
2/24/2015	Classified Display Public Hearing FY2016	0.00	MWG	SJ1963100	216.75	0.00	216.75
<b>Current Charges Subtotal:</b>					<b>216.75</b>	<b>0.00</b>	<b>216.75</b>

SJ1963100 216.75

#### Balance Due

Prior Items:	
Current Charges:	216.75
Finance Charges:	0.00
<b>Total Due:</b>	<b>216.75</b>

#### TOTAL DUE:

**\$216.75**

#### AMOUNT ENCLOSED

Publisher reserves the right to apply payments to any outstanding invoice. A 1.5% non refundable service charge (18% APR) will be added to overdue balances. PLEASE RETURN REMITTANCE STUB and write account number on check.  
**Make Checks Payable to: Cape Gazette**

Your balance can be paid using American Express, VISA, MasterCard or Discover. Simply call Accounts Receivable or your Ad Rep and we will be happy to help you.



For questions about your account call 302-645-7700

*Thank You for your Business*

263

Detach and return this remittance stub with your payment.

# **Attachment C**

## **Section II:**

### **General Housing Authority Operating Information**

**HOUSING STOCK,**

**CAPITAL FUND EXPLANATION/EXPENDITURES,**

**WAIT LIST EXPLANATIONS/ HISTORICAL TABLES,**

**SOURCES AND USES OF FUNDS NARRATIVE**

## 2.0 (A) Plan Housing Stock

- **NUMBER OF PUBLIC HOUSING UNITS AT THE BEGINNING OF FY2016**

The number of public housing units in the Delaware State Housing Authority (DSHA) portfolio has not changed during the previous Plan year.

**Table 3**

### Number of Public Housing Units as of July 1, 2015

Public Housing						
	Total Units	Bedroom Size				
		1 BR	2 BR	3 BR	4 BR	5 + BR
Burton Village	51	-	14	28	9	-
Clarks Corner	70	4	26	26	12	2
Hickory Tree	55	-	26	26	3	
Holly Square	24	24	-	-	-	-
Lavery Lane	50	-	40	10	-	-
Liberty Court	108	25	71	12	-	-
McLane Gardens	29	12	6	6	4	1
McLane Gardens Annex	21	-	12	6	3	-
Mifflin Meadows	54	6	8	24	12	4
Peach Circle	32	32	-	-	-	-
Scattered Sites-Rental	9	-	-	9	-	-
Scattered Sites-Owner	5*	-	-	5*	-	-
<b>TOTAL</b>	<b>508</b>	<b>103</b>	<b>203</b>	<b>152</b>	<b>43</b>	<b>7</b>

\*Scattered Site Homeownership Program – not a part of MTW initiative.

- **SIGNIFICANT CAPITAL EXPENDITURES BY DEVELOPMENT- FY2013**

This section compares FY2013 budgeted capital work with the actual FY2014 Capital Expenditures by property.

**Table 4**

<b>ACTIVITY</b>	<b>COMMUNITIES</b>	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>EXPENDED</b>
Architect Fees – Re-Roofing	Clarks Corner	7,510.00	5,507.77	\$5,507.77
Ceiling Reinforcement/Repairs	Clarks Corner Annex	35,864.43	35,864.43	\$35,864.43
Re-Roofing	Clarks Corner Annex	132,000.00	136,730.00	\$136,730.00
Bathroom Exhaust Fans/Venting	Mifflin Meadows	1,504.00	1,504.00	\$1,504.00
Architect Fees- Mechanical Renovations	Burton Village	25,000.00	26,265.00	26,265.00
Mechanical Renovations	Burton Village	312,862.00	287,282.18	\$103,394.11
Architect Fees-Community Building HVAC Renovations	Laverty Lane	8,500.00	9,142.75	\$7,972.75
Community Building HVAC Renovations	Laverty Lane	145,610.00	156,078.50	\$82,954.02
Protective Services	Hickory Tree	10,868.25	10,868.25	\$10,868.25
Computers	Various Sites	13,734.00	13,734.00	\$13,734.00
Administrative Costs	Authority Wide	65,786.18	65,786.18	\$65,786.18
Management Improvements-Printing and Bid Advertising	Various Sites	8,000.00	2,500.00	\$2,434.53
<b>Capital Program Totals</b>		<b>\$767,238.86</b>	<b>\$751,263.06</b>	<b>\$493,015.04</b>

**DISCUSSION OF THE CAPITAL EXPENDITURE AMOUNTS:**

The following are descriptions of the expenditures made during FY2014 that exceeded 30% of the agency’s total budgeted capital expenditures for the fiscal year. Total Planned Expenditures for FY2014 were \$767,238.86.

