

Keene Housing Authority

Moving To Work Annual Report

January 1, 2012 to December 31, 2012

A Demonstration Program of the
Department of Housing and Urban Development
REVISED PER HUD COMMENTS 06/14/2013

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KEENE HOUSING AUTHORITY GOVERNING BOARD AND MANAGEMENT STAFF

2012

Board of Commissioners

Tom Moses

Lee Robator

Christopher Coates

Jack Noonan

Jennifer Marsh

Executive Director

JOSHUA MEEHAN

Senior Management Staff

SANDY CLARK, FACILITIES AND ASSET MANAGER

CAROLYN CRANE, HOUSING MANAGER

LINDA MANGONES, COMMUNITY DEVELOPMENT BLOCK GRANT COORDINATOR

DENISE PRATT, PROGRAMS AND SERVICES MANAGER

AMY WRIGHT, HUMAN RESOURCES MANAGER

MICHELLE YOUNG, FINANCE MANAGER

SECTION I. INTRODUCTION

The Keene Housing Authority

The Keene Housing Authority (KHA) was created by resolution of the City Council for the City of Keene on July 15, 1965 in accordance with NHRSA 203:4. The stated mission of the authority was for “safe, sanitary dwelling accommodations for the elderly and persons of low-income in Keene.” Pursuant to this resolution, the Mayor of Keene, in accordance with NHRSA 203:5, appointed five persons as Commissioners of the Keene Housing Authority, and these appointments have been made regularly in accordance with the law, through and including the present time.

Organization

There have been major changes in the organization since 2011. Long time CEO P. Curtis Hiebert retired in January of 2012. Under Curt’s leadership KHA was authorized by HUD to participate in the Moving to Work (MTW) Demonstration Program, becoming one of the first Housing Authorities in the nation with the MTW designation. Participation in the MTW program revolutionized the way KHA has been able to do business over the past 13 years of program participation. During Curt’s tenure, KHA acquired several properties, expanding the affordable housing portfolio by 143 units. In addition, Curt was responsible for leading KHA through the disposition of its Public Housing portfolio through a sale to a private nonprofit subsidiary of the KHA. Developed in the late 1960’s, the public housing portfolio needed significant capital improvements, due to years of insufficient capital and operating funding by the Federal Government. After approximately \$5.5 million dollars of repairs, the necessary improvements were accomplished, and the stock is reinvigorated.

The KHA lost another capable leader with the departure of Executive Director Dorothy (Deb) Guyot in December 2011. Deb spent nine years with the KHA starting as Assistant Executive Director and CFO. Fortunately, the KHA had capable people ready to step in when these two key leaders left. Linda Mangones accepted the Commissioners’ request to become the Interim Executive Director in January 2012, during the search for a new Executive Director. Filling the position of Interim Assistant Executive Director was Michelle C. Young. Linda and Michelle resumed their former management roles in September 2012, after a national leadership search led to the recruitment and hire of Joshua Meehan, as KHA’s new Executive Director. Josh came to Keene from the Houston Housing Authority where he served as the Vice President of Administration. Prior to his time in Houston, he spent a decade at the Cambridge Housing Authority in Cambridge, Massachusetts where he helped create and manage the agency’s ground-breaking and highly respected Moving to Work (MTW) program.

The Mission of the Keene Housing Authority is, directly or in collaboration with others, to provide and advocate for decent, safe and affordable housing for individuals, families, elderly and disabled persons of low-income within the Monadnock region; and, to provide and advocate for services and programs that will assist in improving the social and economic welfare of such individuals and families.

In August, KHA hired Sandy Clark for the position of Facilities and Asset Manager. Sandy came to KHA with over thirteen years' experience in the industry as the former Facilities and Asset Manager of Brattleboro Housing Authority in Brattleboro, Vermont. Both Josh and Sandy bring extensive industry experience and knowledge that are proving critical to KHA's ongoing success.

In 2012, the KHA Board of Commissioners identified the need for KHA to take a more focused approach to employee relations, recruitment and retention, benefits administration, payroll, safety and regulatory compliance. As a result, the Agency hired a full-time Human Resource Manager, Amy Wright, who joined KHA in June of 2012.

Keene Housing Authority operates a wide range of housing programs including HUD Multifamily, Low Income Housing Tax Credit, USDA Rural Development, HOME and the Community Development Block Grant. The diverse portfolio of housing and services enables the agency to fulfill its goal of providing quality, affordable housing options in Keene and surrounding communities now and into the future. The diversification of programs, while essential, also poses an administrative challenge for a relatively small agency with limited resources tasked with navigating the complexities of managing mixed-finance programs.

Organizational Structure

KHA's organizational structure consists of five departments which include Housing, Programs and Services, Facilities and Asset Management, Finance and Human Resources (added in 2012). In addition there is a Community Development and Block Grant (CDBG) Administrator, who administers the City's CDBG program.

Keene Facts

Keene, New Hampshire is located in Cheshire County in the southwest corner of the state and is the Monadnock region's economic hub with a host of small and large private firms and one state university and State highways converging on Keene from nine directions.

At an elevation of 486 feet above sea level, it covers a land area of 37.3 square miles. Population in the year 2011 was 23,354. Largest businesses include Education, 25%; Manufacturing, 24%; Healthcare, 22%; Insurance, 15%; and Wholesale Foods at 14%.¹

The Family Resource Guide, a publication provided by the Rotary Clubs of Keene, puts the vast and rich network of community resources and non-profits at the finger tips of area residents. The guide contains contact information and descriptions of scope of services by category. Everything from emergency services for medical, housing, and suicide prevention to area school districts, libraries, and financial and legal help can be located quickly and easily. If residents can't locate

¹ Economic & Labor Market Information Bureau, NH Employment Security, 2013. Community Response Received 7/02/2012

the specific agency information they need, the guide also contains phone numbers for the Statewide Help Line, Monadnock United Way Help-Line, and the Service Link help line.

The nearest cities with large populations include Nashua (57 miles), Boston (93 miles) and New York (191 miles). In addition to typical municipal services provided by the city, the area is served by the Dartmouth-Hitchcock Keene Medical Center, Keene State College, Antioch New England University, River Valley Community College, Keene Public Library and the Dillant Hopkins Airport. Keene is also well known in the region for the quality of service programs available to families with low incomes.

Moving to Work Program (MTW) Demonstration Summary

Keene Housing Authority was selected as a Moving to Work participant after responding to HUD's initial request for proposals in 1996. The MTW agreement was executed in 1999 and included all of the agency's Public Housing portfolio and Housing Choice Voucher allocation with the exception of the Mainstream Voucher program. KHA began implementing the program on October 1, 1999 for all Public Housing residents. The Housing Choice Voucher program was implemented in 2000. Since then KHA has leveraged MTW's flexibilities to create new programs, invigorate the housing stock and improve the lives of thousands of low income families, elders, and persons with physical and developmental disabilities.

Congress enacted three statutory objectives for the Moving to Work demonstration program when they created it. These were to:

1. Reduce cost and achieve greater cost effectiveness in Federal expenditures;
2. Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in on-the-job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
3. Increase housing choices for low-income families.

Consistent with those objectives, the primary goals of Keene Housing Authority's MTW Demonstration Program include:

- Increasing the number of residents making progress toward self-sufficiency.
- Improving the housing stock's quality.
- Providing applicants with a wide range of housing options.
- Increasing self-sufficiency among the families we serve.
- Enhancing Keene Housing Authority's capacity to plan and deliver effective programs.
- Increasing resident satisfaction with their housing and with the Keene Housing Authority's programs.
- Improve administrative efficiencies by addressing the housing needs of various low-income populations through the KHA Transitional Housing Programs.

Summary of Keene Housing Authority's MTW Activities and Initiatives

In 2012 the KHA successfully continued its MTW activities; utilizing the following strategies:

- Utilized MTW flexibility to **increase housing options and services** through collaborative projects, partnerships and development with local, regional and national institutions.
- Provided incentives for working families to achieve economic self-sufficiency, through the **Housing Choice Voucher Housing Assistance Coupon program**.
- Operated the **Safety Net Program** to provide temporary relief for people who experience an increase in rent burden due to a qualified decrease in income or increase in rent.
- Provided supportive services such as the **Resident Self-Reliance Program and Youth Services Program to increase tenants' and participants' success rates**.
- **Diversified funding sources** to ensure the long term financial viability of all housing and service programs, including MTW initiatives, operated by the Keene Housing Authority.
- Developed plans to implement **energy efficiency programs** at KHA owned or managed properties.
- Engaged in regular **organizational and staff development initiatives** to accommodate the shifting paradigm of how we serve residents and the community.

2012 Operating Goals

Increasing Housing Options and Preserving Keene Housing Authority's Existing Affordable Housing Portfolio

Even beyond the MTW demonstration program, the KHA strives to expand housing options. Merging the flexibility of the MTW demonstration with local housing and service programs has expanded housing choices for Monadnock region residents the past 13 years.

In 2011, a long-term plan was prepared to complete the work needed at Central Square Terrace, a HUD Multifamily property, following the successful completion of the Community Development Block Grant (CDBG) project to replace the roof, the heating system, the windows, and fix structural problems. The remaining work included work on the fire alarm system and a complete overhaul of the elevators. The higher rents approved during the course of this project make these improvements possible. During 2012, Central Square Terrace obtained a ten-year loan from Keene Downtown Housing Corporation for the elevator work. This work started at the property in December, 2012 and was completed in early February, 2013. In response to feedback from CST residents during town hall style meetings with KHA's new ED and senior management held in November 2012, KHA replaced the window film on the front window of Central Square Terrace and added an extra hand rail and lighting.

KHA informed the Town of Winchester that the agency is actively working on an application for the July 2013 CDBG funding round for work at Wedgewood Duplexes. KHA is now working on a plan which would demolish and replace the existing Wedgewood units with a different building design and site plan designed to eliminate systemic water penetration issues at the site.

In 1986, a group of Keene residents formed a committee to address the issue of "permanently affordable workforce housing" in Keene. The group included the City Planner and Welfare Director for the City of Keene, several representatives of local churches, and others interested in affordable housing. At that time, there was a national effort to create community land trusts as a way of preserving affordable housing and ensuring that tax funds used for housing remained available for future use by low and moderate income residents. With considerable assistance from Keene Housing Authority, this group formed an organization called Cheshire Housing Trust (CHT).

A KHA representative joined this group, and it ultimately developed a strong and lasting affiliation with Keene Housing Authority. In the mid-1980's rents were increasing rapidly in Keene, the rental vacancy rate was less than 1%, and landlords were declining to participate in KHA's Housing Choice

Keene Housing Authority Operating Goals

Maintain and preserve KHA's existing affordable housing portfolio.

Improve administrative efficiency of the KHA by reviewing, updating and revising operational procedures, ensuring adherence to current laws and KHA practices.

Identify the housing needs of special populations in the region and to foster and pursue collaborations to fulfill these needs.

Provide supportive services for KHA's residents to foster independence and successful tenancies while empowering the residents to take ownership of and investment in their neighborhoods.

Promote and increase the awareness of KHA's mission, programs, services, and initiatives.

Voucher program because they could obtain better rents on the private market. KHA participated in the development of Cheshire Housing Trust primarily as a way to support permanently affordable housing in the Keene area, but also as a way to help ensure that participants in its Housing Choice Voucher program were actually able to find housing. Through its administration of the CDBG program, KHA has obtained development and rehab funds for CHT on several occasions. CHT now owns a total of 63 housing units, including a historic 18-room rooming house in central Keene, a transitional housing shelter, and rehabilitated apartments in Keene, Marlborough, and Hinsdale.

In 2006, KHA and CHT signed a Professional Services Agreement in which KHA provides part-time executive leadership and evening and weekend emergency call coverage. Through this affiliation, CHT residents also obtain preferences for KHA subsidies when subsidies are available. In 2011, KHA signed a Housing Assistance Payments Contract to provide 20 project-based subsidies to Cheshire Housing Trust. Although its initial focus was workforce housing, CHT now also provides housing for many disabled individuals in small apartment buildings.

CHT's CDBG project to make capital improvements at four properties was 100% complete by year's end. CHT Hinsdale School Apartments LIHTC transition is planned for 2013. As a necessary first step, a new Housing Assistance Payments Contract with New Hampshire Housing Finance Authority (NHHFA) was negotiated and was in place by December 31, 2011. This provided much needed rent increases.

