

Holyoke Housing Authority



MOVING TO WORK ANNUAL PLAN

HHA FISCAL YEAR 2015
(JANUARY 1, 2015 TO DECEMBER 31, 2015)

**Revised Submission to HUD
July 17, 2015**

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I. Introduction

In September 2013, the Holyoke Housing Authority (“HHA”) entered into a Moving To Work (“MTW”) Agreement with the US Department of Housing and Urban Development (“HUD”). HHA is one of only four new MTW agencies selected by HUD as part of a national competition conducted in 2012. The term of the MTW Agreement extends until December 31, 2018.

Moving To Work is a demonstration program created by Congress in 1996 which permits a limited number of participating Public Housing Authorities to combine Public Housing Operating Fund, Capital Fund and Housing Choice Voucher Program funding into a single, agency-wide block grant and to design and test flexible, locally-tailored approaches to administering its low-income housing programs. Subject to HUD approval, MTW agencies are allowed to waive some provisions of the US Housing Act of 1937 to promote one or more of the MTW statutory objectives, which can be summarized as follows:

- To reduce cost and achieve greater effectiveness in administering federally funded housing assistance programs;
- To provide incentives to families with children to obtain employment and become economically self-sufficient; and,
- To increase housing choices for eligible low-income families.

HHA’s MTW designation provides an opportunity to develop innovative local solutions to the City of Holyoke’s unique local needs and challenges while promoting MTW’s statutory objectives. In the context of ongoing reductions in federal funding to HHA and other Public Housing Authorities nationwide, HHA believes that MTW designation will provide a critically important set of tools that will: help to leverage and increase the positive impact of limited federal funding; promote HHA’s long-term objectives to revitalize Holyoke’s public housing portfolio and surrounding neighborhoods including the City’s Arts and Innovation District; provide HHA residents with training and other supportive services so that they can obtain good-paying jobs and/or become first-time homebuyers; improve and streamline administration of both the Public Housing and Housing Choice Voucher programs; and, increase the range and quality of housing choices for low-income households.

HHA is required to submit an MTW Annual Plan for HUD approval in advance of each fiscal year. This document, which is organized according to HUD’s requirements, describes HHA’s planned activities under the MTW Demonstration for Fiscal Year 2015, i.e. the period from January 1, 2015 through December 31, 2015. Public review and comment will be solicited prior to HHA Board review and approval and submission to HUD.

Long-Term MTW Goals and Objectives

HHA has identified the following goals and objectives for the remaining five year term of the MTW Agreement. These long-term plans are expected to evolve over time in response to changing conditions, new opportunities and resident and community feedback:

Increasing the number of HHA residents who are working or actively engaged in educational or job training programs - Through creative partnerships with experienced educational and job training partners, HHA plans to expand the range and quality of training, education and job placement services provided to HCV and Public Housing residents. Programs such as the proposed Career Advancement Program (CAP) described below in the Approved MTW Activities chapter represent a first step towards achieving this vision.

Implementing incentives for resident economic self-sufficiency – HHA recognizes that the current national rent system does not provide sufficient incentives for residents to seek out and obtain employment. Therefore, HHA’s vision is to streamline the rent system and to build in additional incentives so that the rent system itself does not present an obstacle to self-sufficiency. The CAP program coupled with the Biennial Recertification and Asset Self Certification initiatives are designed to support this goal. In the implementation of rent reform initiatives, HHA is committed to working with HUD and our evaluation partner to test out whether in fact these programs will generate positive outcomes.

Increasing High School Graduation Rates and Improving Educational Attainment – Holyoke has one of the lowest high school graduation rates in the state. HHA intends to collaborate with the Public School system and others to identify strategies that can be adopted with MTW flexibility to encourage higher graduation rates, support early childhood learning and improve educational attainment among HHA youth. HHA has also begun discussions with Holyoke Community College regarding potential scholarship programs and/or other programs that may reward high school graduation. HHA may incorporate such activities in future MTW Plans.

Reducing homelessness in Holyoke – HHA has been working for decades to reduce homelessness in Holyoke. While much progress has been made, continuous and ongoing efforts are needed. HHA’s vision for MTW includes adopting flexible programs and policies that, in tandem with our partnership with mission-oriented local agencies, will secure permanent housing solutions and reduce chronic homelessness.

Supporting sustainable development and community-wide neighborhood revitalization efforts – HHA believes that MTW flexibility can help to support and energize the City’s ongoing revitalization objectives with an emphasis on the new Arts and Innovation District. This area includes a newly constructed transit hub, and the City has engaged developers and the community in a plan designed to transform the downtown consistent with transit-oriented development and sustainability principles. HHA’s Lyman Terrace public housing development is proximate to the district, and its proposed revitalization will reinforce and provide synergy to the activities planned for the Arts and Innovation neighborhood. HHA wants to ensure that as the Arts and Innovation area is revitalized, affordable housing resources remain available for low-income households, and that newly generated jobs and small business opportunities benefit HHA residents. The planned Neighborhood Revitalization initiative discussed below will support this long-term goal. Other initiatives may be proposed in future Annual Plans.

Streamlining and reducing the cost of HHA operations - In light of ongoing and severe restrictions on federal funding, it is more important than ever to focus efforts on streamlining administration and reducing transaction costs. HHA’s MTW vision includes identifying more flexible and cost-effective methods to administer federal housing programs. HHA intends to do this in a manner that is not just less expensive, but that actually results in a better, more transparent and predictable customer experience for our residents and the general public.

Examples of how this vision will be implemented are reflected in the short-term MTW activities discussed below.

Leveraging non-HUD resources to respond to the housing and related service needs of Holyoke's low-income households - HHA's vision for MTW includes ongoing efforts to secure additional non-HUD funding sources to address housing and related service needs. Project-basing of vouchers in the Arts and Innovation District provides one example of how HUD funding can be used to leverage private equity and other development resources. HHA also intends to explore how MTW can leverage new funds and support implementation of enhanced services for seniors and people with disabilities living in HHA developments.