Clarks Corner Annex Re-Roofing: \$142,237.77 (Re-roofing \$136,730.00 and Architect Fees \$5,507.77). This entailed re-roofing all apartment buildings and the community building.

**CAPITAL PLANS:**

A. STATEMENT OF EXISTING NEEDS

The total amount of DSHA existing capital needs is approximately \$8,320,405 which is \$ 17,085.02 per unit. These funds will be used over a five-year period to modernize and update our developments, some of which are 30 years old.

DSHA has received on average \$669,780 annually for the past five years. The FY2014 Capital Fund Program was funded at \$679,753.

B. PLANNED CAPITAL EXPENDITURES

The five-year capital plan for DSHA is broken down by fiscal year. The plan reflects Capital Fund Program funds equal to the amount that will be awarded for FY2016, which is \$694,913. The appropriate planning process and public hearings were held to get input from our residents and the public.

Table 5 that follows shows our five-year capital plan, including the planned use of the most recent funding.\*

**TABLE 5**

**Five Year Capital Plan**

	FY2016	FY2017	FY2018	FY2019	FY2020
Physical Improvements	\$570,590	\$570,590	\$570,590	\$570,590	\$570,590
Administration	66,323	66,323	66,323	66,323	66,323
Management Improvements	8,000	8,000	8,000	8,000	8,000
Fees & Costs	50,000	50,000	50,000	50,000	50,000
<b>TOTAL</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>

\*Included with this document as Attachment A are the budget submissions to HUD.

**Table 6****Capital Expenditures Planned for FY2016**

Capital Project (list by Name)	Total Planned Expenditure in Current Year (specify year)	
Clarks Corner	\$ 50,000	2016
Clarks Corner Annex	\$ 0	2016
McLane Gardens	\$ 0	2016
Peach Circle	\$ 65,000	2016
Mifflin Meadows	\$ 0	2016
Burton Village	\$ 25,000	2016
McLane Gardens Annex	\$ 0	2016
Laverty Lane	\$ 350,895	2016
Hickory Tree	\$ 65,000	2016
Scattered Sites – Phase I	\$ 0	2016
Liberty Court I	\$ 14,695	2016
Liberty Court II	\$ 0	2016
Hickory Tree – Phase II	\$ 0	2016
Holly Square	\$ 0	2016
Scattered Sites – Phase II	\$ 0	2016
<b>Total</b>	<b>\$ 570,590</b>	

**TABLE 7****Physical Needs Assessment**

		2016	2017	2018	2019	2020
<b>CLARKS CORNER</b>	<b>COST</b>					
Siding Replacement	85,000					
Entry, Storage and Storm Doors	240,000		240,000			
Bathroom Rehabilitation	500,000					500,000
Replace Shutters	31,950					
Security Cameras	100,000					
Kitchen Renovations	200,000					
Handicap Unit Rehabilitation	50,000	50,000				
Maintenance Shop Addition	80,000					
Playground Equipment	65,000				65,000	
Bicycle Path	30,000				30,000	
<b>TOTAL</b>	<b>1,381,950</b>	<b>50,000</b>	<b>240,000</b>	<b>0</b>	<b>95,000</b>	<b>500,000</b>

<b>CLARKS CORNER ANNEX</b>	<b>COST</b>					
Entry, Storage and Storm Doors	96,000			96,000		
Replace Furnaces	62,180				62,180	
Replace Shutters	13,050					
Kitchen Rehabilitation	80,000					
<b>TOTAL</b>	<b>251,230</b>	<b>0</b>	<b>0</b>	<b>96,000</b>	<b>62,180</b>	<b>0</b>

<b>MCLANE GARDENS</b>	<b>COST</b>					
Reinforce Stairways	15,000					
Replace Furnaces	188,500					