KHA successfully completed the acquisition of Cheshire Homes through the formation of two affiliate corporations; Brookbend West Housing Associates Limited Partnership and Brookbend East Housing Associates Limited Partnership. This project used Low Income Housing Tax Credits and CDBG funds to demolish and replace 75-units of existing affordable housing located in Keene. By the end of 2012, the construction work was well underway and scheduled for completion in December, 2013.

Improve Administrative Efficiency

Department managers began utilizing standardized reports in Q3 of 2012. The reports focus on four integral operational areas; vacancy and turnover, work order tracking, rent collection in the housing portfolio and voucher utilization and HAP expense in the voucher programs. Reports are presented monthly by the Executive Director to the Commissioners during the public Board meeting. These reports keep a finger on the pulse of operations and inform staff, our Board and the public about the Agency's overall health.

The Agency investigated time and recordkeeping options and in November 2012 implemented an online time and recordkeeping system to minimize human error in reporting time. The implementation process began on December 1, 2012 and was finalized in January 2013. The new system will substantially reduce administrative time spent preparing time sheets, entering payroll and processing reports, freeing staff time to focus on essential responsibilities.

Several new practices and strategies implemented by KHAs new Facilities and Asset Manager in Q3 and Q4 of 2012, are already reducing administrative redundancies, such as implementation of a new on call answering/beeper service in October of 2012. The residents calling in after-hours now speak to a live person instead of leaving a voice message. This alleviated delayed response time and the need for additional staff to clarify issues.

In the fall of 2012 as part of an Agency wide effort to quantify each Department's performance, the Facility and Asset Manager implemented performance indicators for turn overs and work orders. The grading system serves two purposes, it quantifies and places value on the work performed and serves as a tool for motivating staff. The system has proven to be a helpful performance guide to management as well as a morale boosting tool for the maintenance personnel.

Establishing new Quality Assurance inspection practices incorporating REAC/UPCS standards in the pre move out, transfer and post turn over processing resulted in KHA eliminating duplicative contracted HQS inspection services in its FY 2013 MTW Plan. This reform will save an estimated \$8,000 per year; money which can be re-directed to assisting more families or providing needed services.

Identify the Region's Housing Needs

KHA staff participates in our community on several levels; from serving on the Boards of various non-profit agencies and service and housing collaborations to volunteering at community events. Through these service venues, KHA is able to gather information about, and identify, regional housing needs especially the needs of special populations.

In September 2010, KHA was awarded 100 Non-Elderly Disabled vouchers. This award was a huge success for the KHA and essentially created 100 units of affordable housing for an extremely vulnerable population of individuals and their families.

In September 2001, using the flexibility provided by the MTW program KHA expanded its housing continuum to include shelter residents in the City of Keene. The program, which provides support in the form of a shallow subsidy, served more than 200 families in 2012.

Provide Supportive Services for KHAs Residents

KHA's supportive services foster independence and successful tenancy. These services also help empower residents to take ownership of and investment in their neighborhoods.

Early in 2012, KHAs Resident Services, through a partnership with the New Hampshire Housing and Finance Agency (NHHFA), the NH State Housing and Finance Authority, began providing Resident Self-Reliance participants access to NHHFA's Finding Financial Freedom (FFF) website. The programs give (RSR) program participants the opportunity to enhance their financial literacy. This partnering expands options for RSR participants who might otherwise not be able to participate in

on-site programming at our administrative offices due to barriers such as childcare, transportation or time constraints caused by work or school. 12 participants used the site in 2012.

Additionally, the Resident Services Coordinators (RSCs), the Youth Services Administrator (YSA) and Property Managers initiated weekly case management meetings. These meetings foster efficient and effective communication between departments to enhance positive intervention methods to the families we serve when program and/or lease compliance issues arise. Semi-weekly property visits by the property manager and RSCs provided greater staff accessibility of KHA staff and more opportunity to foster and improve KHA/tenant relations. The initiative has proven to be a valuable endeavor, to both tenants and staff.

Throughout 2012, the RSCs and community partners presented workshops and goal meetings focused on employment and financial topics like *Surviving the Interview, Your Credit Report and Credit Score*, and *Finding Your Financial Freedom* for RSR participants. The Wellness workshops, *Conflict Resolution, Love and Money*, and *Healthy Relationships* received extremely positive feedback from participants. Collaborating with Antioch New England University and their Community Garden Connection (CGC) project, staff presented the workshop *Growing Vegetables at Home* at one of our Family Activity Centers. The CGC project supports the installation and cooperative maintenance of raised gardens in partnership with local service agencies, students and community members. The CGC believes that community gardens provide access to healthy landscapes, enhance connections to outdoor environments, create strong social networks, increase self-sufficiency, local food security, and increase wellness. Gardening provides an affordable, nutritious food source and cuts across social, economic, and racial barriers to bring together people of all ages and backgrounds.² CGC philosophy aligns with and complements the KHAs Resident Self Reliance and Youth Services programmatic goals.

The RSCs held five group meetings throughout 2012 that focused entirely on RSR program compliance. These meetings covered topics including meeting registration/cancellation, goal setting and financial planning expectations, alternatives to attending goal meetings (self-study skill development activities), program waiver requirements and consequences of program non-compliance. These meetings gave the RSC opportunity to address participant questions and comments as well as provide participants with a means to contribute by suggesting topics for future program presentations and workshops.

Early summer 2012, The University of New Hampshire Center for Professional Excellence in Child Welfare invited KHA staff to develop and present a workshop at the Annual Division of Children, Youth, and Families (DCYF) Teen Conference for youth 'aging out' of the foster care system. KHA staff developed the workshop '*Your First Apartment*'. The workshop provided examples of rental applications and tips on surviving the housing search/application process. Staff covered topics including, 'What can you afford for rent?', creating financial plans, tips for finding and living with a roommate, personal etiquette, inexpensive ways to furnish an apartment, bedbugs, and pets. Handouts provided information on Housing Quality Standards, rental deposit assistance, consumer protection, Being a Good Neighbor/Successful Tenant, and parenthood from Planned Parenthood

² <http://www.antiochne.edu/cgc/>

of Northern New England. The conference was held at Keene State Community College and the workshop was well received.

In Q4 2012, the RSC met with each of the 99 active RSR participants. The individual meetings provided opportunity to discuss progress made on existing goals and to explore the goals for 2013. Each participant was expected to bring their updated financial plan for review. While time intensive, participants appreciated the one on one meetings and used the opportunity to discuss barriers to their success openly with the RSC.

Promote and Increase Awareness of KHAs Mission, Programs, Services, Initiatives & Activities

In January 2012, KHA co-presented with New Hampshire Housing and New Hampshire Legal Aid at a day-long training at the Supportive Housing Provider Networking and Support Meeting. Information was provided on KHA's application process, waiting lists, housing options, and eligibility/screening criteria. Attendees were provided an opportunity to have their questions addressed by the panel after each presentation.

KHA maintains a presence in our community by participating in the Homeless Coalition, Benefit Providers Network, and the Community Network Team – all of which share the common human denominator with KHA. By participating and cooperating with our local service providers and agencies, we are more aware and better able to collaborate and collectively address the multitude of needs of the families living our community. Several members of KHA's senior management staff serve on various boards of non-profit and human service organizations in the Keene area including Kiwanis, the Monadnock Partnership, and the Keene Family YMCA.

Shortly after joining the KHA as executive director, Josh Meehan and senior staff set out on a 'Listening Tour'. The tour, comprised of town hall style meetings held at KHA properties and community venues, provided opportunity for residents to meet our newly appointed ED and have questions addressed and comments heard by KHA's senior management staff. Resident response to the meetings was positive and provided KHA with another means of gathering information on how well we are managing our properties and serving the needs of our families. KHA plans on conducting Listening Tours annually.

KHA launched its' Facebook page in Q4 2012. It is proving to be an excellent tool for communicating KHA resources and local opportunities, as well being a conduit for valuable community partner information. Our FB page, in conjunction with the release of our new website in 2013, will enable KHA to share information locally, with the families we serve and our community partners, statewide with government officials and monitoring agencies, and nationally with our housing industry peers and interested parties.

SECTION II. GENERAL OPERATING INFORMATION

Housing Portfolio

Housing Choice Voucher			
Program		Units Allocated	
Moving To Work (MTW) Coupons		587	
Mainstream-5 (MS) NON-MTW HCV		50	
Non-Elderly/Disabled (NED) Coupon Administered under MTW Policies		100	
Total Units Housing Choice Voucher		737	
Special Programs - Conventional, HOME Like MTW			
Main Developments	Number of Units	Housing Type	Description
Keene Affordable Housing Properties (KAHP)	212	Family/ Project-based subsidy	Range of units and building styles from efficiencies to 4 bedrooms – 14 accessible units
Cottage St. (managed, not owned)	3	Family	2 and 3 bedroom units – 3 accessible units
Multi-Family Housing Choice Voucher Mark-Up-To-Market MTW			
Brookbend West	35/10 PBC	Family/ Project-based Subsidy	2 and 3 bedroom townhouse style units – 2 accessible units
Brookbend East	40/11 PBC	Family/ Project-based Subsidy	2 and 3 bedroom townhouse style units – 2 accessible units
Low Income Housing Tax Credit MTW			
Riverbend (Includes HOME Units)	24	Family/ Project-based subsidy	2 and 3 bedroom townhouse style units – 2 accessible units . Heat and hot water (propane) are included in rent. Tenants pay electric for cooking and other electric. Full basements, washer/dryer hook-ups in each unit.
Evergreen Knoll (Includes HOME units and USDA Subsidy)	32	Family	2 and 3 bedroom townhouse style units – 2 accessible units
Stone Arch Village Senior Housing	33	Senior/ Project-based subsidy	1 and 2 bedroom units in high rise with elevator – 2 accessible units . All utilities included in rent. On-site meals program. 27 units must be rented to person with at least one adult age 55 or older in the household.
Stone Arch Village Family Housing	24	Family/ Project based subsidy	2 and 3 bedroom townhouse style units – 2 accessible units . Utility allowance for electricity. Private back patios, 1.5 baths in 3-bedroom units. Heat is propane.
Multi-Family Housing Choice Voucher New Construction NON-MTW			
Meadow Road	18	Family	2 and 3 bedroom townhouse style units – 2 accessible units
Wedgewood Duplexes	30	Family	2 and 3 bedroom duplex units
Central Square Terrace	90	Senior and Disabled	Efficiencies and 1 bedroom units in high rise with elevator – 9 accessible units
Total Units Residential Portfolio		541	
TOTAL UNITS RESIDENTIAL PORTFOLIO & HOUSING CHOICE VOUCHER		1,278	

Housing Choice Voucher

KHA created the Housing Assistance Coupon Program (HAC) in 2000 as an alternative to the traditional Housing Choice Voucher program (HCV). All of KHA's Housing Choice Voucher assistance, with the exception of 50 Mainstream HCVs, is administered under the MTW program as a HAC or Project-Based Coupon (PBC). KHA's 100 Non-Elderly Disabled vouchers are administered under Moving to Work policies. Some of the tenant-based subsidies administered under MTW are still considered Housing Choice Vouchers because the household was "grandfathered" at MTW inception. These HCVs are converted to HACs when the family chooses to move from the 'grandfathered unit' to another private market unit. Regardless, they are still considered part of the KHA's MTW allocation.

KHA has operated the Mainstream Housing Opportunities for Persons with Disabilities HCV program for more than a decade. Extensive partnerships with local social service agencies brings direct support and services to families receiving vouchers from KHA; such as live-in aides, resources for physical alterations to apartments, case management, therapy, service coordination, respite care, transportation, nursing and personal care support. Through information sessions and issuance briefings, service agency information is made available to the client.

On October 1, 2010, the KHA was awarded Category 1 voucher funding under the Rental Assistance for Non-Elderly Persons Disabilities NOFA. The NOFA language allows the vouchers to be administered in accordance with MTW agreements unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. However, the NED funds are not eligible for fungibility under the MTW agreement. While the KHA administers the NED vouchers as income-based coupons under its' MTW approved rules, it only uses the NED funding to administer NED housing assistance payments and not to support other MTW program efforts. Initially, this was an incredibly valuable resource and nicely complemented the work we do in the MTW Program. However, in 2012 HUD under-funded administrative fees due to KHA. The lack of adequate administrative funding undermines the stability of the program and may jeopardize KHA's ability to administer this program long-term.