Short-Term MTW Goals and Objectives

In late September 2013, HHA received HUD approval to proceed with five (5) MTW activities. As more fully described in Section IV below, full implementation of each of these activities requires substantial upfront planning time to develop policies, procedures, staff training, monitoring systems and other activities to ensure successful efforts. Planned activities for FY 2015 include:

Provide training and jobs to residents through the Career Advancement Program ("CAP") in partnership with Holyoke Works, Holyoke Community College, NuestrasRaices and other community partner agencies. Through the CAP initiative, HHA plans to provide up to 68 currently unemployed HHA residents with training and employment placement assistance through established HHA partner programs. Training and placement will focus on "green" jobs and other employment sectors for which there is documented demand for trained workers in the Holyoke area. This initiative includes a "rent reform" component, i.e. employment income received by participating residents will be fully excluded from income calculations for the entire first year, and then will be gradually phased in. In FY 2015, HHA plans to finalize program requirements, conduct information sessions for prospective participants and work with HHA's evaluation partner to finalize plans for establishing control and treatment groups.

Encourage employment and simplify program administration with Biennial Recertification and Streamlined Asset Certification Program for Public Housing and Housing Choice Voucher program households. To encourage adults to obtain employment and to simplify program administration, HHA modified its income recertification policy, moving from an annual process to a biennial process. Under the new policy, HHA residents are recertified every two years; however, they will continue to be eligible for interim recertifications in the event that there is a decrease in household income. In tandem, HHA streamlined the recertification process by allowing residents to self-certify assets when the combined gross value of assets is less than \$50,000.

Support neighborhood revitalization and Holyoke's Center City Vision Plan through targeting of Project Based Vouchers. The Center City Vision Plan focuses on revitalizing the Arts and Innovation District through a comprehensive transit-oriented redevelopment strategy. The City envisions creating a vibrant, sustainable downtown with a thriving arts and culture component and easy access to regional transit. Construction of the regional multi modal transit bus hub is completed, the City is in the process of developing a new train platform on the Amtrak Northeaster rail line completion, and planning is well underway for redevelopment of existing former manufacturing and office buildings for retail and housing uses. HHA initially plans to target up to 30 Project Based Vouchers in order to encourage private investment and ensure the continued availability of affordable housing in this newly revitalized community. In

FY 2015, HHA projects that it will issue an RFP for developers and select one or more projects for this initiative and enter into commitments for Project Basing of units.

Non-MTW Goals and Objectives

Non-MTW activities are defined by HUD as those activities that do not require MTW authority or flexibility to implement. In addition to its planned long and short-term MTW activities, HHA will continue to implement a broad array of housing management, maintenance and supportive services efforts. HHA will continue to effectively manage Mod Rehab and Mod Rehab SRO programs that are not part of the MTW Demonstration. HHA will also continue to operate state-assisted public housing and leasing programs subject to continued state funding. HHA may apply for one or more of the following funding opportunities during FY 2014:

- **Resident Opportunity and Supportive Services (ROSS)** - HHA intends to apply for additional funding awards through the ROSS program and reapply for ROSS funding currently utilized by HHA.
- **Family Self-Sufficiency (FSS)** - HHA intends to reapply for funding under both the Public Housing and Housing Choice Voucher Programs. HHA may request increased funding amounts in order to expand both programs.
- **Other-** HHA will continue to monitor federal, state, municipal, and private funding opportunities and may apply for awards to support the goals of the MTW Demonstration, to support self-sufficiency for Holyoke

HHA may explore the feasibility of converting one or more federal public housing developments under the Rental Assistance Demonstration (“RAD”) program; however, any such conversion will be subject to HHA Board approval and to the public review processes described in HUD’s RAD Notice. In addition, HHA may apply for HUD and other competitive funding opportunities and/or take other necessary actions consistent with the table below:

Name and Location	Development Activities	Demo/Dispo Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Beaudoin Village 40 Leary Drive	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	None	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	None
Beaudry-Boucher Apartments 68 Cabot Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice	None	HHA monitors its waiting list and may apply for additional designated housing	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic	None

Name and Location	Development Activities	Demo/Dispo Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
	Neighborhoods and/or LIHTC Application		dependent upon need	development, management offices, community and supportive services offices, and/or open space	
Churchill Homes I 349 Walnut Street	None	None	None	None	None
Churchill Homes II 334 Elm Street	None	None	None	None	None
Coughlin Apartments 300 Walnut Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	None
Falcetti Towers Apartments 475 Maple Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA intends renew the elderly only designated housing plan.	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	None
Lyman Terrace 5 Hampden Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	Demolition and disposition application to be submitted in connection with neighborhood revitalization efforts in FY 2014.	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	Possible homeownership component in connection with potential modernization and revitalization
Ramos Units	Possible candidate for	None	None	Possible conversion	Possible

Name and Location	Development Activities	Demo/Dispo Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Site	modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application			of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	homeownership component in connection with potential modernization and revitalization
Rosary Towers 21 Bowers Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space.	None
Toepfert Apartments 22 North Summer Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	None
Zielinski Apartments 70 Walnut Street	Possible candidate for modernization, ESPC, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with Choice Neighborhoods and/or LIHTC Application	None	HHA monitors its waiting list and may apply for additional designated housing dependent upon need	Possible conversion of unit/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices, and/or open space	None

II. General Housing Authority Operating Information

The tables and information in this section are required by HUD Form 50900.

1. Housing Stock Information

A. 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
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0

Total Public Housing Units to be Added

0

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

Other Population Type**: N/A

** Description of other population type served. I.e. Veteran, Supportive housing

B. 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
N/A	0	N/A
N/A	0	N/A
N/A	0	N/A

Total Number of Units to be Removed

0

C. 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
Holyoke Towers	51	Seven story, elderly high-rise with 8 two-bedroom units, 43 one-bedroom units, a community room with kitchen, and washer dryer access. Property is located at 582 Pleasant Street, Holyoke, MA.
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

Anticipated Total New Vouchers to be Project-Based

51

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

102
97

D. Other Changes to the Housing Stock Anticipated During the Fiscal Year

No changes to HHA’s housing stock are anticipated during the fiscal year.

E. General Description of All Planned Capital Fund Expenditures During the Plan Year

The following chart provides a summary of planned capital expenditures for HHA's Federal public housing developments during FY 2015. Actual Expenditures may vary.

Public Housing Development	Planned Improvements	Projected Expenditures for FY 2015
Beaudoin Village	HVAC Upgrades	\$10,000
	Main & Lateral Sewer Cleaning	\$13,000
	Roof Replacement	\$10,000
Rosary Towers	Common Area Floors and Community Room Upgrades	\$35,000
	Kitchen Upgrades	\$575,141
	Remove/Install Sidewalks	\$53,863
	Concrete Balcony & Band Repair	\$297,000
Toepfert Apts.	Floor Replacement	\$24,000
	Tree Trimming and Sidewalk Repairs	\$5,000
Zielinski Apartments	Remove Trees, Plant New	\$24,000

2. Leasing Information

A. 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	926	11,112
Federal MTW Voucher (HCV) Units to be Utilized	1,325	15,900
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
Total Households Projected to be Served	2,251	27,012

*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 unit/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.