Maintenance Shop Furnace	5,000					
Kitchen Rehabilitation	116,000					
Bathroom Rehabilitation	290,000					
Repave Parking Lot/Drive	50,000					
<b>TOTAL</b>	<b>664,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>PEACH CIRCLE</b>	<b>COST</b>					
Site Lighting Upgrades	30,000					
Toilet Replacements	4,000					
Handicap Unit Rehabilitation	64,695		64,695			
Water Line Plumbing Replacements	70,590					70,590
Furnace Replacements	160,000					
Repave Parking Lot/Drive	65,000	65,000				
<b>TOTAL</b>	<b>394,285</b>	<b>65,000</b>	<b>64,695</b>	<b>0</b>	<b>0</b>	<b>70,590</b>

<b>MIFFLIN MEADOWS</b>	<b>COST</b>					
Sidewalk Replacement	95,000					
Replace Hot Water Heaters	39,960					
Handicap Unit Rehabilitation	60,000				60,000	
Replace Bathroom Exhaust Fans	37,000		37,000			
Replace Ranges	36,000					
Replace Siding/Shutters	100,000					
Furnace Replacements	243,000					
<b>TOTAL</b>	<b>610,960</b>	<b>0</b>	<b>37,000</b>	<b>0</b>	<b>60,000</b>	<b>0</b>

**TABLE 7 (cont)****Physical Needs Assessment**

		<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>BURTON VILLAGE</b>	<b>COST</b>					
Maintenance Building Siding	25,000					
Window Replacements	120,000					
Siding 4 BR Replacement	25,000					
Replace Refrigerators	21,000				21,000	
Handicap Unit Rehabilitation	50,000				50,000	
Playground Equipment	80,000					
Border Fence	185,000					
Repave Parking Lot/Drive	25,000	25,000				
Kitchen Rehabilitation	204,000					
<b>TOTAL</b>	<b>735,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>71,000</b>	<b>0</b>

<b>MCLANE GARDEN ANNEX</b>	<b>COST</b>					
Kitchen Rehabilitation	84,000					
Handicap Unit Rehabilitation	50,000			50,000		
Repave Parking Lot	50,000					
HVAC Upgrades	210,000					
<b>TOTAL</b>	<b>394,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>

<b>LAVERTY LANE</b>	<b>COST</b>					
Parking Lot Paving	150,895	150,895				
Kitchen Rehabilitation	200,000	200,000				
Entrance, Storage & Screen Doors	240,000					
Community Building Replace Siding	30,000					
Comm. Building Window Replacement	50,000					
Community Building Sanitary Repairs	50,000					
Bathroom Rehabilitation	475,000			204,590	270,410	
Perimeter Fence	150,000					
<b>TOTAL</b>	<b>1,345,895</b>	<b>350,895</b>	<b>0</b>	<b>204,590</b>	<b>270,410</b>	<b>0</b>

<b>HICKORY TREE</b>	<b>COST</b>					
Playground Equipment Comm. Building	65,000	65,000				
Perimeter Fence	150,000					
Replace Storage & Utility Room Doors	80,000					
Security Cameras	120,000					
Kitchen Renovations	140,000					
Comm. Building Heat Pump	5,800					
Repaving Parking Lot/Driveway	70,000					
Bathroom Rehabilitation	350,000					
Siding Replacements	95,000					
<b>TOTAL</b>	<b>1,075,800</b>	<b>65,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 7 (cont)**

**Physical Needs Assessment**

		2016	2017	2018	2019	2020
<b>SCATTERED SITES-1; 010</b>	<b>COST</b>					
Replace Sidewalk and Steps	3,500					
Storage Shed	4,500					
Driveway Paving	6,000				6,000	
Kitchen Rehabilitations	7,150					
HVAC Upgrade	6,000				6,000	
<b>TOTAL</b>	<b>27,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,000</b>	<b>0</b>