Special Programs – Conventional and HOME Like (MTW)

The Keene Housing Authority owns and manages 541 units of housing. Ownership of 212 units was transferred to Monadnock Affordable Housing Corporation (MAHC), KHAs 501(c)(3) affiliate organization when the disposition of KHAs public housing was concluded in September 2009. These units are operated as conventional housing with project-based MTW subsidy. The properties range in style and location, and units offered vary from efficiencies to 4-bedrooms. Income eligibility is restricted to 80% of AMI. Subsidy is calculated using either the income-based method for elderly/disabled households using HUD's standard formula of 30% of the tenant's monthly adjusted gross income or KHA's step subsidy method.

Cottage Street, a three-unit, fully accessible development owned by Monadnock Family Services (MFS) is managed by the Keene Housing Authority. Applicants are referred by MFS to KHA for eligibility screening and leasing. Cottage Street rents are capped at the maximum allowable HOME

rents. KHA intends to execute a Housing Assistance Payment Contract for Existing Housing in 2013 with MFS to provide project-based housing assistance to the entire property. Each unit will become project-based at turn over.

Multi-Family Mark-Up-To-Market (MTW)

Brookbend Family Housing, a project which began in December 2011, involved the acquisition, demolition and replacement of a 75-unit existing affordable family housing development located in town. Keene Housing Authority formed the *Brookbend West Housing Associates Limited Partnership* (Brookbend West) and *Brookbend East Housing Associates Limited Partnership* (Brookbend East) to facilitate the site's acquisition and redevelopment, which includes a mix of HUD, LIHTC, HOME and CDBG funding. Brookbend Affordable Housing, Inc. (an affiliate corporation of KHA) is the managing general partner of both partnerships.

The redevelopment plan allows the project to continue to meet the long-term affordability needs of low-income families in the Keene area. Razed units are being replaced on a 1:1 basis with new townhouse style units. Re-development included a complete reconfiguration of the site for improved circulation, better unit access, upgraded utility services, and increased parking. Energy efficiencies include low flow toilets and shower heads, electric variable speed heat pumps, high efficiency boilers, energy star rated appliances and a low temp baseboard heat system; all of which contributed to a 5 Star rating for both Brookbend West and Brookbend East.

The property had been owned and operated as affordable rental housing since 1971 by Cheshire Homes, Inc. Cheshire Homes is a local independent not-for-profit 501(c)(3) organization that was set up specifically to own and operate the property. An existing HUD Housing Assistance Payments Contract (HAP) provides rental subsidy for 54 of the apartments. KHA then executed a Project Based Assistance contract with Brookbend Affordable Housing Inc. for the remaining 21 units, 4 of which are market rate units.

In 2012, construction of the new units has proceeded on or ahead of schedule. Eighteen units in Brookbend West were certified for occupancy in August 2012 and leasing completed by the end of October. Another 28 units will be leased by the end of April 2013 and the final 29 units will be occupied by the end of calendar year 2013.

The project is a joint development of the Keene Housing Authority (KHA) and Southwestern Community Services (SCS). KHA formed the ownership entities and provides long-term ownership and property management. SCS coordinated and managed the redevelopment phases of the project and secured the financing, but does not have an ownership interest.

Low Income Housing Tax Credit (MTW)

Riverbend, Stone Arch Senior and Stone Arch Family are all 100% Low Income Housing Tax Credit properties. Project Based Assistance (PBA) contracts provide project-based subsidy at these properties. Riverbend and Stone Arch Senior also contain HOME units. Income eligibility is dictated by the LIHTC and HOME programs and is restricted to households below 50% or 60% of AMI. Rents

are based on the unit size and restricted by the LIHTC and HOME programs. MTW permits 100% project based assistance.

Multi-Family New Construction and LIHTC/Rural Development (NON-MTW)

The Multifamily portfolio consisting of Meadow Road, Wedgewood Duplexes, and Central Square Terrace, are subsidized by HUD and income eligibility is restricted to 50% of the AMI at Wedgewood and Central Square, and up to 80% AMI at Meadow Road (HUD 4350 Rev 1 Chg. 2, 3.6.D.1.c). Tenant portion of rent is calculated using standard HUD formula of 30% of tenant's monthly adjusted gross income.

Evergreen Knoll is LIHTC property subsidized through USDA. Rents are based on unit size and are restricted by the LIHTC and HOME programs. Income eligibility is restricted to 50% and 60% of AMI.

KHA Managed Properties

In addition to the properties owned by KHA and its affiliates, the Agency serves as managing agent of several non-profit organizations' affordable housing developments.

Elm City Co-Op, which is known as Cottage Street, was built in 2004 with financing through New Hampshire Housing Finance Authority. It is owned by Monadnock Family Services and is managed by Keene Housing Authority. It is a HOME-like property with three units; two 2-bedroom units and one 3-bedroom unit, all handicapped accessible. All tenants receive tenant-based housing assistance through either the KHA MTW HAC or the NED coupon. Eligible households must be at 60/50 percent of MAI and head of household or another family member, must be receiving services from Monadnock Family Services. KHA will use MTW flexibility to project-base 100% of this property in 2013.

Ash Brook Apartments has provided affordable housing for people with low to moderate income since 1989. The property is owned by the non-profit corporation, Monadnock Housing Opportunities, Inc. It is financed through New Hampshire Housing and Finance Authority's Affordable Housing Fund. Ash Brook consists of 24 one-bedroom units; 22 townhouse style and two barrier free units. To be eligible, applicants must have an annual gross income of less than 80% of the MAI. Although not directly subsidized, the property does accept applicants with Housing Choice Vouchers. Other tenants pay the higher of the minimum rent of \$670 or 30% of their adjusted income. The Monadnock Housing Opportunities, Inc. (MHO) Board of Directors hired KHA's non-profit affiliate Monadnock Affordable Housing Corporation (MAHC) to manage the property. MAHC oversees the day to day operations of Ash Brook maintaining the buildings and grounds, tenant selection, financial reporting, and compliance with rules of NHHFA's Affordable Housing Fund program. Fifteen tenants at Ash Brook receive housing assistance through the HAC program.

Emerald Street House is owned by the non-profit corporation, Cheshire Housing Opportunities, Inc. (CHO). In 1981, the corporation was awarded funding under the U. S. Department of Housing and Urban Development Section 202 program to develop a residential treatment facility for

chronically mentally disabled adults. With the funding, CHO purchased and substantially rehabilitated the property located at 32 Emerald Street. In 1983 the Emerald Street House program opened for occupancy with CHO as the sponsor and MFS as the service provider. The HUD 202 program provided for nine resident rooms and the “manager’s suite”. The manager’s suite consists of an office area, kitchenette, bathroom and bedroom. Monadnock Family Services pays a monthly rent for the manager’s suite. CHO’s Board of Directors hired (MAHC) to manage the property. As with Ash Brook, MAHC oversees the day to day operations, maintains the buildings and grounds as well as financial reporting and compliance with HUD Section 202/8 rules. Management assures that the residents who are selected by MFS to participate in their treatment program also meet the requirements of the HUD Section 202/8 program.

Fairweather Lodge is also owned by CHO. This property was originally owned by Monadnock Family Services and provided housing for their clients. In the early 1980s MFS transferred ownership to CHO with the understanding that the home would continue to provide housing for five residents with chronic mental illness. Each has their own bedroom with shared bathroom and community space. A support person hired by MFS resides in the rear apartment. This property has no federal or state funding. CHO hired MAHC to manage the property. MAHC is responsible for maintaining the property, buildings as well as for financial reporting to the CHO’s Board. Two tenants receive housing assistance through the KHA HAC program.

Leasing Information (Housing Choice Voucher)

Housing Choice Voucher - All Programs - Households Served

NUMBER OF	HAC & PBC				NED		MS-5				ALL PROGRAMS
	FAM	ELD	TOT ³	%	FAM ²	%	FAM	ELD	TOT	%	TOTAL ¹
BEDROOMS											
Studio			55	10%	6	6%			0	0%	61
1 BR	Data Not Available		197	37%	52	53%	Data Not Available		28	58%	277
2 BR			143	27%	28	28%			17	35%	188
3 BR			121	23%	11	11%			2	4%	134
4 BR			15	3%	2	2%			1	2%	18
4+ BR			0	0%	0	0%			0	0%	0
TOTAL HOUSEHOLDS	0	0	531	1	99	1	0	0	48	100%	678
RACE											
American Indian	2	0	2	0%	3	3%	0	0	0	0%	5
Asian	4	1	5	1%	1	1%	0	0	0	0%	6
Black	0	3	3	1%	2	2%	0	0	0	0%	5
White	151	369	520	98%	93	94%	38	10	48	100%	661
Other	0	1	1	0%	0	0%	0	0	0	0%	1
TOTAL HOUSEHOLDS	157	374	531	100%	99	100%	38	10	48	100%	678
ETHNICITY											
Hispanic	2	0	2	0%	2	2%	0	0	0	0%	4
Non-Hispanic	155	374	529	100%	97	98%	38	10	48	100%	674
TOTAL HOUSEHOLDS	157	374	531	100%	99	100%	38	10	48	100%	678
INCOME											
< 30% AMI	61	236	297	56%	63	64%	28	7	35	73%	395
30-50% AMI	56	114	170	32%	30	30%	10	3	13	27%	213
50-80% AMI	37	24	61	11%	6	6%	0	0	0	0%	67
> 80% AMI	3	0	3	1%	0	0%	0	0	0	0%	3
TOTAL HOUSEHOLDS	157	374	531	100%	99	100%	38	10	48	100%	678

NOTES:

1. Tracker Systems, Inc., the KHA HCV MIS, does not currently have the capability of reporting Family and Elderly by bedroom size.
1. The NED program is specific to non-elderly disabled persons, no elderly households are served.
3. The report does not include households served through KHAs Transitional Housing Program which averaged 17 HHs/month in 2012.

The KHA processed 79 new lease-ups in its' Housing Choice Voucher programs in 2012. The majority, 36 (46%) were disabled and/or elderly households leased in KHA owned properties with project-based assistance. 22 (28%) are Resident Self Reliance participants, housed in KHA project-based units.

Tenants residing at Cheshire Homes, whose income was projected to exceed the maximum LIHTC limits at the time the new Brookbend units were placed in service, were offered an incentive package that included a private market housing assistance coupon. Five tenants chose the private market housing assistance.

Ten families were leased in the NED program and four families were leased in the Mainstream 5 program. The eligibility and leasing process for the NED program presented challenges in 2012, mostly from outdated applicant contact information, which contributed to a low success rate in contacting the applicants for eligibility appointments, and in some cases resulted in removal from the Housing Choice Voucher waitlist. To address this issue, KHA's Intake staff ramped up its' efforts to educate applicants on the importance of providing reliable alternative contact information.

One new MTW HCV lease-up at KHA's Evergreen Knoll and one private market income-based housing assistance coupon issued as a reasonable accommodation make up the remaining two lease-ups in 2012.

In 2009, KHA completed the disposition of its last Public Housing properties. As part of the disposition, operating subsidy and capital funds are replaced by 228 Section 8 Project-based coupons which are included in the MTW Program. The additional allocation was received through a separate application process to HUD for replacement vouchers. In KHA's approved FY 2011 MTW Plan, the Project Based Coupon Activity increased the project-basing of KHA's 587 allocated units from 228 to 352, or 60%. KHA has executed project-based contracts for 334 units of its' total allocation, of which 301³ were leased as of 12/31/2012. (Some project-basing will occur as existing units are turned over, resulting in a phasing in of the remaining units over time.)

Project-Based Coupons				
	FAMILY	ELDERLY	TOTAL	PERCENT
RACE				
American Indian	1	0	1	0%
Asian	2	1	3	1%
Black	0	0	0	0%
White	96	200	296	98%
Other	0	1	1	0%
TOTAL HOUSEHOLDS	99	202	301	100%
ETHNICITY				
Hispanic	2	2	4	1%
Non-Hispanic	97	200	297	99%
TOTAL HOUSEHOLDS	99	202	301	100%
INCOME				
< 30% AMI	42	122	164	54%
30-50% AMI	38	60	98	33%
50-80% AMI	19	20	39	13%
> 80% AMI	0	0	0	0%
TOTAL HOUSEHOLDS	99	202	301	100%

The KHA intends to execute two additional HAP contracts in 2013 which will project-base another 6 units in KHA owned and managed properties. These contracts will project base 3 units at Evergreen Knoll and 3 units at Cottage Street.