B. Reporting Compliance with Statutory MTW Requirements

HHA is not out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement.

C. 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
N/A	N/A
N/A	N/A
N/A	N/A

3. Wait list

A. 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
Housing Choice Voucher	Statewide	159,122	Open	N/A
Housing Choice Voucher	Statewide with Holyoke Residency	4,127	Open	N/A
Federal Public Housing	Merged (excluding Churchill Homes)	1,943	Open	N/A
Churchill Homes	Site-Based	54	Open	N/A

**Select Housing Program:* Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant –Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** *Select wait List Types:* Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait list, Not an Existing Wait List) or Other (Please Provide a Brief Description of this Wait List Type).

For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open:

N/A

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

N/A

If Other Wait List Type, please describe:

N/A

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

HHA does not anticipate any changes to the organizational structure or policies of the waitlist.

III. Proposed MTW Activities

Activity 2015-1 Rent Simplification

1. Description of MTW Activity

In FY 2015, HHA plans to implement the Rent Simplification initiatives outlined below. The payment standard portion of this initiative will be applied solely to Housing Choice Voucher (HCV) Program households and the FT student income exclusion and elimination of the FT student deduction will be applied to both Public Housing and HCV program households.

- Use the Payment Standard in effect at the effective date of the regular recertification regardless of any change in the Payment Standard.
- Exclude all Full-time student income for household members other than the Head, Spouse or Co-Head
- Eliminate the adult full time student deduction

The current regulations regarding the application of payment standards (see 24 CFR 982.505) are very complex and are often applied incorrectly. Applying the Payment Standard in effect at the effective date of the regular recertification regardless of any change in the Payment Standard will simplify this procedure for staff and, therefore, improve the accuracy of rent calculations.

Staff spends a great deal of time verifying full-time student income only to exclude all but \$480 of the income when calculating the household's income. The household is then given a \$480 deduction which negates the \$480 of full-time student income that is included in the household income. By eliminating both the \$480 deduction and the \$480 full-time student income HHA saves staff time and, therefore, money.

At this time, the above rent simplification activities are the only modifications being proposed. Should HHA decide to add additional modifications HHA will propose them in accordance with HUD requirements.

2. Statutory Objective

This initiative will support the MTW Statutory objective to reduce cost and achieve greater cost effectiveness in federal expenditures. HHA will realize the reduced cost and staff time savings by no longer having to verify or calculate the income from household members that are full-time students (other than the Head, Spouse, or Co-Head.)

3. Anticipated Impact

The revised Payment Standard policy is anticipated to reduce Payment Standard errors and therefore improve the accuracy of rent calculations. Excluding all full-time student income and the full-time student deduction will result in administrative efficiency by eliminating the need to verify and calculate FT student income while having minimal impact on the household's adjusted income and rent.

4. Anticipated Timeline

HHA anticipates implementation of these rent reform initiatives in the third quarter of FY15.

5. Metrics

HHA will establish a baseline and benchmarks for the following metrics for this activity prior to implementation:

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	<p>Number of households with full-time student in FY14: 66 Approximate time to verify full-time student income and status: 15 minutes</p> <p>Hourly Staff Rate: \$23.87</p> <p>Total cost of activity: \$394</p> <p>HHA will reestablish this baseline prior to implementation of this activity.</p>	<p>\$0.00*</p> <p>*HHA will reestablish this benchmark prior to implementation.</p>	N/A	N/A

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>Number of households with full-time student in FY14: 66</p> <p>Approximate time to verify full-time student income and status: 15 minutes</p> <p>Total time spent on activity: 16.5 hours</p> <p>HHA will reestablish this baseline prior to implementation of this activity.</p>	<p>0 hours*</p> <p>*HHA will reestablish this benchmark prior to implementation.</p>	N/A	N/A

CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	HHA will establish this baseline prior to implementation of this activity.	HHA will establish this benchmark prior to implementation of this activity.	N/A	N/A

CE #5: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Tenant Rent Share (increase).	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	N/A	N/A

6. Data Source

HHA used data collected from its software systems to determine the volume of transactions completed and staff time savings.

7. Authorization

MTW Agreement, Attachment C, Paragraph D (2) a – The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Sections 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, as necessary to implement the Agency's Annual MTW Plan.

The above referenced MTW authorization is need to conduct this activity because the proposed activity will modify the calculation of rent and subsidy levels from the currently mandated program requirements in the 1937 Act and its implementing regulations.

8. Additional Information for Rent Reform Activities

a. Impact Analysis

HHA conducted an impact analysis to identify the households that would be impacted upon exclusion of all FT student income and the FT student dependent deduction. There are 66 households that have one or more adult FT student deductions. 49 of these households do not have any FT student income. For these households, the net effect of this initiative will be an increase in TTP of \$12 a month for each FT student in the household. On average, this represents a 6% increase in TTP for these households. Of the 66 households with FT students, 17 or 26% have FT Student wage income. (1 HCV household does not have the FTS income exclusion applied). For these households, implementation of this rent simplification initiative will have no financial impact.

HHA also conducted an analysis of the year to year change in the published FMRs from 2009 to 2015 for HHA's FMR Area. Between 2009 and 2015, the FMR decreased three times, and each decrease was less than 3.8%. 505 or 44% of all HHA HCV households have gross rents which exceed the current payment standard.

b. Hardship Case Criteria

As the financial impact of this rent reform initiative is not significant, HHA will not consider hardship exemptions. HHA will continue to accept and review requests for payment standard exceptions as a reasonable accommodation for individuals with disabilities.

c. Annual Reevaluation of Rent Reform

HHA will conduct an annual analysis to determine the impact of this initiative on adjusted income and rent. Upon review of the analyses, HHA may modify the rent reform initiative to further mitigate negative impacts.

d. Transition Period

HHA will prepare a work plan to track and document implementation of this rent reform initiative. The work plan will include, but not be limited to, development of policies and procedures, tenant notification, software modifications, and staff training. HHA anticipates that implementation of this initiative will take place at each household's next regular reexamination after the effective date of this rent simplification initiative. The transition approach will minimize negative impacts on assisted households.