<b>SCATTERED SITES-2; 015</b>	<b>COST</b>					
HVAC Upgrade	5,800					
Regrading Drainage Remediation	15,000					
Roof Replacement	10,000		10,000			
Replace Front/Back Storm Doors	3,000					
Kitchen Rehabilitation	4,000					
Driveway Paving	50,000					
Bathroom Rehabilitation	4,000					
<b>TOTAL</b>	<b>91,800</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>LIBERTY COURT I</b>	<b>COST</b>					
Drainage Improvements/Fire Lane	73,000					
Window Replacements	125,000					
Balcony/Entrance Pillar Rehab.	50,000					

Refrigerator Replacement	25,000					
Site Lighting Upgrade	10,000					
Patio Door Replacements	63,600					
Kitchen Rehabilitation	212,000		212,000			
<b>TOTAL</b>	<b>558,600</b>	<b>0</b>	<b>212,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>LIBERTY COURT II</b>	<b>COST</b>					
Kitchen Rehabilitation	220,000			220,000		
Refrigerator Replacement	25,000					
Balcony/Entrance Pillar Rehab.	50,000					
Window Replacements	125,000					
Front Door Replacements	66,000					
Water Damage	14,695	14,695				
<b>TOTAL</b>	<b>500,695</b>	<b>14,695</b>	<b>0</b>	<b>220,000</b>	<b>0</b>	<b>0</b>

<b>HICKORY TREE II</b>	<b>COST</b>					
Bathroom Rehabilitation	203,520					
Siding Replacements	56,600					
<b>TOTAL</b>	<b>260,120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 7 (cont)**

**Physical Needs Assessment**

		<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>HOLLY SQUARE</b>	<b>COST</b>					
Concrete Pads/Sidewalks	6,895		6,895			
Site Lighting Upgrades	40,000					
Perimeter Fencing	55,000					
<b>TOTAL</b>	<b>101,895</b>	<b>0</b>	<b>6,895</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Administration</b>		66,323	66,323	66,323	66,323	66,323
<b>Management Improvements</b>		8,000	8,000	8,000	8,000	8,000
<b>Fees</b>		50,000	50,000	50,000	50,000	50,000

\* **8,393,880**

**TOTAL** 694,913    694,913    694,913    694,913    694,913

\* Total excludes soft costs such as management, administration and fees.

- **NUMBER OF MTW HOUSING CHOICE VOUCHERS AUTHORIZED AT THE BEGINNING OF FY2016**

Fifty (50) Family Unification Program (FUP) voucher were awarded to DSHA in October 2009. These vouchers are to be used for 1) Families for whom the lack of adequate housing is a primary factor in the imminent placement in foster care, or delaying the return of the children from foster care, 2) Youth 18 to 21 years of age exiting foster care. DSHA does not plan any further changes to the number of MTW or non-MTW vouchers authorized for use by DSHA as of July 1, 2015. DSHA will be project basing 20 Housing Choice Vouchers in coordination with renovations at Wexford Village.

**Table 8**

<b>Housing Choice Voucher Program</b>	
Moving To Work Vouchers	904
HUD Conversion Vouchers	1
Family Unification Program Vouchers	50
<b>TOTAL</b>	<b>955</b>

**LEASING INFORMATION-ACTUAL AS OF JUNE 30, 2014**

- WORK ORDER RESPONSE TIMES**

DSHA responds to 100% of emergency work orders within 24 hours and 100% of non-emergency work orders in less than 15 days.

FY14 Actual Response Time

Emergency	Non-Emergency
2 hrs	4 days

**TABLE 9**

**Public Housing Management Information**

	<b>FY12 Actual</b>	<b>FY13 Actual</b>	<b>FY14 Actual</b>	<b>FY15 7/1/14 – 1/01/15</b>	<b>Planned FY15</b>
Occupancy Percentage Overall	97%	96%	96%	98%	98%
Average Turnover Time - Days	53	52	39	31*	20*
Rent Collections	97%	95%	97%	98%	98%
Inspections - # of units	503	503	503	503	503

\*The average turnover time of 31 days is a significant decrease from last year’s report of 61 days. DSHA has worked diligently to use maintenance staff from other public housing sites to assist in turnover at properties that have high turnover rates. DSHA’s average turnaround time continues to improve.