³ Bennett Block 14, Harmony Lane 38, Harper Acres 112, North & Gilsum 29, Riverbend 24, Scattered Sites 18, SAVF 23, SAVS 32, Brookbend East & Brookbend West 11

OCCUPANCY TRENDS

	Total Units	J	F	M	A	M	J	J	A	S	O	N	D	12 Month Avg
LIHTC PROPERTIES														
Evergreen Knoll	32	97%	100%	94%	97%	97%	100%	100%	100%	97%	94%	100%	100%	98%
Riverbend Apartments	24	100%	96%	100%	96%	100%	100%	100%	92%	96%	100%	100%	100%	98%
Stone Arch Village Family	24	100%	100%	100%	100%	100%	96%	96%	100%	100%	100%	100%	96%	99%
Stone Arch Village Senior	34	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Brookbend West ♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	67%	100%	100%	100%	92%
MULTIFAMILY PROPERTIES														
Central Square Terrace	90	99%	96%	98%	98%	99%	99%	100%	98%	97%	100%	99%	98%	98%
Meadow Road Apartments	18	94%	89%	83%	94%	100%	100%	89%	100%	94%	89%	94%	100%	95%
Wedgewood Duplexes	30	93%	93%	100%	100%	100%	97%	97%	90%	97%	97%	97%	97%	96%
Ash Brook Apartments	24	100%	100%	100%	100%	98%	96%	96%	100%	100%	100%	96%	100%	99%
KEENE AFFORDABLE HOUSING PROPERTIES														
Bennett Block	14	82%	76%	71%	65%	65%	82%	94%	94%	88%	88%	100%	100%	84%
Forest View	38	97%	100%	97%	100%	97%	95%	95%	97%	97%	92%	95%	100%	97%
Harper Acres	112	100%	99%	100%	100%	99%	99%	98%	99%	98%	98%	99%	100%	99%
North and Gilsum	29	97%	97%	100%	100%	100%	97%	93%	97%	97%	97%	100%	100%	98%
Scattered Sites	19	95%	100%	100%	100%	100%	89%	89%	100%	100%	95%	95%	100%	97%
TOTAL	488	96%	96%	96%	96%	97%	96%	96%	97%	95%	96%	98%	99%	96%

♦ in development

KEENE HOUSING OCCUPANCY TRENDS

In Q3 2011, the final re-housing of families temporarily relocated during the rehab of the former Public Housing properties was completed. This set the stage for a more manageable turnover process and steady improvements in property occupancy rates.

Bennett Block with an annual occupancy percentage of 84% is still a challenging property. KHA has not found a solution to the lack of parking. Although it is well located in downtown Keene, the lack of parking and aged appearance make it difficult to lease. The mostly one-bedroom units attract many individuals with a sometimes troubled housing history or other circumstances which result in frequent turnovers. The building, however, was full in November and December 2012.

The occupancy percentage was lower than planned at Meadow Road because of a unit that was off line for the first 4 months of the year. Additionally, two units were held vacant for the temporary relocation of two families during the demolition and rebuilding of Brookbend West.

Generally in the last six months, the KHA maintenance department has reduced the time to make units ready for a new tenant to less than two weeks on a regular basis.

Multifamily and Rural Development Households Served (Non-MTW)

NUMBER OF BEDROOMS	Multifamily (Central Square Terrace, Wedgewood, Meadow Road)				LIHTC/Rural Development (Evergreen Knoll)			
	FAMILY	ELDERLY	TOTAL	PERCENT	FAMILY	ELDERLY	TOTAL	PERCENT
	Studio	0	7	7	5%	0	0	0
1 BR	0	82	82	60%	0	0	0	0%
2 BR	13	15	28	20%	11	2	13	45%
3 BR	15	5	20	15%	13	3	16	55%
4 BR	0	0	0	0%	0	0	0	0%
4+ BR	0	0	0	0%	0	0	0	0%
TOTAL HOUSEHOLDS	28	109	137	100%	24	5	29	100%

Race and ethnicity data collected on households residing in Multifamily units and LIHTC/Rural Development units show 98% of tenants as white, non-Hispanics. The GMI in the overwhelming majority of households in both programs is less than 50% MAI.

The remaining KHA owned and managed households served receive subsidy through the Housing Choice Voucher program as project-based assistance and are included in the chart titled **Housing Choice Voucher-All Programs- Households Served** on page 19.

Waiting List Information

KHA operates a Housing Choice Voucher (MTW) waiting list, Mainstream HCV waiting list, and site-based waiting lists for Keene Affordable Housing Project, Multifamily, and LIHTC properties. The NED coupons are issued from the MTW wait list.

All program waitlists experienced increases in 2012 from 2011, ranging from 24% in the Housing Choice Voucher and Mainstream programs (combined) to 82% in the LIHTC waitlist. The increase in the LIHTC program waitlist is attributable to the addition of the Brookbend West and Brookbend East waitlists in Q2 and Q4, 2012.

Wait List by Program				
	2011	2012	# +/-	% +/-
Section 8	378	441	63	17%
Mainstream	215	230	15	7%
KAHP	344	464	120	35%
Multifamily Section 8	160	277	117	73%
LIHTC ¹	319	579	260	82%

NOTE:
1. Increase in LIHTC WL due to addition of Brookbend West and Brookbend East waitlists in 2012.

Wait List by Program & Wait Time		
	6mo- 3yr	3+ yr
Section 8		X
Mainstream		X
KAHP		X
Multifamily	X	
Section 8		
LIHTC		X

Waitlist times remained relatively constant in 2012, with the Housing Choice Voucher waitlist time being the greatest at 6.5 years. All program waitlists remained open during 2012. The Brookbend West waitlist opened in May 2012 and the Brookbend East waitlist opened in October 2012, consistent with the property's Affirmative Fair Housing Marketing Plans. Leasing from the Brookbend

East waitlist will begin in Spring 2013.

Wait List by Program & Unit Size						
	0 BR	1 BR	2 BR	3 BR	4+BR	Total
Section 8	6	188	121	87	39	441
Mainstream	4	136	53	25	12	230
KAHP	141	159	125	36	3	464
Multifamily	87	19	134	37	0	277
LIHTC	1	209	295	74	0	579
Total	239	711	728	259	54	1991
Percent	12%	36%	37%	13%	3%	100%

Housing Choice Voucher Waitlist

	2010				2011				2012			
	FAM	ELD	TOT	%	FAM	ELD	TOT	%	FAM	ELD	TOT	%
NUMBER OF BEDROOMS												
Studio									3	3	6	1%
1 BR									42	145	187	42%
2 BR									67	54	121	27%
3 BR									63	24	87	19%
4 BR									29	10	39	9%
4+ BR									9	0	9	2%
TOTAL HOUSEHOLDS	170	254	424		177	200	377		213	236	449	100%
RACE												
American Indian			7	2%			13	3%	4	7	11	2%
Asian			0	0%			0	0%	2	1	3	1%
Black	Data Not Available		1	0%	Data Not Available		7	2%	3	4	7	2%
White			411	97%			354	94%	204	223	427	95%
Other			5	1%			3	1%	0	1	1	0%
TOTAL HOUSEHOLDS			424	100%			377	100%	213	236	449	100%
ETHNICITY												
Hispanic									6	5	11	2%
Non-Hispanic									207	231	438	98%
TOTAL HOUSEHOLDS									213	236	449	100%
INCOME												
< 30% AMI			287	68%			270	72%	160	170	330	73%
30-50% AMI	Data Not Available		102	24%	Data Not Available		84	22%	37	51	88	20%
50-80% AMI			35	8%			23	6%	16	15	31	7%
> 80% AMI			0	0%			0	0%	0	0	0	0%
TOTAL HOUSEHOLDS			424	100%			377	100%	213	236	449	100%

A total of 682 applicants populate the tenant-based assistance Housing Choice Voucher programs waitlists; 211, or 31%, currently reside in KHA owned and managed properties.

Staff processed 601 applications in 2012, of those, 243 households were added to the Housing Choice Voucher waitlists.

The Housing Choice Voucher waitlist increased 19% in 2012, from 377 applicants in 2011 to 449 applicants in 2012. Racial mix percentages have remained relatively constant from 2010 through 2012, with an average of less than 5% of households identifying themselves as other than White.

Income levels have remained level over the past 3-years as well, with extremely low and very low households averaging 93% of households on the Housing Choice Voucher waitlist.

Housing Choice Voucher - All Programs - Waitlist Demographics

	Housing Choice Voucher				Mainstream-5		ALL PROGRAMS TOTAL
	FAM	ELD	TOT ¹	%	ELD ²	%	
NUMBER OF BEDROOMS							
Studio	3	3	6	1%	4	2%	10
1 BR	42	145	187	42%	136	58%	323
2 BR	67	54	121	27%	53	23%	174
3 BR	63	24	87	19%	25	11%	112
4 BR	29	10	39	9%	12	5%	51
4+ BR	9	0	9	2%	3	1%	12
TOTAL HOUSEHOLDS	213	236	449	100%	233	100%	682
RACE							
American Indian	4	7	11	2%	10	4%	21
Asian	2	1	3	1%	0	0%	3
Black	3	4	7	2%	5	2%	12
White	204	223	427	95%	218	94%	645
Other	0	1	1	0%	0	0%	1
TOTAL HOUSEHOLDS	213	236	449	100%	233	100%	682
ETHNICITY							
Hispanic	6	5	11	2%	6	3%	17
Non-Hispanic	207	231	438	98%	227	97%	665
TOTAL HOUSEHOLDS	213	236	449	100%	233	100%	682
INCOME							
< 30% AMI	160	170	330	73%	179	77%	509
30-50% AMI	37	51	88	20%	42	18%	130
50-80% AMI	16	15	31	7%	12	5%	43
> 80% AMI	0	0	0	0%	0	0%	0
TOTAL HOUSEHOLDS	213	236	449	100%	233	100%	682

NOTES:

1. Non-Elderly Disabled applicants are issued off the Housing Choice Voucher Waitlist, therefore are included in the total.
2. The Mainstream-5 program serves only disabled households who qualify for the HUD elderly exemption.

SECTION III. NON-MTW RELATED INFORMATION

Reporting in this section is optional.

Youth Services

The BUILDING BRIDGES program uses several strategies to influence youth development, family, and community to prevent juvenile delinquency. On average, about 25 youth are served by the program annually. The program operates from Family Activity Centers located at the family communities of North and Gilsum Street and Forest View. The centers are the hub of the community, attracting and encouraging positive interaction with youth, adults and staff. Program components include:

- Daily after-school and summer program for youth ages 5 through 10 (open to all youth up to age 18)
- Life skill workshops for teens and adults
- Community events and improvement projects

All families that move to either Forest View or North and Gilsum Street are automatically referred to the Building Bridges Youth Services programs by Keene Housing Authority staff. The Building Bridges program is integrated with the Resident Self-Reliance program for adults so every family member is served.

Programming focuses on youth ages 5 through 10, but youth up to age 18 may participate. Teens are also able to participate in the program as volunteers. Community connections offer events that encourage positive interactions and build a sense of ownership and responsibility. Youth coordinate community service events focusing on their neighborhood including community beautification projects, and cooking and delivering meals for families.

Daily homework labs provide academic assistance and encourage youth to complete their school assignments in an organized and efficient fashion; thereby developing positive and productive attitudes towards education. Volunteers from Keene State College help facilitate daily homework labs.

Community Partners

Keene State College (KSC), an important partner, sends dozens of young volunteers annually through the America Reads Club. The purpose of the club is to promote and encourage reading among youth. The volunteers provide tutoring, creative play, and fresh new ideas for the program. Youth also participate in Resident Life Programming, campus based activities facilitated by KSC Resident Assistants. The Resident Assistants earn community service credit and KHA youth are exposed to different ideas, positive adult role models, and higher education. The Youth Services Administrator is a contributing member of the KSC Community Partner Advisory Board. The board is designed to help communicate the needs of the community and link each member of the Advisory Board to more college and community resources.

Total # of Youth-North & Gilsum/Forest View- 61								
Income Level								
	Single Adult	%	2 Adults	%	Total	%		
ELI	25	58%	8	44%	33	54%		
VLI	13	30%	8	44%	21	34%		
LI	5	12%	2	11%	7	11%		
Total	43	100%	18	100%	61	100%		
Lunch Assist								
	Single Adult	%	2 Adults	%	Total	%		
Free	30	70%	11	61%	41	67%		
Reduced	10	23%	5	28%	15	25%		
None	3	7%	2	11%	5	8%		
Total	43	100%	18	100%	61	100%		
Income Level by Age								
	0-4 yrs	%	Grade School 5-11 yrs	%	Middle School 12-14 yrs	%	High School 15-18 yrs	%
ELI	10	63%	11	41%	6	75%	5	50%
VLI	5	31%	11	41%	1	13%	4	40%
LI	1	6%	5	19%	1	13%	1	10%
Total	16	100%	27	100%	8	100%	10	100%

In the summer of 2012 KHA, Keene Youth Services, Cheshire Coalition for Tobacco Free Communities, Monadnock Alcohol & Drug Abuse Coalition, Keene Family YMCA and Keene Parks and Recreation Center Youth Coordinators (YC) developed a teen program specifically for high school students. Two successful events were hosted in 2012, a Halloween dodge ball tournament and a laser tag event. Over 133 teens participated in the two events. The YCs meet monthly to plan and gather donations from community partners to help fund events. Additionally, the Keene Parks and Recreation department hosts an annual Ramp Jam. Ramp Jam is a youth skateboard and bike competition held at the Keene Skate Park. Youth compete with either a bike or a skateboard and performance is graded by a panel of judges. The owner of Keene’s local ski park linked the YC group to local professional BMX bikers to serve as guest judges.