Activity 2015-2: Rent Reasonableness

1. Description of MTW Activity

HHA is proposing to eliminate the requirement to re-determine the reasonable rent if there is a 5% decrease in the published Fair Market Rent (FMR) in effect 60 days before the contract anniversary date as compared to the FMR in effect 1 year before the contract anniversary. HHA will continue to complete a reasonable rent determination when a unit is placed under HAP contract for the first time, when an owner requests a contract rent adjustment, and at any other time HHA deems it necessary. As rent increases will continue to be allowed during the lease-prescribed time periods, HHA assumes that owners will request a rent increase within market fluctuations as warranted. Therefore, HHA believes that reasonable rent determinations will continue to be made with regular frequency.

Generally, a 5% or greater decrease in the published FMR compared to the FMR in effect one year before is not typical in the Holyoke area. Although infrequent, when and if this does occur, it places a significant administrative burden on HHA staff who must conduct reasonable rent determinations. Staff may also need to renegotiate rents and if negotiations are unsuccessful, tenants will be required to move, which will further increase the administrative burden on staff and place an onerous burden on tenants.

HHA conducted an analysis of the year to year change in the published FMRs for Holyoke from 2009 to 2015. The FMR decreased twice and the decrease each time was less than five percent. As such, the number of times that this threshold is anticipated to be met or exceeded is minimal.

2. Statutory Objective

This initiative will support the MTW Statutory objective to reduce cost and achieve greater cost effectiveness in federal expenditures. HHA will reduce the cost of administering the HCV program by eliminating the time consuming requirement of re-determining the reasonable rent if there is a 5% decrease in published FMR in effect 60 days before the contract anniversary date. This will also result in a time and cost savings due to staff no longer being required to renegotiate rents.

3. Anticipated Impact

As HHA has not experienced a five percent or greater decrease in the published FMRs in the past six years the impact of this initiative is forecasted to be minimal. Over the past six years, the FMRs for Holyoke decreased three times with a maximum decrease during that time period of 3.8%. Currently, 44%percent of households in Holyoke's HCV program have rents which exceed the payment standard. In the event that economic shifts do result in more steep FMR changes, HHA does not anticipate that this will have a significant impact on its approved contract rents, thus eliminating the need for a reasonable rent re-determination.

4. Anticipated Timeline

HHA anticipates implementation of these rent reform initiatives in the third quarter of FY15.

5. Metrics

HHA will establish a baseline and benchmarks for the following metrics for this activity prior to implementation:

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	HHA will establish this baseline prior to implementation of this activity.	\$0.00	N/A	N/A

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	HHA will establish this baseline prior to implementation of this activity.	\$0.00	N/A	N/A

6. Data Source

HHA used data collected from its software systems to determine the volume of transactions completed and staff time savings.

7. Authorization

MTW Agreement, Attachment C, Paragraph D (2) a and D (2) c– The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to develop a local process to determine rent reasonableness that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Section 8(o)(1), 8 (o)(2), 8(o)(3), Section 8(o)(10) and 8(13)(H-I) of the 1937 Act and 24 C.F.R.982.507, 982.508, 982.503 and 982.518 as necessary to implement the Agency's Annual MTW Plan.

The above referenced MTW authorization is need to conduct this activity because HHA has developed and intends to implement a local process to determine rent reasonableness that differs from the current mandated program requirements.

Activity 2015-3: PBV Rent Reasonableness

1. Description of MTW Activity

Under this initiative HHA will modify the requirement for conducting rent reasonableness for re-determined rents under the Project Based Voucher (PBV) program. Note that no change is proposed to the existing policy for determining initial rents, i.e. initial PBV rents will continue to be determined in conformance with the provisions of 24 CFR 983.301 through 983.305 as applicable.

Under the new policy, re-determined rents to owners of PBV units, *except for certain tax credit units as defined in 983.501(c)*, shall not exceed the lowest of the reasonable rent or the rent requested by owner. This policy change eliminates consideration of the then current Fair Market Rent (FMR) limits when re-determining PBV rents. HHA also proposes to eliminate the requirement at 983.303(b) to re-determine the reasonable rents for PBV units whenever there is a five percent or greater decrease in the published FMR in effect sixty days before the contract anniversary as compared with the FMR in effect one year before the contract anniversary.

Affordable housing developers use the PBV commitment to secure project funding and project lenders assume rent trending when underwriting projects; therefore, this policy change will help to ensure the long-term viability and affordability of PBV developments while also promoting housing choice.

2. Statutory Objective

This initiative will support the MTW Statutory objective to reduce cost and achieve greater cost effectiveness in federal expenditures. HHA will reduce the cost of administering the HCV program by eliminating the requirement to re-determine the reasonable rent if there is a 5% decrease in published FMR in effect 60 days before the contract anniversary date. This will also result in a time and cost savings due to staff no longer being required to renegotiates rents.

3. Anticipated Impact

As HHA has not experienced a five percent or greater decrease in the published FMRs in the past six years the impact of this initiative is forecasted to be minimal. Over the past six years, the FMRs for Holyoke have decreased three times with a maximum decrease during that time period of 3.8%. HHA anticipates that this policy change will eliminate the unnecessary effort associated with re-determining PBV rents in those instances where FMRs have decreased by five percent or greater, and will also help ensure the long term financial feasibility of PBV projects

4. Anticipated Timeline

HHA anticipates implementation of these rent reform initiatives in the third quarter of FY15.

5. Metrics

HHA will establish a baseline and benchmarks for the following metrics for this activity prior to implementation:

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	HHA will establish this baseline prior to implementation of this activity.	\$0.00	N/A	N/A

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	HHA will establish this baseline prior to implementation of this activity.	\$0.00	N/A	N/A

6. Data Source

HHA used data collected from its software systems to determine the volume of transactions completed and staff time savings.

7. Authorization

MTW Agreement, MTW Agreement, Attachment C, Paragraph D (2) a and D (2) c– The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to develop a local process to determine rent reasonableness that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Section 8(o)(1), 8 (o)(2), 8(o)(3), Section 8(o)(10) and 8(13)(H-I) of the 1937 Act and 24 C.F.R.982.507, 982.508, 982.503 and 982.518 as necessary to implement the Agency's Annual MTW Plan.