**TABLE 10****Public Housing Vacancy and Occupancy - 7/1/11 - 1/1/15\***

Development	Total Units	Units Vacated			Occupancy 1/01/15	Planned FY16	Anticipated Total Number Leased
		FY12	FY13	FY14			
Burton Village	51	15	12	6	98%**	98%	50
Clarks Corner	70	13	17	12	98%**	98%	69
Hickory Tree	55	6	11	16	95%	98%	54
Holly Square	24	5	4	2	98%	98%	24
Laverty Lane	50	11	3	11	100%	98%	49
Liberty Court	108	14	25	25	99%	98%	106
McLane Gardens	29	2	7	6	100%	98%	28
McLane Gardens Annex	21	7	6	2	94%	98%	21
Mifflin Meadows	54	10	9	14	93%	98%	53
Peach Circle	32	8	4	9	99%	98%	31
Scattered-site rentals	9	0	2	21	95%	98%	9
<b>Total</b>	<b>503</b>	<b>91</b>	<b>100</b>	<b>104</b>	<b>97%</b>	<b>98%</b>	<b>494</b>

**\*Does not include Public Housing Homeownership Units (5 total)**

\*\* The occupancy rate for Burton Village and Clarks Corner has improved significantly for the six month period July 1, 2014 to December 31, 2014 from last year's report. The occupancy rate for Hickory Tree is now 95% which has also improved significantly from last year's report. As stated in the previous report, Hickory Tree does not have a history of low occupancy percentages and percentages have increased for the six-month period.

- **ANTICIPATED TOTAL NUMBER OF NON-MTW PUBLIC HOUSING UNITS LEASED IN PLAN YEAR :**

All Public Housing units leased are under the MTW Program.

- **ANTICIPATED TOTAL NUMBER OF MTW HOUSING CHOICE VOUCHER UNITS LEASED IN PLAN YEAR:**

**Table 11**

**Anticipated Total Number of MTW and Non-MTW units leased during FY2015**

<b>Program</b>	<b>August 1999</b>	<b>Beginning of FY-2014</b>	<b>End of FY-2015 (Planned)</b>
MTW	803	903	904
Non-MTW (Conversion)	-0-	2	1
Non-MTW (Family Unification Program)	-0-	23	50
<b>Total</b>	<b>803</b>	<b>928</b>	<b>955</b>

- **NUMBER OF PROJECT-BASED VOUCHERS COMMITTED OR IN USE AT THE END OF PLAN YEAR:**

DSHA is continuing forward with the proposal to renovate Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. The property is currently in the extended use period of a LIHTC agreement and is owned by Wexford Village Housing Corporation, a wholly owned nonprofit corporate affiliate of DSHA. DSHA has been approved to use \$500,000 from the MTW Reserves to complete a moderate renovation of the property. In addition to the amount from MTW Reserves, DSHA will also issue a grant of \$582,702 in non-MTW funds, issue \$1,645,216 in HOME funds, provide a low-interest loan of \$500,000 to the property and has arranged for the current deferred mortgage (\$2,036,583) to be interest-free. In addition, twenty (20) existing tenant-based Housing Choice Vouchers (HCV) will be project-based at the property upon completion of renovations and the remaining units will be offered to households with annual incomes between 60% and 80% of area median income.

Renovations at Wexford Village Apartments were originally scheduled to begin in May/June 2013, but were delayed after bids for the construction came in significantly higher than anticipated. DSHA revised the scope of renovations and also obtain additional funding through the HOME Program to proceed with a moderate renovation plan. The project was rebid in November 2013 and work is scheduled to be completed in February 2015. Listed below is the revised timeline for the renovations:

## Wexford Village

- Resident Meeting – November 5, 2013-Completed
- Bid Opening – November 7, 2013-Completed
- Contract and all paperwork complete – Completed April 9, 2014
- Notice to Proceed – Completed April 21, 2014
- Construction Period – Anticipated end date February 2015