Stonewall Farm, a working farm and educational site open to the public year-round, has enriched our youth’s summer and winter learning by providing guided tours, sleigh rides/hayrides, access to walking trails, and close-up experiences with farm animals. The farm provides educational

opportunities, both self-guided and curriculum based, that meet state core standards for education.

In 2012, Antioch New England University selected the Building Bridges program to benefit from the Community Garden Connection (CGC) grant. The CGC used grant funding to help build community gardens all over Keene. The CGC funds KHA's Youth Services community garden which provides healthy snacks during programming and participating families with healthy foods. The CGC also facilitated several gardening workshops in 2012 which included seed starting, raised bed construction, and mulching and composting. Interns are assigned as Site Coordinators to help from planning to planting to harvesting. In 2012 the garden produced over 53 pounds of tomatoes, cucumbers, lettuce, Swiss chard and peppers. Programming in 2013 will include a canning component to teach youth and families how to preserve their harvest.

Youth participated in several field trips in 2012, which offered enrichment activities such as swimming and gymnastics, dance lessons and motor skill games, tour of the local humane society and pet education, tubing, and educational workshops at our local library that included knitting club and a Vermont Institute of Natural Science exposition.

In 2012, each Family Activity Center received fresh coats of paint, new furniture, and appliances, providing a 'home like' feel and enhancing the overall learning environment.

In June of 2012, KHA received approval to participate in the Child Adult Care Food Program (CACFP), a reimbursement program through the State of New Hampshire which supports schools and programs that provide healthy snacks or meals to youth. In 2012, KHA received \$328 in food expense reimbursements. The food expense reimbursements offset some of the programming costs.

SECTION IV. LONG TERM VISION FOR KHAs MOVING TO WORK PROGRAM

As evidenced by the last few years' budgets, federal support for programs serving our nation's most vulnerable households is declining. Luckily for the KHA and 38 other Public Housing Authorities, we participate in the Moving to Work deregulation demonstration. While MTW does not shield us completely from the impacts of federal disinvestment, it does allow us to think creatively about how we will survive today's difficult environment and, more importantly, it allows us to devise ways to flourish in the future despite it.

The Portfolio

In the coming years, with help from MTW, KHA will invest heavily into the small portion of its portfolio that did not receive comprehensive modernization during the recent disposition of the Agency's public housing stock. Integrating energy conservation and generation technologies, and the use of renewable materials will be central elements to this modernization effort.

Reducing energy costs and carbon emissions will be an important part of all KHA capital projects, large and small, with a particular focus on water consumption, building envelopes, HVAC systems, boilers, and emerging energy production systems.

Additionally, KHA will focus on creating safe, attractive community and play spaces wherever possible. These efforts will run the gambit from improved landscaping and plantings to greater internet connectivity, to the construction of new Family Activity Centers. KHA properties will be more than places to live. They will be places to play, learn, grow and succeed.

In all cases, residents will be active participants when it comes time to make choices about the portfolio's future.

The People

KHA will continue helping work able families reach economic independence through the Resident Self Reliance program. KHA will expand and focus the services we offer to young children who call our properties home and KHA will launch a comprehensive learning program for middle school kids, sticking with them through high school and helping their transition to college or vocational school. This program will address adolescents' social, educational and emotional challenges to help make sure that when the kids we serve grow up, they won't need anyone's help paying rent.

KHA will expand its Transitional Housing Assistance Subsidy Program to help community partners provide housing and supportive services to populations that traditional housing authorities struggle to serve. Transitional Housing Assistance Subsidies will help homeless, young adults ageing out of foster care, domestic violence victims, developmentally disabled, veterans, the mentally ill and other traditionally hard-to-house populations find safe homes and the services they need to reach the goals they set for themselves.

These lofty goals will only be realized if KHA's Moving to Work Agreement is extended beyond its current expiration in 2018. KHA, working with other MTW agencies, our industry groups and our Congressional delegation will work hard in the coming years to make sure KHA's MTW status is secured.

SECTION V. PROPOSED MTW ACTIVITIES

The Keene Housing Authority did not propose any new MTW Activities for FY2012.

SECTION VI. ONGOING MTW ACTIVITIES

Project Based Coupons

Statutory Objective(s): Increase housing options

Baseline: Zero PBC units as of 1/2009. Zero PBC coupons utilized 1/2009. Average leasing rate 12/2008 96%. Average waitlist time 2 years 12/2009.

Baseline: Established 2011. Income distribution of Housing Choice Voucher tenants; very low and extremely low, 87%. 292 units leased.

Benchmarks: 213 units of PBCs by 12/2010; 294 units of PBCs by 12/2011; 341 units of PBCs by 12/2013; 352 units of PBCs by 12/2015. PBC lease rate 92%, 2011. Average waitlist time 1.8 years, 2011.

Measures: Number of housing units added to PBC inventory. Supplemental measures: Income distribution of Housing Choice Voucher tenants; Number of coupons issued vs. utilized. Average time spent on waitlists. 96% lease rate all PBC units, annually. Average waitlist time not to exceed baseline by more than 1 year on an annual basis.

Plan Year Proposed: 2008

Plan Year Implemented: 2008 Annual Plan

Outcomes for FY 2012: 334 units of PBCs; lease rate of 87% of approved units; average PBC waitlist time 2.5 years.

The ability to determine the policy to select owners and percentage of project-base vouchers created an important opportunity for housing authorities in the MTW program to increase the number of affordable housing units in their communities. HUD's approval of KHAs 2011 MTW Plan authorized KHA to project-base 60% (352) of the 587 allocated units.

Evaluation

Number of housing units added to PBC inventory, 2012:

The Keene Housing Authority and Cheshire Housing Trust executed a Housing Assistance Payment Contract for Existing Housing in January of 2012, project-basing 20 units. This contract increased KHAs project-based unit inventory to 334 by 12/2012. KHA had intended to execute HAP contracts for 3 units at Evergreen Knoll and 3 units at Cottage Street, however due to the changes in senior management in 2012, the execution of these contracts have been moved to 2013.

Cheshire Housing Trust (CHT) is a community land trust established in 1987 to provide permanently affordable housing opportunities to low and moderate income residents of Cheshire County. It has a board of directors who represent both the community's interest in affordable housing and the interests of the residents. It owns and manages 63 affordable apartments in the Monadnock Region.

CHT is also a HUD-certified housing counseling organization providing home ownership education and counseling as well as housing counseling for tenants and people looking for housing. This program runs six free First Time Home Buyer Seminars each year. Cheshire Housing Trust is a nonprofit organization and a member of the Monadnock United Way. It obtains its funding from

rents, United Way funds, and donations. It has an active board which seeks to reduce costs by organizing volunteer maintenance work.

Number of Leased PBC inventory, 2012:

Project-based units leased as of 12/2012 numbered 305, or 91% of PBC units under contract. Eight of twenty-one PBC units were leased at Brookbend, the remaining thirteen PBC units will be leased as construction is completed in 2013 and units are placed in service. Four of twenty Cheshire Housing Trust PBC units were leased in 2012; the CHT contract specifies PBC units will be phased in as units are turned-over. KHA is well on its way to achieving the 2013 benchmark of 341 units of PBV leased. Leasing rate of authorized PBC units as of 12/2012 was 87% (305 of 352 units).

Income Distribution

PBC Income Distribution - 2012 Move-ins				
INCOME	FAMILY	ELDERLY	TOTAL	PERCENT
< 30% AMI	12	16	28	50%
30-50% AMI	4	14	18	32%
50-80% AMI	10	0	10	18%
> 80% AMI	0	0	0	0%
TOTAL HOUSEHOLDS	26	30	56	100%

Total percentage of very low and extremely low admissions in 2012: 82%.

Extremely low, and very low income households comprise 88% of all HAC and PBC households served.

Average Time Spent on Waitlist:

Average waitlist time for KHA Owned and Managed PBC units was 2.5 years as of December 2012.

Housing Choice Voucher - HAC & PBC Income Level HHs Served				
INCOME	FAMILY	ELDERLY	TOTAL	PERCENT
< 30% AMI	61	236	297	56%
30-50% AMI	56	114	170	32%
50-80% AMI	37	24	61	11%
> 80% AMI	3	0	3	1%
TOTAL HOUSEHOLDS	157	374	531	100%

Number of Coupons Issued vs. Utilized:

Property Managers screening applicants for occupancy in a PBC unit, utilize tenancy history, credit reports, and criminal background information to test eligibility. Once an applicant is approved and accepts the offer of the unit, the issuance briefing and lease-up are scheduled. Since issuance briefings only occur with applicants who have accepted a unit, 100% of PBCs issued are leased.

Data Collection: Data will be maintained in the MIS Tracker Systems (as of 1/1/2010 implementation date) which is used to administer all of KHA Housing Choice Voucher coupon and voucher (Mainstream) programs.

Authorization (s): Attachment C. Section D.7 Establishment of an Agency MTW Housing Choice Voucher Project-Based Program. The Agency is authorized to Project-Base Housing Choice Voucher assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's subsidy layering. If the Agency chooses to project-base Housing Choice Voucher assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are they owned units subject to any required assessments for voluntary conversion. This authorization waives certain provisions of Housing Choice Voucher(o)(13)(B and D0 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.

Housing Assistance Coupons (HAC) Stepped Subsidy

Statutory Objective(s): Incentive for self-sufficiency; Increase cost effectiveness/efficiency

Baseline: Established 2009 and 2010.

74 MTW households employed 2009; 49 MTW households exiting program in 2009 evicted for non-payment of rent; \$26,000 in administrative expense, 2010.

Benchmarks: 84 MTW households employed 2010; 1 household exiting the program due to eviction for non-payment of rent, 12/2010; administrative expenses proportionate to program participants.

Measures: number of households reporting earned income; households exiting the program due to eviction for non-payment of rent; administrative expenses.

Plan Year Proposed: Proposed in KHAs original application in response to 1996 RFP

Plan Year Implemented: Original MTW Agreement executed in 1999

Outcomes for FY 2012: 113 (84%) households reporting earned income; 3 (4%) households exiting the program due to eviction for non-payment of rent; \$43,000 in administrative processing expenses

The Keene Housing Authority provides Housing Choice Voucher assistance, paid on behalf or directly to the household, in the form of a Housing Assistance Coupon. The HAC can be used to pay for rent in the private housing market. KHA calculates subsidy based on one of two methods; (1) Step subsidy method or (2) Income-based subsidy method. Elderly and disabled households are allowed to choose either the step subsidy method of calculation, which includes required participation in the Resident Self-Reliance Program, or the income-based method of subsidy calculation. All non-elderly/disabled households are required to participate in the Step subsidy method and Resident Self-Reliance Program.

The Step subsidy method provides a flat rate subsidy that is based on unit size and the number of years in the program. The subsidy is gradually reduced over a five year period. The first year's tenant portion of rent is determined by subtracting 20% of gross income or welfare rent established by the State of New Hampshire at \$293 in 2012, from the VPS. If, when calculating the first year subsidy, a family's subsidy would be less than the 2nd step but more than the 3rd step, the subsidy would begin at the 2nd step (65% of the VPS) and remain at that step for three years. After 3 years, the subsidy would then drop down to the 3rd step (45% of the VPS) for as long as the family remains eligible. If the family's subsidy would be less than the 3rd step, the subsidy would begin at the 3rd step and remain at that step for as long as the family remains eligible. There is a minimum rent of \$125. The second and third step subsidies are based on a percentage of the local Payment Standards. Utility rebates are not paid as part of the program as a minimum rent has been established.