The above referenced MTW authorization is need to conduct this activity because HHA has developed and intends to implement a local process to determine rent reasonableness that differs from the current mandated program requirements.

IV. Approved MTW Activities

A. Implemented Activities

2013-1: Biennial Recertifications

1. Activity Description

HHA will use its MTW Authority to begin recertifying clients in both the Housing Choice Voucher Program and the Public Housing Program on a biennial schedule. The documentation requirements for the recertification process are time consuming and burdensome, and generally, tenant rents do not vary greatly from year to year. By moving to a biennial recertification schedule, HHA will be able to reallocate staff resources to other program areas and staff will have more time to ensure income reviews are accurate and thorough.

Zero-income households and households on minimum rent will continue to be subject to annual or more frequent recertification requirements. Additionally, MTW households will remain subject to all interim reexamination policies outlined in HHA's Administrative Plan and/or ACOP. HHA will continue to allow clients to request interim rent decreases when income changes, and clients will not be required to report changes between regular recertifications unless for a reason required in HHA's Administrative Plan and/or ACOP, i.e. change in household composition. Clients participating in the Career Advancement Program may be subject to additional interim reporting requirements described in the applicable section of the MTW Plan and/or implementing policies/procedures.

2. Status

This activity was first proposed in HHA's MTW Year 1 Annual Plan submitted to HUD in May 2013 and is currently being implemented by HHA. HHA has developed activity policies, forms, and a transition schedule. HHA is currently working with the agency's software provider to modify current software to ensure a smooth transition to a biennial schedule. To avoid an "on-year" and "off-year" cycle, HHA will randomly divide clients into two equal groups. One group will be recertified effective January 2015 and other group will be recertified effective January 2016.

3. Non-Significant Changes or Modifications Since Approval

HHA proposes to modify the biennial recertification initiative and include a limitation on the number of voluntary interim recertifications a family may complete between biennial recertifications to two. Required interim recertifications (i.e., for changes in family composition or otherwise required by the agency) will not count against the limit. This initiative is designed to maintain the administrative efficiencies gained by completing regular recertifications every other year. Elderly and disabled households will be exempt from this provision and will be able to complete an interim recertification at any time.

4. HUD Standard Metrics

HHA will use the HUD standard metrics below to track this initiative. HHA has modified the Baseline in *CE #1 the Agency Cost Savings* and *CE # 2 Staff Time Savings* by removing the

recertifications that were performed due to households moving to another unit. The number of recertifications performed now includes only annual recertifications. All remaining metrics, including the baselines, benchmarks, and outcomes, remain the same as originally approved by HUD.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	<p>Recertifications performed in FY 2013: 1,887</p> <p>Time per recertification: 105 minutes</p> <p>Time spent on recertifications in FY 13: 3,302 hours</p> <p>Interims performed in FY 13: 1,321</p> <p>Time per interim: 45 minutes</p> <p>Time spent on interims in FY 13: 991 hours</p> <p>Total time spent on interims and recertifications: 4,293 hours</p> <p>Average hourly wage for staff: \$23.87</p> <p>Total cost in FY 2013: \$102,474</p>	<p>Estimated number of recertifications performed in FY 15: 1,126</p> <p>Time per recertification: 85 minutes</p> <p>Time spent on recertifications in FY 15: 1,595 hours</p> <p>Estimated number of interims performed in FY 15: 1,500</p> <p>Time per interim: 45 minutes</p> <p>Anticipated time spent on interims: 1,125 hours</p> <p>Total time spent on interims and recertifications: 2,251 hours</p> <p>Average hourly wage for staff: \$23.87</p>	Not applicable	Not applicable.

		Total cost after implementation of activity: \$53,731		
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CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>Recertifications performed in FY 2013: 1,887</p> <p>Time per recertification: 105 minutes</p> <p>Time spent on recertifications in FY 13: 3,302 hours</p> <p>Interims performed in FY 13: 1,321</p> <p>Time per interim: 45 minutes</p> <p>Time spent on interims in FY 13: 991 hours</p> <p>Total time spent on interims and recertifications prior to implementation of activity: 4,293 hours</p>	<p>Estimated number of recertifications performed in FY 15: 1,126</p> <p>Time per recertification: 85 minutes</p> <p>Time spent on recertifications in FY 15: 1,595 hours</p> <p>Estimated number of interims performed in FY 15: 1,500</p> <p>Time per interim: 45 minutes</p> <p>Anticipated time spent on interims: 1,125 hours</p> <p>Anticipated time spent on interims and recertifications after implementation of activity: 2,251 hours</p>	Not applicable.	Not applicable.

CE #5: Increase in Agency Rental Revenue**

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	Not applicable.	Not applicable.

***HUD is requiring the use of this metric; however, HHA does not believe it is applicable in this context of this MTW activity.*

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	<p>Average earned income for HCV households with earned income in FY 13: \$16,488</p> <p>Average earned income for PH households with earned income in FY 13: \$15,264</p>	<p>Estimated earned income for HCV households with earned income: \$16,819</p> <p>Estimated earned income for PH households with earned income: \$15,569</p>	Not applicable.	Not applicable.

2013-2: Revised Asset Policies

1. Activity Description

Holyoke Housing Authority has used its MTW Authority to revise the requirements for the verification, calculation, and inclusion of asset income. Verifying and calculating assets is a time consuming process, and clients rarely have enough assets to impact the final rent determination.

In order to streamline the recertification process, HHA made three revisions to the existing asset policy:

- **Self-Certification of Assets-** Clients are permitted to self-certify all assets, when the family's combined market asset value is less than \$50,000. For families whose market value of their assets is greater than \$50,000, asset verification is subject to standard HUD verification requirements. HHA determines asset value using market, rather than cash value.
- **Calculation of Asset Income-** When determining asset income, HHA uses the market value of the asset and imputes asset income using HHA's established passbook savings rate.
- **Exclusion of Asset Income-** All asset income below \$500 are excluded.

2. Status

This activity was first proposed in HHA's MTW Year 1 Annual Plan submitted to HUD in May 2013. HHA developed policies and procedures regarding the revised asset policies. HHA educated clients and trained staff of on the new asset requirements in the first quarter of FY 2014. The policies were implemented in May of 2014 and are being applied to each client's first interim or regular recertification.

3. Non-Significant Changes or Modifications Since Approval

HHA has not made any changes or modifications to this activity since it was approved.