### **2.0 (C) WAITING LIST INFORMATION**

- **DESCRIPTION OF ANTICIPATED CHANGES IN WAITING LISTS (COMMUNITY WIDE)**

The waiting list is a combined list for Housing Choice Voucher Program Vouchers and Public Housing. MTW applicants are provided the type of housing that is available when their name comes to the top of the list. The waiting list has been open since 1991, and DSHA anticipates that it will remain open. There is significant change in the number of applicants since last year. Prior to the commencement of MTW, the wait for housing ranged from about 8 months for some bedroom sizes in Public Housing, to about 22 months for a Housing Choice Voucher. Currently, the wait for those with an MTW preference and the elderly/disabled is approximately eighteen months for Public Housing and 42 months for the Housing Choice Voucher Program. DSHA eliminated the subsidy choice between Public Housing and Housing Choice Vouchers for elderly and disabled families during FY2012. With this change, all applicants (MTW participants and exempt elderly/disabled applicants) are required to accept the form of subsidy offered (Public Housing or HCV). If the applicant desires a form of subsidy other than what is offered (Public Housing or HCV), their name will be placed on the bottom of the waiting list based on the date of refusal. During FY2016, DSHA will monitor the effectiveness of the 500 unit set-aside to determine if it is increasing MTW participation as anticipated and that it is not negatively impacting the waiting list process.

- **DESCRIPTION OF ANTICIPATED CHANGES IN THE NUMBER OF FAMILIES ON THE WAITING LIST DURING FY2016**

Based on the number of applications received in the past six months, we anticipate that the total number of applicants on the waiting list will remain stable during FY2016. The waiting list has 7,307 families actively waiting for housing.

DSHA revised existing Waiting List procedures to ensure that MTW Eligible and MTW Exempt (elderly, disabled) applicants are treated equally in that they have no choice in the type of housing subsidy they receive (Public Housing or Housing Choice Voucher), unless there is a verifiable need and request for a Reasonable Accommodation. This revised policy should increase the overall number of MTW applicants receiving housing choice vouchers.

Effective September 1, 2014, DSHA implemented the 500 unit set-aside option previously approved by HUD in the FY2011 Annual Plan. The 500 unit set-aside option allows DSHA to increase the overall number of MTW participants and create greater turnover of the waiting list.

**Table 12**

**Number of Households on the Waiting List by Bedroom Size on January 1, 2015**

<b>Combined Public Housing and Housing Choice Voucher Waiting List</b>							
	<b>Total Households</b>		<b>January 2015</b>				
	<b>JAN 2014</b>	<b>JAN 2015</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 + BR</b>
<b>Family</b>	<b>4,816</b>	<b>4,955</b>	<b>1,246</b>	<b>1,942</b>	<b>1,301</b>	<b>394</b>	<b>72</b>
<b>Elderly/Disabled</b>	<b>2,176</b>	<b>2,352</b>	<b>1,498</b>	<b>478</b>	<b>265</b>	<b>90</b>	<b>21</b>
<b>Total</b>	<b>6,992</b>	<b>7,307</b>	<b>2,744</b>	<b>2,420</b>	<b>1,566</b>	<b>484</b>	<b>93</b>

## **V.1. PLAN. SOURCES AND USES MTW FUNDS**

### **A. MTW PLAN: SOURCES AND USES OF MTW FUNDS**

The Agency's MTW Planned Sources of MTW funds for FY16 consist of Total Tenant Revenue, HUD PHA Operating Grants, Capital Grants, Interest Income and Other Income. These funding streams, each with their own funding methodologies, are described below.

Total Tenant Revenue. The estimated Public Housing tenant revenue was determined by an analysis of October, November, and December 2014 rent roll (dwelling rent less MTW escrow savings) by site, FY14 actuals and FY15 year-to-date (YTD) income. The FY16 dwelling rental income is estimated at \$693,600. Each sites number of units was multiplied by their average PUM for the 3 months and then multiplied by 12 months. This amount is higher than FY14 actuals of \$675,145 and the FY15 budgeted amount of \$645,610 due to higher PUM revenue.

- HUD PHA Operating Grants. The HUD PHA Operating Grant consists of Public Housing Operating Grant and Housing Choice Voucher.

The agency receives an Operating Grant for its' Public Housing units that is calculated in two parts: utility and non-utility. The amount of non-utility subsidy is determined by the per unit non-utility subsidy that the agency received in the prior year. This figure is then adjusted annually for inflation. The agency receives a subsidy equal to the utility consumption, on a three year rolling base, that was in place for the MTW base year (FY99) and is then adjusted by current utility rates. HUD has not approved the CY15 Subsidy. The FY16 Subsidy Revenue has been calculated using 88% of the CY15 requested amount resulting in a budgeted amount of \$3,053,700.