The subsidy is directly deposited into the family's bank account on the 1st of the month. Families are responsible for paying their rent in full and on time. In the case of elderly and disabled households, they may choose to receive the subsidy directly or have it paid to the landlord on their behalf as in traditional Housing Choice Voucher HCV programs. The subsidy is paid to the tenant rather than the landlord to teach the participants to manage their money and serve as regular reminders of the full cost of rent for their units. This complements the goals of the Resident Self-

Reliance program by teaching financial responsibility and removing the traditional programs' paternal overtones of program administration.

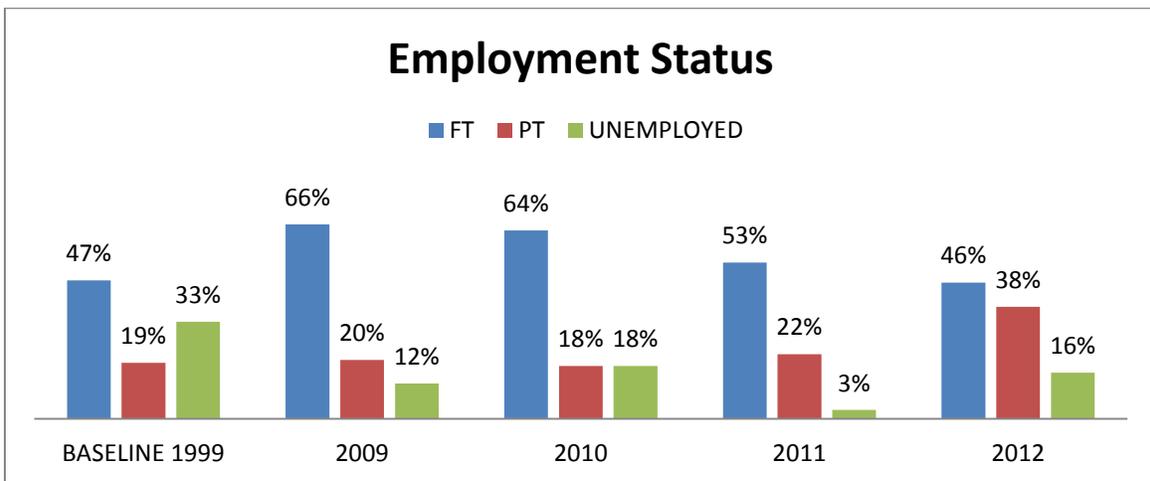
KHA has been operating the HAC Step Rent program for over 13 years. Families who are not working receive a strong incentive to gain employment and take advantage of the employment programs offered by KHA. Since the family portion of rent does not increase in the step subsidy program when their income increases, families may use their savings to finance other necessities, reduce debt or build assets. The RSR program is designed to help participants gain the personal financial management skills and knowledge to make decisions that best help them achieve their goals. These strategies help families stabilize and advance their financial and employment foundation before the subsidy is reduced at years two and four of the program. Percentages of the Payment Standard upon which the subsidies are based remained level in 2012.

Evaluation

Number of Households reporting Earned Income:

In 2012, the number of households whose subsidy is calculated using the Stepped Subsidy method grew to 134, a 38% increase from 97 in 2011. Eighty-four percent (113) of these households report earned income.

Leading industries⁴ in Keene are Education, 25%; Manufacturing, 24%; Healthcare, 22%; Insurance, 15%; and Wholesale Foods, 14%.



⁴ Economic & Labor Market Information Bureau, NH Employment Security, 2013. Community Response Received 7/02/2012.

Number of households leaving program due to eviction for non-payment of rent or rent burden:

Households Leaving Program				
	HAC/PBC	MS/NED	TOTAL	PERCENT
REASON				
Deceased	7	2	9	13%
Failure to Recertify	3	0	3	4%
Lease Violation	8	0	8	11%
Lease Violation Non Pay	3	0	3	4%
Voluntary Termination	39	8	47	65%
Voucher Expired	1	0	1	1%
Unit Vacated	0	1	1	1%
TOTAL HOUSEHOLDS	61	11	72	100%

Administrative Expenses:

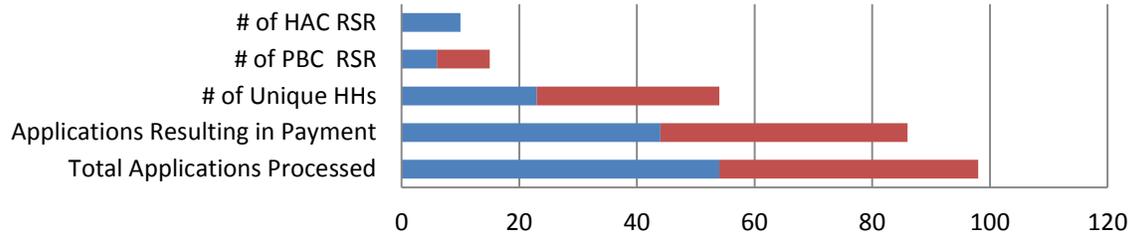
Administrative processing expenses increased from \$31,500 in 2011 to \$43,000 in 2012 (37%). The increase is due to the increase in stepped subsidy families from 97 in 2011 to 134 in 2012 (38%).

Safety Net Hardship Program:

Cases of hardship are referred to the Safety Net program. The ability to adjust the percentages of the Voucher Payment Standard on which the step subsidies are based allows KHA to adapt the program to changing economic circumstances and maximize the use of subsidy while maintaining rent affordability for participants.

In January 2012, the KHA and the City of Keene Welfare department began an unofficial partnership at the prompting of KHA. KHAs goals of the partnership were to; 1. Obtain better information on KHA participants applying for hardship assistance through City Welfare; and, 2. Minimize the number of step subsidy households requesting assistance through the City by requesting City staff ask applicants (who receive KHA housing assistance) if they had applied for and been denied Safety Net assistance prior to applying for City assistance. The Hardship Assistance chart below represents all City Welfare recipients (as reported by the individual City Welfare departments) applying for additional housing assistance in Towns or Cities where KHA administers private market and/or project based assistance. The City of Keene processed 16 applications from 13 KHA households, resulting in 14 payments. The balance of applications, processed by the Town of Swanzey and the Town of Winchester, were for non-MTW tenants.

Hardship Assistance

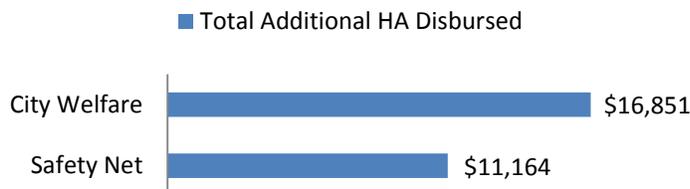


	Total Applications Processed	Applications Resulting in Payment	# of Unique HHs	# of PBC RSR	# of HAC RSR
■ Safety Net	54	44	23	6	10
■ City Welfare	44	42	31	9	0

The Safety Net program provides temporary relief to households experiencing a financial hardship. A number of circumstances can lead to financial hardship, such as a change in household composition, sudden loss of employment, changes in unearned income, or medical reasons. The Safety Net program allows participants to work off the additional subsidy by completing jobs for the Keene Housing Authority, following a payment arrangement, or requesting Keene Housing Authority allow an increase in subsidy for a specified period of time by conducting an interim adjustment.

Participants who work to pay off the additional subsidy receive an hourly credit toward the additional subsidy balance. Safety Net is not meant to take the place of full-time employment for the participants who are able to work. Participants are encouraged to find employment rather than use the Safety Net program. It is meant to be temporary assistance during times of economic hardship.

2012 Additional Housing Assistance Disbursed City Welfare & Safety Net



Information on the Safety Net program is distributed during lease-up and/or issuance and during annual certifications to remind housing recipients that they are entitled to apply for assistance.

KHAs HAP expenses for all MTW programs was \$4,008,892⁵. The additional HAP expensed through KHA's hardship program was less than a third percent of KHAs total HAP expenses in 2012.

⁵ Department of Housing and Urban Development Voucher Management System (VMS)

Safety Net Eligibility Guidelines

Anyone who receives assistance under the MTW program may apply for assistance through the Safety Net program. Applicants must meet all three of the following criteria to be eligible for Safety Net:

- In good standing with the Keene Housing Authority
- In compliance with the RSR program
- Income eligible: resident pays more than 30% of their monthly income toward rent

Once an applicant meets the basic eligibility criteria, the Safety Net Committee will consider additional criteria such as:

1. Applicant presents a valid, verifiable reduction in income by job loss, change in household composition of income earners or other extraordinary circumstances
2. Applicants have lost their jobs for good cause or are unable to work
3. Flat, Minimum or Step Rent Level is not affordable (more than 30% of the Resident's monthly income)
4. Extraordinary circumstances apply (such as an increase in qualified expenses)
5. Applicants apply by the 20th of the month prior to the month for which they are requesting assistance or within ten days of the effective date of their income or expense change (with exception of unexpected occurrences such as loss of job or illness).

Once an applicant has been accepted into the Safety Net program, they must sign an amendment to the Family Obligations Contract that adjusts their rent/subsidy for a specified period.

The intention of the Safety Net program is to provide a temporary hardship policy for participants who cannot afford to pay rent due to circumstances beyond their control. KHA understands that circumstances such as loss of job, death of a partner or other factors can create hardships that require additional assistance. Safety Net has also served as an opportunity for participants to develop job skills. Many of the participants who have been given a work assignment in exchange for rental credits have achieved employment through the Keene Housing Authority and other local businesses as a result of the skills and experience gained while participating in a Safety Net job assignment.

Safety Net is an indicator of the health of the rent reform activity. If KHA observes a large percentage of HAC Step Subsidy participants requesting or receiving Safety Net assistance, the agency would need to reevaluate its activities and external factors to determine if changes are necessary in its policies.

The high number of payments in 2009 is attributable to the economy and the sharp downward turn the recession took in September 2008. That year 15 of the 23 households filing applications did so due to loss of earned income. All of these households received additional assistance for

multiple months. Housing assistance was recalculated using the 1st year methodology for all families residing in KHA’s public housing at the time of the disposition in September of 2009. This increase in subsidy eased the rent burdens, therefore fewer families applied for SN during 2010.

In 2011 and 2012 we see the trend in number of applications on the rise. 29 of the 54 applications filed in 2012 were attributed to loss of earned income. Again, this resulted in an increase in subsidy for multiple months for the majority of these families.

SAFETY NET (SN) TRENDS				
	2009	2010	2011	2012
Total SN applications Received	82	25	36	54
SN applications resulting in payment	76	22	24	44
# of unique households	23	14	24	24

Data Collection: Data will be maintained in the Housing Choice Voucher MIS. Keene has traditionally monitored rent burdens of active participants over the years to evaluative this initiative. Keene will continue to monitor rent burdens, employment status, and local economic factors such as rents, utility costs, unemployment rates and costs of living as they impact rent affordability. Safety Net cases are tracked in an Excel spreadsheet. They are recorded as applications are received. The number of participants who request Safety Net, the reasons for their requests and the type of assistance received in Safety Net are monitored to track the impact of external factors and MTW policies.

Authorizations: Attachment C. Section D.2 Rent Policies and Term Limits.

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.

MTW Homeownership Program (formerly Eligibility Administration)

Statutory Objective(s): Increase housing options

Baseline: 1 household achieved homeownership in 1999.

Baseline: Established 2011, data for new admission income level.

116 households admitted at or below VLI.

Benchmarks: 10 households achieving and maintaining homeownership, 12/2011; Maintain 75% of new admissions with incomes at or below the VLI, ongoing.

Measures: Number of households achieving homeownership; Number of households in KHAs Housing Choice Voucher homeownership program; Income distribution of new admissions.

Plan Year Proposed: This was proposed in the original 1999 MTW agreement with the Homeownership program changes proposed in the 2008 Annual Plan.

Plan Year Implemented: Implemented as part of the Original MTW Agreement Executed in 1999 for Housing Choice Voucher; Homeownership plan changes implemented in 2008.

Outcomes for FY 2012: No new households entered the Home Ownership program in 2012. Two households obtained home ownership without the need of housing assistance.

When the Housing Choice Voucher Homeownership program was created in 2006, KHA realized that residents who progressed in the Resident Self-Reliance program and increased their incomes over 80% of AMI would be penalized by losing eligibility for the homeownership program. As a result, KHA used its MTW authority to permit households who graduated from the Resident Self-Reliance program to remain eligible for a flat rate of assistance if they were over the income limits but below 140% of the AMI. The purpose was to provide an incentive and reward for RSR families who were successful in the program. KHA didn't want to penalize families who were able to increase their income during the program by denying them homeownership vouchers.

In 2007, when the housing market and economy started to tremble, KHA needed to address foreclosure potential among this population of participants. A policy change was added permitting households who entered the program at the flat rate subsidy to request an interim re-examination if their income changed.