5. HUD Standard Metrics

HHA will use the HUD standard metrics below to track this initiative. HHA has not made any modifications to the metrics for this activity since the activity was approved.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	<p>HCV households with assets: 229</p> <p>PH households with assets: 411</p> <p>Time per asset verification: 20 minutes</p> <p>Total time spent verifying assets: 213 hours</p> <p>Average hourly staff wage: \$23.87</p> <p>Total cost to verify assets prior to implementation of activity: \$5,084</p>	<p>HCV households with asset over \$50,000: 0</p> <p>PH households with assets over \$50,000: 0</p> <p>Total cost after implementation of activity: \$0.00</p>	Not applicable.	Not applicable.

CE #2: Staff Time Savings

Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>HCV households with assets in: 229</p> <p>PH households with assets in: 411</p> <p>Time per asset verification: 20 minutes</p> <p>Total time spent verifying assets prior to implementation of activity: 213 hours</p>	<p>HCV households with asset over \$50,000: 0</p> <p>PH households with assets over \$50,000: 0</p> <p>Total time spent after implementation of activity: \$0.00</p>	Not applicable.	Not applicable.

CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	HHA quality control samples demonstrate that 0% of files have asset related errors.	HHA anticipates the number of files with asset related errors will be less than 10%.	Not applicable.	Not applicable.

CE #5: Increase in Agency Rental Revenue**

Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	<p>Average tenant rent share in HCV: \$350.46</p> <p>Average tenant rent share in public housing: \$299.76</p>	Not applicable.	Not applicable.

***HUD is requiring the use of this metric; however, HHA does not believe it is applicable in this context of this MTW activity.*

** All baselines include public housing and HCV clients; however, the Churchill Homes public housing development is managed by a third-party and HHA does not have easy access to the managing company's data systems. As such, the baselines and benchmarks do not currently include the 100 residents at that development. HHA is currently working to integrate the two to systems and will update the baselines and benchmarks accordingly.*

B. Not Yet Implemented

2013-3: Career Advancement Program

1. Activity Description

HHA will use its MTW Authority to partner with local non-profit and educational institutions to develop the Career Advancement Program (CAP). The goal of this activity is to encourage HHA clients to improve their long-term employment prospects, to increase the number of HHA clients with earned income, and to increase the savings of program participants. HHA will accomplish this by offering an incremental income disregard for all clients who have graduated from an approved professional development program and who have obtained employment.

This disregard will be open to any HHA Public Housing or HCV client who has not had earned income for a period greater than one year and who is interested in entering the workforce. All clients must meet eligibility requirements of the partner program they choose, which in some cases may limit participation to clients who are currently unemployed. HHA will divide clients into a control and treatment group for purposes of its rent reform study. The control group will not be eligible for this income disregard.

Once HHA has verified that the client participating in CAP successfully completed an approved job training program, the individual's income disregard will be structured as follows:

- 100% of the individual's earned income less the client's prequalifying earned income will be disregarded for the first twelve months following graduation from the program.
- 75% of the individual's earned income less the client's prequalifying earned income will be disregarded for the second twelve months following graduation from the program.
- 50% of the individual's earned income less the client's prequalifying earned income will be disregarded for the third twelve months following graduation from the program.
- 25% of the individual's earned income less the client's prequalifying earned income will be disregarded for the fourth twelve months following graduation from the program.
- After the final twelve months at the 25% disregard level, the individual's rent and income calculation will be in accordance with standard HHA rent and income calculation policies. There will be no earned income disregard.

2. Status and Plan for Implementation

This activity was first proposed in HHA's MTW Year 1 Annual Plan submitted to HUD in May 2013. Final HUD approval was not received until September 2013.

Attachment D of HHA's MTW Agreement requires HHA implement an alternate rent strategy within two years of the execution of the agreement (September 6, 2013). In FY 2014 HHA established working groups to address and develop specific program policies, procedures, and software modifications for the CAP initiative. HHA has worked with partner agencies to develop a memorandum of understanding and interagency program requirements. HHA also worked with its evaluation partner in FY 2014 to determine which participants would be assigned to the control and treatment groups. In FY 2015 HHA will continue to work with its evaluation partner

to evaluate the effectiveness of this program in increasing tenant income, to further refine the metrics used to track the effectiveness of CAP and to define and set guidelines for measuring family self-sufficiency. HHA intends to fully implement CAP and begin enrolling clients in the program beginning in July of 2015 well before the September 2015 HUD deadline for implementation of an alternate rent strategy. See Section VI of this Plan for additional information regarding the rent reform study.

2013-4: Neighborhood Revitalization

1. Activity Description

Holyoke Housing Authority will use its MTW Authority to set-aside project based vouchers to be targeted at new or renovated developments in Holyoke's Arts & Innovation District. In August 2009, the City of Holyoke began the implementation of the Holyoke Center City Vision Plan, the transit-oriented redevelopment plan for Center City and its surrounding neighborhoods. The revitalization of Holyoke's Arts & Innovation district is an essential component to this plan, and HHA's commitment of thirty project-based units to the area will help ensure that affordable housing is a central component of the area's revitalization.

HHA may waive the requirement limiting the number of PBV units in a project to 25% of the total number of units in that project. Additionally, HHA may allow PBV sites to develop their own tenant selection plans, provided the plans receive HHA approval and are consistent with the goals of the city's transformation plan.

Lastly, HHA will waive or revise the requirement that HHA offer tenant-based rental assistance to clients after one-year of occupancy in the assisted unit. HHA believes this is necessary to ensure the PBVs are serving the intended purpose of revitalizing the Arts & Innovation District and are not being used as a means of obtaining tenant-based vouchers. This limitation will not apply to households seeking to move due to domestic violence under VAWA and/or as a reasonable accommodation for a person with a disability.

The goal of this activity is to promote development in the Art's & innovation District which will allow low-income households to move to a new or rehabilitated unit in a neighborhood of opportunity. HHA will initially set aside thirty project-based vouchers for this activity; however, this number may be revised in future years depending on the success of this activity. HHA will award project-based contracts as the city's transformation plan progresses and as new units come on line in the area.

1. Status

This activity was first proposed in HHA's MTW Year 1 Annual Plan submitted to HUD in May 2013. Final HUD approval was received in September 2013. As of the submission of this Plan, HHA has implemented three MTW activities and is in the planning stages of three additional activities, including this Neighborhood Revitalization Initiative.