The Housing Choice Voucher funding that the agency received in prior years was a function of the average monthly subsidy paid for each Section 8 Existing and/or Voucher unit in the year before MTW. This figure was then adjusted annually from MTW year two forward, for inflation and multiplied by the number of Section 8 Vouchers (under MTW, all contracts are called vouchers) units per original ACC contracts (905 units), and again by 12 months, to determine the annual Section 8 Block Grant. However, starting in January 2005, Housing Choice Voucher funding is being awarded by calendar year. The CY15 approved funding is estimated to be \$7,487,790. This amount was calculated by annualizing the approved January 2015 amount times 96% proration. The FY15 budgeted amount of \$7,035,992 was calculated by adding 1% to the budgeted HAP expenses plus \$100,000/month for administrative expenses.

- Capital Grants. Typically, an agency receives a proportionate share of the national appropriation for modernization based on its "formula factor", a figure that considers the agency's needs relative to the nation as a whole. Under MTW, this formula factor is, for all

practical purposes, frozen during the demonstration period, regardless of any changes in the agency's Public Housing stock.

In accordance with new guidelines under GAAP, the income reported as budgeted to be received from the Public Housing Capital Grant is the expense amount that the agency actually anticipates incurring in all prior-year funds, not necessarily the amount that the agency anticipates being awarded in new funds in FY16, which often takes up to three years to expend. Please see Capital Fund "Awarded Budget" as shown in Section 2.0 of this Plan.

- Interest Income. Interest Income has reduced substantially. Effective 1/1/2012, money markets accounts were changed to checking accounts. The checking accounts are non-interest bearing accounts. The MTW Reserve Account is a money market account so it earns minimal interest. FY16 interest on this account is estimated at \$1,020.
- Other Income. Daycare centers in the community buildings of Lavery Lane and Hickory Tree generate monthly income in the amount of \$700 and \$750 respectively as well as the community building at Holly Square generating \$1,400 a month in income. Public Housing laundry machines are supplied by a vendor and the Authority receives 50% of the revenue generated. DSHA also receives a small percentage of telephone receipts. Also included in other income are maintenance charges, court fees, late fees received from residents and MTW savings forfeitures. Savings forfeitures for the period July 2014 through December 2014 were \$71,807.

Section 8 Housing Choice Vouchers receives other income from reimbursable portable vouchers, fraud recovery payments, and forfeitures of MTW Escrow savings. Savings forfeitures for the period July 2014 through December 2014 were \$17,034. The forecast for other income was derived from FY15 YTD annualized receipts.

#### ESTIMATED USES OF MTW FUNDING FOR THE FISCAL YEAR

The Agency's planned uses of MTW funds for FY16 consists of Total Operating – Administrative, Total Tenant Services, Total Utility, Labor, Total Ordinary Maintenance, Total Insurance Premiums, Total Other General Expenses, and HCV Housing Assistance Payments. Expenses are calculated after reviewing prior year expense levels plus an inflation factor and adding any new contractual obligations. A broad overview by Program is listed below.

- Total Operating - Administrative. Total Operating - Administrative includes salaries, legal, staff training/travel, auditing fees, supplies, and postage. The small increase in this year's budget represents inflation increases.
- Total Tenant Services. Total Tenant Services expenses include education and recreational activities for children, Internet access at all sites, and funding for organized tenant councils. Expenses formerly paid by the Resident Services Assistance Grant including scholarship opportunities for residents have been moved to this line.