The Heading for Home Program (H4H) offers eligible participants the option of buying a home with mortgage payment assistance through the Housing Choice Voucher Housing Assistance Coupon (HAC). Eligibility criteria include participation in a HUD approved Homeownership Seminars, attending counseling sessions and financial management workshops with a Resident Services Coordinator. Cheshire Housing Trust administers Individual Development Accounts (IDA), which served an additional resource for those who want to save money for homeownership. Applicants receive a match from the IDA program up to certain limits for contributions they make to their savings accounts. The money can then be used for eligible homeownership expenses.

Evaluation

Number of households achieving and maintaining homeownership:

KHA has been administering the Heading for Home

Home Owners as Reported in VMS				
2008	2009	2010	2011	2012
12	12	12	10	9

homeownership program since 2005. In 2012, 9 participants remain in the program and two RSR households achieved home ownership without housing assistance.

Income distribution of new admissions and Total percentage of very low and extremely low admissions in 2012:

No new households entered the home ownership program in 2012.

Data Collection: Data on new admissions is tracked in the Housing Choice Voucher MIS. Data can be tracked separately for homeownership and Housing Choice Voucher participants.

Authorization(s): Attachment C Section D.3. Eligibility of Participants. The agency is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirements that i) at least 75 percent of those assisted under the demonstration are “very low-income” as defined in section 3(b)(2) of the 1937 Act, ii) substantially the same the same number of low-income persons are assisted under the demonstration as would be without the MTW authorizations contained herein, and iii) a comparable mix of families are assisted under the Agreement as would have otherwise in Section C.I. of the MTW Agreement are met. This authorization waives certain provisions of Sections 16(b) and 8(o) (40 of the 1937 Act and 24 C.F.R. 5.603, 5.609, 5.611, 5.628, and 982.201 as necessary to implement the Agency’s Annual MTW plan.

Authorization(s): Attachment C. Section C.11. Rent Policies and Term Limits. The agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies include provisions for addressing hardship cases. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.6238, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency’s Annual MTW Plan.

Authorization(s): Section D.2 (a) Rent Policies and Term Limits. 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 Housing Choice Voucher(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency’s Annual MTW Plan.

HQS Inspections

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: 2001- 359 households require annual HQS inspections conducted by KHA at 1 hour per inspection, 359 hours of staff time; Zero HQS inspections conducted by Landlords.

Baseline: 2009 – 9/62 households (15%) fail HQS QC.

Benchmarks: Increase landlord conducted annual HQS inspections by 2% annually, 2012, 2013, and 2014. HQS QC fail rate less than 5%, ongoing.

Measures: Number of inspections conducted annually by KHA; Number of units failing HQS QC.

Plan Year Proposed: Proposed in KHAs original application in response to the 1996 RFP

Plan Year Implemented: Original MTW Agreement executed in 1999

Outcomes for FY 2012: 694 inspections 2012; 524 placed on biennial cycle; 170 annual cycle; 3 units failing HQS QC. Landlords conducted 42 annual inspections in 2012 (6%).

Activity Summary

Allowing landlords to self-certify Housing Quality Standards inspections was approved by HUD as one of KHAs original MTW activities. At that time, KHAs housing portfolio consisted of public housing units and Housing Choice Voucher – a relatively limited portfolio compared to KHAs current housing portfolio, which is larger and much more diverse than when KHA entered MTW in 2000.

Over time, and with changes in inspection staff, landlords began to see the HQS inspections conducted by KHA as a ‘service’; which was the opposite effect KHA had intended with this activity. While KHA continues educating owners about HQS and encourages them to conduct and self-certify HQS, KHA changed its strategy slightly in 2011 to further the administrative efficiencies realized through this activity.

With the approval of its 2011 MTW Plan, KHA initiated a biennial inspection cycle for all units that passed their most recent HQS inspection (initial or annual). Units achieving this level of compliance are generally of high quality, with property owners attentive to keeping their units in good condition. KHA incorporates thorough landlord and tenant HQS education programs and all parties are encouraged to request an inspection if problems arise between regularly scheduled biennial inspections.

Additionally, KHA sub-contracts services to conduct HQS inspections at the properties it owns and manages. Many of KHAs owned and managed properties already undergo multiple annual quality control monitoring inspections or reviews that are conducted by regulatory program monitors. These include USDA, LIHTC, and HOME units. The inspections and/or reviews include site and unit inspections. This renders the KHA contracted inspections (to avoid conflicts of interest) duplicative. The duplicative nature of the contracted inspections led to KHA proposing in its 2013 MTW plan to exempt units from HQS inspections if the unit is held to one of the higher inspection protocol such as REAC, UPCS, or monitoring agency inspections.

Landlord and Tenant Education and Participation in HQS

The sections below describe the education programs KHA uses to better inform both landlords and participant families of their responsibilities under HQS.

Landlord Education and Participation

When new participants are briefed, they are given materials, including HUD's "A Good Place to Live", and encouraged to do a walk through inspection with the landlord. KHA conducts initial inspections for all units and encourages new and existing landlords to participate in the initial inspection. This gives the landlord opportunity to better understand his or her responsibilities under HQS. Landlords are encouraged to conduct annual inspections on their units. Each year the KHA sends the landlord a survey form asking about unit condition relative to HQS. This form includes the exact same information that is sent to the participant regarding HQS standards. That way, feedback from both the owner and the tenant is based on the same criteria and gives KHA a good sense of the quality of the unit.

Family Education and Participation in HQS

KHA staff work on a regular basis to educate program participants about HQS, providing them with increased ownership over the leasing process while making sure they are not living in a substandard apartment. The program is designed to educate residents so they are empowered to make informed decisions when searching for or living in an apartment. This education enables them to determine first hand if there are issues that need to be addressed to ensure that the unit always meets HQS.

The education process starts with an intensive orientation before a HAC or PBC is issued. The participant's responsibility for ensuring that their rental unit meets HQS is explained during the process. During the issuance, KHA staff provides a detailed explanation of Housing Quality Standards utilizing the following materials:

- *A Good Place to Live*
- *Protect Your Family from Lead in Your Home*

During quarterly Resident Self-Reliance program meetings, families complete and update family information including information on HQS in their units. Participants are also asked about HQS during the Annual Recertification process.

Quality Control Inspections

Every three months, 5% of all units self-inspected by landlords receive a quality control inspection conducted by a KHA inspector. If the owner fails to maintain the dwelling unit in accordance with HQS, the KHA takes prompt and vigorous action to enforce the owner's obligations. Remedies for HQS violations include termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.

KHA does not make any housing assistance payments for a dwelling unit that fails to meet HQS, unless the owner corrects the defect within a specified period and KHA verifies the correction. If a defect is life threatening, the owner must correct it within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any KHA approved extension).

Again, the intended impact is to reduce the time and cost of ensuring HQS compliance while shifting some responsibility to the tenants in an effort to further integrate self-sufficiency activities into the RSR program. It may also indirectly have an impact on the quality of tenant-based housing units as tenants become more educated about HQS and local code requirements.

Evaluation

A total of 694 (initial and annual) HQS inspection were conducted in 2012 by KHA, contracted services and landlords. 524 or 76%, received 'Pass' status and were placed on the biennial cycle. The remaining 170 received a status of 'Pass with Comment' or 'Pass After Fail', these units will remain on the annual cycle. 3 units received a status of 'Fail' after HQS QC.

Landlords conducted 42 annual inspections in 2012 (6%). In 2011, landlords conducted 99 annual inspections (15%). In spite of KHAs efforts to educate landlords about HQS and conducting their own HQS inspections and certifying compliance, the downward trend may lead KHA to consider discontinuing the landlord annual HQS self-inspection part of this activity.

Data Collection: Results of quality control inspections are tracked in the Housing Choice Voucher MIS. Quality control inspections are conducted monthly.

Authorization(s): Attachment C. Section D.5. Ability to Certify Housing Quality Standards. The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. This authorization waives certain provisions of Housing Choice Voucher(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.

Standard Deductions

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: 100% of eligible households reporting medical or disability expenses require verification, 2006.

Baseline: Established 2011. 375 households with elderly and/or disabled status requiring 656 hours staff time for verification processing. Actual medical expenses reported higher than standard deduction, \$419,500; Standard Deduction expense, \$355,800.

Benchmarks: 474 hours processing time saved, 2011. \$419,500 reported expenses; \$355, 860 in standard deductions, 2011.

Measures: Number of households claiming medical/disability expenses: Reported decrease in staff time to process annual certifications; Difference between reported expenses and expenses provided by the standard deduction.

Plan Year Proposed: 2006 Annual Plan

Plan Year Implemented: 2005

Outcomes for FY 2012: \$92,000 in additional HAP expensed due to application of SD to HHs claiming \$0 or less than \$1318 in unreimbursed med/dis expenses.

Beginning in 2010, a standard deduction of \$1718 was provided for all elderly and disabled households. This deduction includes any qualifying medical, disability assistance expenses, childcare expenses and HUD's standard elderly household deduction. It does not include the \$480 deduction per household dependent. Households with qualifying dependents receive \$480 per qualifying dependent in the household in addition to the standard deduction of \$1718. KHA applies the HUD 3% medical/disability threshold, which is subtracted from the standard deduction. Households that would experience a rent burden of 30% or higher of their adjusted income are eligible to receive a full deduction based on their actual qualifying medical expenses plus the standard \$400 deduction. In these cases, staff follows the standard procedures for calculating adjusted income, including verification procedures.

The verification process consumes a tremendous amount of staff time. By implementing a standard deduction, a large portion of administrative cost is reduced without removing the benefit for a family. If a family has extraordinary medical/disability costs not covered by the standard deduction, they may request their deduction be based on actual expenses through the Safety Net hardship policy. The standard deduction limits the intrusiveness in tenants' lives. The requirement for a family to track their individual expenses causes a tremendous amount of anxiety for some elderly and disabled families.

Evaluation

This activity was modified in KHA's amended and approved FY 2013 MTW Annual Plan. Improved IT capabilities (HUD's and KHA's) eliminated much of the cost associated with verifying medical and childcare expenses. Additionally, an analysis revealed that few of the households receiving the standard deduction actually experienced related costs resulting in unnecessary HAP costs for KHA.

Beginning in 2013, the standard deduction will no longer be applied to households claiming \$0 out of pocket medical/disability expenses.

Data Collection: This information is collected annually during the tenant's certification, whether it is a self-certification or full certification and tracked in the Housing Choice Voucher MIS. Keene will monitor the impact of the deduction on subsidy funds expended and number of participants requesting Safety Net because their medical expenses are higher than the standard deduction. This information will help us evaluate whether or not the standard deduction is high enough to cover the median medical expenses of households yet not so high that the program is using more funds for subsidy than necessary.

Authorization(s): Attachment C. Section C.11. Rent Policies and Term Limits. The agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies include provisions for addressing hardship cases. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.6238, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.

Section D.2 (a) Rent Policies and Term Limits. 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 Housing Choice Voucher(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan.

Resident Self Reliance Program (RSR)

Statutory Objective(s): Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in on the job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

Baseline: 47% households employed FT in 1999; 56 out of 110 households increased earned income in 2008; approximately 17 households (39%) exiting the program in 2005 left because they achieved self-sufficiency.

Benchmarks: 15% increase in number of households employed, 6/2012; 75% increase in earned income among households reporting no income, 6/2012; 13 households (13%) exiting program in 2011 due to self-sufficiency.

Measures: Percentage of households employed; Earned income of households; number of waiver households

Plan Year Proposed: Proposed in Keene's original application in response to the 1996 RFP

Plan Year Implemented: Original MTW Agreement executed in 1999

Outcomes for FY 2012: 84% of HHs employed; 81 of 97 HHs report earned income; 0 families applied for waiver status in 2012. 19 families exited the program due to self-sufficiency.

All families participating in the Step Subsidy program are required to participate in the RSR program. An expansion of the Keene Housing Authority's former Family Self-Sufficiency program, RSR provides service coordination and case management to help families become economically self-sufficient, recognizing that self-sufficiency will vary widely based on individual participant's abilities. Every family in the program is assigned a Resident Services Coordinator who is responsible for coaching the participant to make progress toward stated goals.

Program Requirements

There are four main program requirements participants must engage in to remain active in the Spectrum program and maintain their housing assistance:

- Develop a financial plan
- Participate in quarterly goal setting meetings
- Participate in required skill development activities
- Make reasonable progress toward Individual Service and Training Plan (ISTP) goals

Develop a Financial Plan

Each family receives extensive counseling in financial management from the moment they lease-up in the program. They are taught how to track their income and expenses, develop a financial plan, calculate their net worth, read and interpret their credit score and manage debt.