3. Timeline and Plan for Implementation

HHA has issued a RFP for developers interested in receiving project-based assistance for units located in the Arts & Innovation district and anticipates selecting a developer(s) in mid-2014. HHA will continue to negotiate with the selected developer(s) on the number and type of units to receive project-based assistance. Implementation of this initiative will be based on the construction schedule of the selected developer.

4. Non-Significant Changes or Modifications Since Approval

HHA has not made any changes or modifications to this activity since it was approved. HHA will continue to work in concert with the City of Holyoke and partner agencies as they proceed with the implementation of the Holyoke Center City Vision Plan. HHA may modify this activity as the needs of Center City and the surrounding neighbors change.

2015-4: Project-Basing Enhanced Vouchers

1. Description of MTW Activity

HHA will preserve the long term affordability of expiring use properties by project-basing Enhanced and Tenant Protection vouchers for up to a 15 year extendable term. Households that reside in a preservation eligible project as of the conversion date will be given the choice between an Enhanced or Tenant Protection voucher or a Project-Based Voucher. Prior to the conversion date, HHA will meet with tenants to explain the advantages/disadvantages and the impact of an Enhanced Voucher vs. a Project-Based Voucher so the tenants can make informed decisions. Should a household opt for an Enhanced or Tenant Protection Voucher, HHA may apply their MTW operating flexibilities (i.e. Biennial Recertification and Inspections; Revised Asset Policies) to the Voucher provided the operating flexibilities do not infringe on the enhanced nature of the Voucher. The only Enhanced Voucher provision which will apply to tenants selecting the Project-Based option is the initial income eligibility requirement.

For tenants that are over-house as of the conversion date and elect to receive a Project-Based Voucher, HHA may waive the subsidy policy provided there is at least one household member per bedroom. Tenants may also request a reasonable accommodation if applicable.

HHA will waive 24 CFR 983.56 in its entirety including the 25% per building/project which will allow for every eligible household in a preservation eligible project to elect to receive a Project-Based Voucher. Additionally, should a household that elects to receive an Enhanced or Tenant Protection Voucher move from the property, HHA may add the unit to the Project-Based HAP Contract at any time during the term of the HAP Contract.

2. Status

This activity was included as an amendment to HHA's FY 2014 MTW Annual Plan which was approved by HUD in January of 2015.

3. Timeline and Plan for Implementation

HHA implemented this activity in FY 2015.

4. Non-Significant Changes or Modifications Since Approval

None

C. Activities on Hold - None

D. Closed Out Activities

2013-5: Biennial HQS Inspections

1. Activity Description

Holyoke Housing Authority intended to use its MTW Authority to develop and implement a risk-based HQS inspection schedule in the Housing Choice Voucher Program. Units would continue to be physically inspected annually, unless HHA designated the unit as “low-risk” per the criteria listed below. Units designated as “low-risk” will be moved to a biennial schedule for physical inspections. In the place of the physical inspection, on the off year landlords of “low-risk” units would be required to self-certify that the units meet HQS standards.

2. Reason for Closing Out

This activity was approved by HUD in HHA’s FY 2013 Annual Plan, but was not implemented under HHA’s MTW authority. HHA has closed out this activity as an MTW initiative due to the 2014 Appropriations Act which allows HHA to transition to a biennial inspection schedule without MTW authority.

V. Sources and Uses of Funds

A. Estimated Sources of MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$2,775,900
70600	HUD PHA Operating Grants	\$14,922,092
70610	Capital Grants	\$2,090,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$1,775,000
71100+72000	Interest Income	\$16,000
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$205,000
70000	Total Revenue	\$21,783,992

B. Estimated Uses of MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$2,469,392
91300+91310+92000	Management Fee Expense	\$1,432,950
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$225,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$1,786,550
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$2,135,100
95000 (95100+95200+95300+95500)	Total Protective Services	\$0
96100 (96110+96120+96130+96140)	Total insurance Premiums	\$265,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$195,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$500,000

97300+97350	Housing Assistance Payments + HAP Portability-In	\$10,350,000
97400	Depreciation Expense	\$2,405,000
97500+97600+97700+97800	All Other Expenses	\$20,000
90000	Total Expenses	\$21,783,992

C. Describe Activities that will use only MTW Single Fund Flexibility

- Savings achieved from biennial recertifications and inspections will be reallocated to support services for Moving to Work Initiatives.
- The HHA has budgeted \$20,000 to support the block grant evaluation. See Section VI for additional information on the block grant evaluation.

D. Local Asset Management Plan

Is the PHA allocating costs within statute?

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

	or	No
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Has the PHA provided a LAMP in the appendix?

	or	No
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VI. Administrative

A. Resolutions

On December 4, 2014, the Board of Commissioners of Holyoke Housing Authority passed a resolution approving this MTW Plan. This resolution is included in the Appendix A to this plan.

B. Public Comments

This MTW Plan was made available for public comment on October 31, 2014 through December 4, 2014. The public hearing was held on November 17, 2014 at Falcetti Towers Community Room, 475 Maple Street, Holyoke, MA. No individuals attended the public hearing.

C. Planned Agency-Directed Evaluations of Demonstration

Holyoke Housing Authority has partnered with the University of Massachusetts-Amherst (UMass) to work with HHA to evaluate the outcome of the approved activities in this plan, to design and implement the block grant evaluation, and to design and implement future rent reform and block grant studies. The results of these evaluations will help to:

- Determine the effectiveness of rent reform activities as a means of encouraging employment;
- Measure the quantifiable savings associated with waiving certain provisions of the 1937 Act;
- Identify additional uses for federal funds that promote housing choice, self-sufficiency, and cost efficiency; and,
- Promote local program designs that can be provided to housing authorities nationwide.

Dr. Michael Krezmien is leading this effort. His academic career has focused on social and educational inequalities. Much of his research has focused on populations that are heavily represented in subsidized housing program, including current programs serving HHA families. Dr. Krezmien and his colleague Dr. John Carey, have extensive evaluation experience in both the public and non-profit sectors. Due to their experience conducting similar evaluations, HHA believes the UMass partnership will be a valuable asset when designing and implementing evaluations related to its MTW designation.

HHA intends to focus its evaluation on the design and implementation of a rent reform study and a block grant evaluation.

Rent Reform Study- HHA will implement three activities that are categorized as rent reform. These activities include Activity One: Career Advancement Program, Activity Two: Biennial Recertification, and Activity Three: Revised Asset Policies.