- Total Utility. The expense for lighting, heating and providing water and sewer to all sites was based on FY14 Actual and estimated FY15 expenses.
- Labor. Labor includes maintenance salaries of public housing site personnel, which does not include a salary increase for FY16.
- Total Ordinary Maintenance. Total ordinary maintenance expenses includes building materials, supplies, and contractual costs including trash pickup, grass cutting, snow removal, exterminating and routine painting of empty units at all sites.
- Total Insurance Premiums. Total Insurance Premiums includes insurance coverage costs for Public Housing and Housing Choice Voucher personnel and properties. The increase in this year's budget represents an increase in workman's compensation insurance.
- Total Other General Expenses. Total Other General Expenses includes payments in lieu of taxes to counties and school districts, benefit contributions for administrative and maintenance employees and any loss on collections.
- Housing Assistance Payments. The Housing Assistance payments include payments to landlords which for FY16 is budgeted at \$5,364,510. This amount reflects a slight increase over the FY15 budgeted amount. Effective 1/1/2013, residents no longer receive utility allowance checks. Payments for four Resident Home ownership Program Participants are also included in this amount. This program's first expenditures were recognized in FY07.
- Capital Grant Expenses. A line Capital Grant Expenses is not included in the Estimated Uses. Capital Grant expenses are expenses for general equipment, air conditioning/heating upgrades, land improvements and building/ground improvements at Public Housing sites in excess of the capitalization threshold of \$100,000. In FY16, planned Capital Grant expenses in the amount of \$570,590 include handicap unit rehab at Clarks Corner, parking lot improvements at Peach Circle and Burton Village, parking lot and kitchen rehab at Laverty Lane, playground equipment at Hickory Tree and water damage repairs at Liberty Court.

DSHA uses an in-house Accounts Payable system for accounting purposes, effective July 1, 2010. All MTW funds are held in M & T Bank checking and/or money market accounts, collateralized or covered by FDIC insurance.

#### DESCRIBE THE ACTIVITIES THAT WILL USE ONLY MTW SINGLE-FUND FLEXIBILITY

While the amount of funding is calculated separately, the agency can use the above funds flexibly. DSHA has no planned uses of MTW Single-Fund Flexibility for FY2016.

## B. LOCAL ASSET MANAGEMENT PLAN

Purpose: This Local Asset Management Plan has been established pursuant to the requirements of Section 6 of the First Amendment to the MTW Agreement.

Project-Based Management: DSHA has always operated its Public Housing sites utilizing the principles of project-based management. This means that DSHA has a decentralized management of its Public Housing sites with managers and maintenance staff assigned to each and responsible for each site so assigned. The manager at each site therefore has the responsibility for the maintenance of all the facilities through approvals of maintenance work orders and of outside contractors when these need to be called in. Managers are evaluated based upon REAC scores, unit turnovers, tenant account receivables, and other performances measures designed to ensure each site is managed to the highest standards.

Project –Based Budgeting: DSHA has strengthened the role of the Public Housing Managers in the process of establishing budgets for each site. Draft project-based accounting budget vs. actuals from the prior fiscal year and tentative allocations for the coming fiscal year (based upon the expected level of HUD subsidy distributed on a per unit basis) are provided to each manager for their review. Each budget line and its assumptions is scrutinized, and then each project budget is reviewed in a meeting with the DSHA Director, the Housing Management Program Administrator, and senior financial staff. After this meeting the project budgets are finalized, which are then rolled into the budget for the MTW Plan submission.

Project-Based Accounting: Project-based accounting reports are provided to managers on a quarterly basis, with monthly expenditure reports provided throughout the year. The quarterly project-based accounting reports, and any variance of 10 percent or more is reviewed with senior management staff. Because the mix of families participating in the MTW savings program negatively affects the cash flow of each site, reducing the available revenue through sweeps to MTW savings account, the budgeting process holds site managers harmless with the respect to decreased revenue from this source.

Financial Management: With respect to financial management, DSHA's cost accounting and financial reporting methods are in conformance with the OMB Omni-Circular and Generally Accepted Accounting Principles (GAAP). These are no exceptions to HUD guidance. The cost approach for each of the three federal funding sources under MTW are noted below for FY15 and FY16:

	<u>FY15</u>	<u>FY16</u>
Public Housing	Direct charge	Direct charge
Sec. 8 Voucher	Direct charge	Direct charge
Capital Fund	Direct charge	Direct charge

The Capital Fund Program was changed from a fee for service (10 percent) in FY13 to direct charge in FY14 and forward because of the decreased appropriation for the Capital Fund Program. Although DSHA has an approved Indirect Cost Allocation Plan covering the three programs under MTW, it is choosing to direct charge these programs at this time.