HUD has indicated that one of the approved rent reform activities must include establishment of control and treatment groups through random assignment, and in the response to the original MTW Plan, requested that HHA conduct the controlled study for the Career Advancement Program. HHA has begun to work with its evaluation partner to establish the specific parameters for this study. HHA will also work with its evaluation partner to identify comparable groups across the country, to which HHA can compare its control and treatment groups.

HHA and the evaluation partner propose to track (1) the recruitment of participants into the CAP program, (2) The engagement of HHA CAP eligible participants in the CAP activities, (3) the program specific outcomes (e.g., completion of work readiness program, successful passing of the HiSET test, etc.) achieved by the CAP participants, (4) changes in employment for CAP eligible participants, and (5) changes in earned income among the CAP eligible participants. The evaluation will utilize both quantitative and qualitative approaches to understand these five areas. Specifically:

1. The evaluation will monitor the recruitment process implemented by the HHA, and examine the impact of recruitment activities on the participation of CAP eligible clients. This will be done by:
 - a. Reviewing the recruitment letter, and surveying attendees to the CAP meeting about the reasons for their interest in the program.
 - b. Surveying CAP participants and non-participants who attended the meeting to understand their reasons for participation or non-participation in the CAP program. The survey will include questions about motivation to work, motivation to increase earned income, and motivation toward self-sufficiency.
 - c. Surveying CAP participants about their motivation to work, their interest in employment improvement, and their interest in educational opportunities afforded by the CAP program.

The purpose of the surveys will be to identify the characteristics of those clients interested and those not interested in the CAP program. The evaluators will use this information to help HHA modify the follow-up recruitment process in order to (1) better recruit clients with high motivation for income improvement and (2) find ways to increase the desirability of the CAP program for clients with lower motivation for income improvement.

2. The evaluation will monitor the CAP participants during their participation in one or more of the CAP program options. The evaluators will monitor their participation in the program, their level of interest in the program over time, and their perceptions about the program(s). This will be done by:
 - a. Collecting attendance and performance measures from participating programs.
 - b. Conducting pre and post surveys of the CAP participants about the programs.
 - c. Conducting surveys with the program implementers about the engagement of the CAP participants.

The attendance and performance measures will allow HHA to understand how engaged the participants are in the CAP program. It will also help HHA to provide additional supports and motivation to those participants who are less engaged in the CAP programs. The surveys from the program implementers will help HHA to understand the performance and engagement of the participants from the perspective of the implementers, which will help HHA personnel to target participants for support and encouragement.

3. The evaluation will also monitor program specific outcomes of the CAP participants. Specifically the evaluators will:
 - a. Collect information about certificates obtained;
 - b. Collect information about training programs completed; and
 - c. Collect information about HiSET tests taken, subtests passed, and HiSET tests passed.

The program specific outcomes will help HHA understand the impact of the programs on

important outcomes associated with the CAP programs. Additionally, this data will help HHA identify which programs are more effective for HHA CAP eligible participants. This will help HHA in making future referrals during additional recruitment phases of the CAP program.

4. The evaluators will monitor all changes in employment and employment activities of the CAP eligible participants. This will include:
 - a. Identification of CAP eligible clients with a current resume;
 - b. Identification of CAP eligible clients who have participated in a job interview;
 - c. Identification of CAP eligible clients who have obtained a job;
 - d. Identification of CAP eligible clients who have changed jobs; and
 - e. Identification of CAP eligible clients who have left a job.

The employment data will be important for two distinct purposes. First, it will allow HHA to understand differences in the employment activities of the CAP eligible participants in the treatment condition and the CAP eligible participants in the comparison condition. This will help HHA measure the impact of the CAP program on job searches and job acquisitions. Second, the employment data will allow HHA to understand how the CAP programs affect the employment activities of the CAP participants. This will allow HHA to understand which programs are effective for promoting improved employment outcomes of CAP participants, which can be used for both recruitment and referrals to CAP programs.

5. The evaluators will monitor income of all CAP eligible participants. Specifically, they will:
 - a. Monitor income of all CAP eligible participants;
 - b. Monitor household income of all CAP eligible participants; and
 - c. Conduct annual surveys of CAP eligible participants

The income data will allow HHA to understand the impact of the CAP program on income of CAP eligible participants and will be used for two distinct purposes. First, it will allow HHA to understand differences in the income of the CAP eligible participants in the treatment condition and the CAP eligible participants in the comparison condition. This will help HHA measure the impact of the CAP program on income. Second, the income data will allow HHA to understand how the CAP programs affect the income of the CAP participants. This will allow HHA to understand which programs are effective for improving income of CAP participants, which, in turn, can be used for both recruitment and referrals to CAP programs. The income data must be examined closely and carefully because it is possible that participation in a CAP program might require a participant to leave a low paying job in order to improve their long-term employment opportunities and income. For instance, a CAP participant may leave a part-time job at a fast food restaurant in order to participate in a Holyoke Community College program. During the course of their participation in the program, their income will go down. However, upon completion of the program, the participant may find full time employment in a professional position, which would raise their income in the long term, and which would lead to self sufficiency.

The elevators will also use annual surveys to understand CAP eligible clients' perceptions of work and motivations to work and to achieve self-sufficiency. The surveys will help HHA to understand the characteristics which contribute to participation in CAP programs, and the differences in perceptions and motivations that are related to changes in income and employment.

Detailed Block Grant Evaluation- HHA has committed to designing a method that measures and evaluates the aspects of the MTW block grant that result in quantifiable cost savings and other direct measurable outcomes. HHA evaluation of the block grant consists of the following activities:

1. Tracking the utilization of the three major funding sources: public housing operating and capital funds; Administrative Fees; and HAP Funds.
2. Tracking and recording transfers that may occur among the various funding sources. i.e. HAP funding transfers to support public housing operations or capital fund transfers to support the HCV program.
3. Documenting and evaluating the activities funded through the transfers. The 'planned' uses of the funds and the 'actual' uses will be evaluated as well.
4. An assessment will be performed of the impact of the block grant and the evaluator will assess and consider the role of the block grant flexibility in the implementation of each activity.

HHA intends to complete the block grant evaluation at the end of FY 2015 and report on the results in the FY 2015 MTW Annual Report.

D. Annual Statement/Performance and Evaluation Report (HUD 50075.1)

See Appendix B.

Appendix A

Board Resolutions

Appendix B

Annual Statement/Performance and Evaluation Report (HUD 50075.1)