Quarterly Goal Meetings

Families meet on a quarterly basis to review progress on their goals in small groups of up to 20 people. These meetings provide opportunities for program participants to network, problem solve, share successful strategies and learn about new resources, programs, and financial management

and employment strategies. Topics typically include tax filing, job search strategies, saving for a financial goal, etc. At the end of every meeting, participants update their Individual Service and Training Plan (ISTP). An ISTP outlines the family's goals and the steps and resources required to meet them.

Skill Development Activities

Families who need to achieve competencies are required to accomplish take home activities or workshops that will assist them in developing the associated skills. There are numerous workshops facilitated by Keene Housing Authority staff, as well as programs run by outside agencies, including:

- Monadnock Center for Violence Prevention
- New Hampshire Housing's Find Financial Freedom
- Southwestern Community Services' Tenancy 101
- Monadnock Mediation
- University of New Hampshire Cooperative

Goal Setting

Every person (all non-disabled/non-elderly adult) is required to develop and update his or her ISTP every quarter. The ISTP helps families identify a goal and break it down into simple steps. Participants are taught how to write SMART goals (Specific, measurable, achievable, resources, and time lines). They are required to document and track their progress on these forms and revise them as their goals change or new goals are when once significant milestones are achieved.

The RSC acts as a coach and mentor guiding participants to self-sufficiency. All RSCs are trained in financial management programs and are available to meet one on one to provide additional assistance to participants.

RSR Waiver

In 2005, the RSR waiver was implemented for those who have achieved all of their required competencies. The waiver removes certain RSR requirements with the exception of an annual meeting with their RSC to review progress toward their goals. KHA anticipates a majority of families who qualify for this waiver will move into the home ownership program but not all.

In order to receive the waiver, the family must present a portfolio that demonstrates how they have achieved the required competencies and the progress they have made on their goals. This process provides recognition for families for their accomplishments in the program. The skills they learn in creating and presenting the portfolio also helps them gain valuable public speaking and presentation skills valuable in the workplace.

Quarterly Goal Meetings

Two Tracks, Employment and Finance, are offered every quarter. Within each Track, there are three groups from beginner to advanced skill level from which participants can elect to attend. Each of the groups is offered twice every quarter for a total of 12 meetings every quarter. Agendas are based on need identified from Participant Data forms and feedback surveys completed at the meeting by participants and then collected by the RSC.

Employment Track Meetings

- Track A Career and Life Planning
- Track B Surviving the Job
- Track C Management and Advancement

Financial Track Meetings

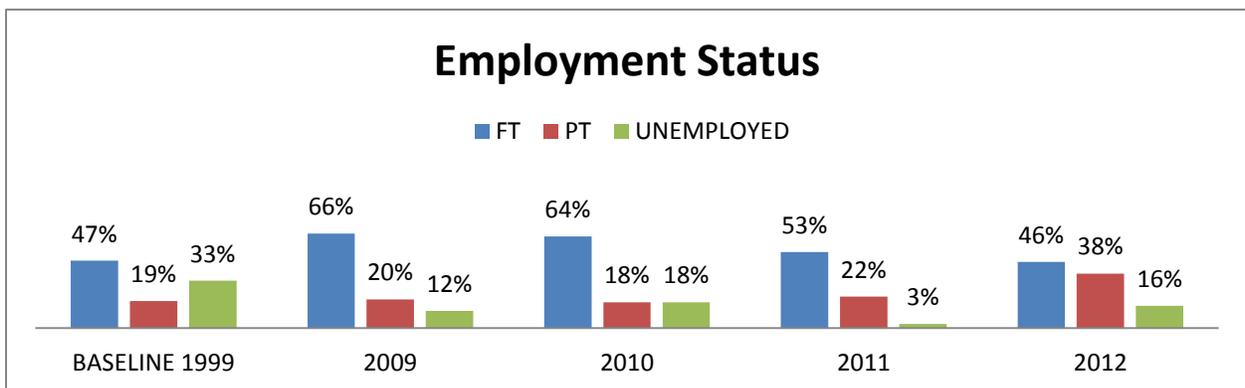
- Track A Financial Management
- Track B Credit and Debt Management
- Track C Homeownership and Long Term Financial Planning

First year families must participate in Goal Setting at a Glance and Taking Charge of Your Money which serve as the foundation for developing skills they will build upon as they move through the different tracks throughout their participation in the program.

The purpose of the program is to provide families with the knowledge, skills and resources they need to achieve economic self-reliance. This task has become more difficult for families over the past several years with dramatic increase in costs of basic needs such as food, clothing, shelter and transportation. In addition to affordable housing and livable wages, families will continue to need the support of the program to navigate the turbulent economy. Participants receive free employment and financial counseling to help them achieve their goals.

Evaluation

Percentage of Households Employed



Earned Income of Households

The number of families participating in the RSR program (not waived) remained level in 2012 at 97. Households reporting earned income in 2012 rose from 75% in 2011 to 84% in 2012. Full-time employment was down 7% in 2012 and part-time employment rose 16%. Unemployed families rose from 3% to 16%.

No families reported unearned income (child support, TANF, general assistance, SS/SSI) as sole source of income in 2012.

Of the 97 RSR participants in 2012, 25 had rent burdens greater than 30% due to loss of earned income. The good news, slightly over half of those households had one or more adults attain employment before the end of the year. The bad news, most of that employment is part-time, without benefits; leaving these families continuing to live hand to mouth.

Number of Waivered Households

No families applied for waivers in 2012.

Data Collection: Data is collected from families during quarterly goal meetings reported on a case management form and tracked in the Housing Choice Voucher MIS. Keene has tracked since the inception of the demonstration, a wide variety of data on families in the program including public benefits, income, employment and job benefits, education level, service needs, child care, savings, assets and credit issues to name a few. Prior to 2010, this information was stored in an Access database. The information is used by the RSC to evaluate the ability of participants to achieve self-reliance and the obstacles they may face in reaching the goal.

Authorization(s): Attachment C Section E. Authorizations Related to Family Self-Sufficiency. The Agency is authorized to operate any of its self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. 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.

Alternative Recertification Schedule

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: Baseline data established 2011.

Estimated baseline of 575 certifications conducted annually, estimated 3 hours per certification, estimated 1,725 processing hours per year; administrative costs of approximately \$25,875 annually. \$3,978,000 estimated HAP expense.

Benchmarks: By 12/2012, 1/3 reduction in recertification costs or \$25,875. HAP expenses historically rise.

Measures: Number of certifications required under traditional HUD rules vs. MTW rules; Decrease in administrative costs of coupons; Changes in monthly HAP

Plan Year Proposed: 2004 (initiative was not proposed through the plan process, but rather through a direct request in writing to HUD which was approved by the Deputy Assistant Secretary for Public Housing and Indian Housing.)

Plan Year Implemented: 2004

Outcomes for FY 2012: 3-year alternative re-certifications discontinued effective January 2012, all programs re-certify annually.

KHA conducts re-certifications every 3 years for families in the income-based subsidy program. In the two interim years, KHA recalculates subsidy based on information families provide in self-certification and through the Enterprise Income Verification System. Families in the step subsidy program are required to participate in a recertification with every step change and then every 3 years once they reach the final step.

Evaluation

KHA eliminated this activity effective with January 2012 re-certifications.

Due to KHA self-certification processes, which include the mandated use of EIV and tenant provided 3rd party documentation, processing of re-certifications is extremely administratively efficient. RSR families are required to self-certify annually, however, stepped subsidies continue to be adjusted at the beginning of year two and year four of participation.

Data Collection: Data on re-certifications is tracked in the Housing Choice Voucher MIS. Data can be tracked separately for all housing choice voucher programs.

Authorization(s): Attachment C. Section D.2 Rent Policies and Term Limits.

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.

Rent Reasonableness

Statutory Objective(s): Increase housing options; Increase cost effectiveness/efficiency

Baseline: 1 hour of staff time allocated to creating a rent reasonableness chart in 2009 (adopted NHHFA's table); 95% utilization rate

Baseline: Established 2010. 53 families newly leased requiring approximately 18 hours of staff time (20 minutes per RR determination) for rent reasonableness determination. No data available for contract rent increases that may have required rent reasonableness determinations.

Benchmarks: 0 hours of staff time allocated to conducting rent reasonableness, ongoing; less than 25% of households lease-up with rent over 40% of their gross monthly income, ongoing.

Measures: Number of vouchers utilized vs. vouchers issued; Number households with high rent burdens and rents over the VPS.

Plan Year Proposed: Proposed in KHAs original application in response to the 1996 RFP.

Plan Year Implemented: Original MTW Agreement executed in 1999.

Outcomes for FY 2012: 0 hours staff time conducting rent reasonableness; 99% (75 of 76) lease-ups with rent burden < 30%; 1 HH leased at 43% rent burden paying welfare rent.

Keene Housing Authority removed rent reasonableness as a requirement in the MTW Housing Choice Voucher program. When approving a unit, potential voucher holders do not have to meet the 40% rule. The responsibility of determining affordability is left to the participant. The program assumes participants are capable of making these decisions and provides education to every household member. Participants are trained to consider factors such as location, quality, and size, number of bedrooms, age, amenities, housing services, maintenance and utilities. These factors are a better gauge of determining rent affordability than the 40% rule, as they are adjustable to individual circumstances and local market conditions. Additionally, participants are trained to negotiate rents with landlords.

Evaluation

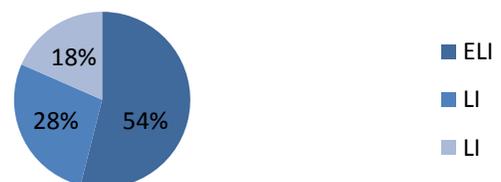
Number of vouchers utilized vs. vouchers issued

All coupons issued were utilized.

Less than 25% of households lease-up with rent over 40% of their gross monthly income

The KHA leased seventy-six families into coupon programs administered under MTW in 2012. Of the 76 families leased, 75 leased with rent burdens at 30% or less of GMI. One family leased at 43% rent burden; this family's TTP was calculated at the welfare rent.

Income Distribution New Admissions



Data Collection: Keene does not conduct rent reasonableness, one of the exceptions granted as part of its original MTW agreement. Therefore, Keene does not tabulate the rental data on an annual basis nor does KHA determine if the rents in Keene are appropriate for the Housing Choice Voucher MTW program. It is up to the household to determine rent reasonableness and select their unit. Keene tracks utilization rate, success rates of tenants issued coupons, reasons tenants do not find housing and rent burdens.

Authorization(s): Attachment C Section D.2.(c) Rent Policies and Term Limits. 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 Housing Choice Voucher(o)(10) of the 1937 Act and 24 C.F.R. 982.507 as necessary to implement the Agency's Annual MTW Plan

Restrictions on Housing Choice Voucher Portability

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: Established 2009. 487 coupons utilized locally vs. 3 ports, less than 1% of utilized coupons administered by other housing authorities; \$299,247 HAP locally vs. \$1,118, less than 1% of HAP administered outside KHA jurisdiction.

Benchmarks: 12/2010 - 509 coupons utilized locally vs. 1 port administered; \$309,141 HAP locally vs. \$1,008 HAP administered.

Measures: Less than 5% of coupons utilized administered by other housing authorities and less than 5% of HAP funds expended annually on KHA ports administered in other jurisdictions, ongoing.

Plan Year Proposed: Proposed in KHAs original application in Response to the 1996 RFP.

Plan Year Implemented: With original MTW Amendment executed in 1999 -- Revision implemented in 2008 Annual Plan

Outcomes for FY 2012: Less than 1% of coupons utilized administered by other housing authorities; less than 1% of HAP funds expended on ports administered.

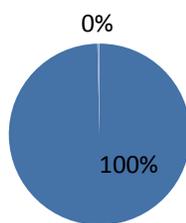
KHA restricts portability, unless requested by reasonable accommodation or documented domestic violence, to help maintain affordable housing within its' jurisdiction for use by those who intend to live in the Monadnock region and keep voucher funding in the Keene community.

Evaluation

Currently, two MTW families have ported out of the KHA jurisdiction and are being administered

Unit Months Leased

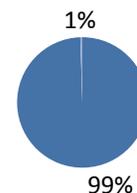
■ MTW UML 2012 ■ Port UML



HAP Funds Expended

2012

■ MTW HAP 2012 ■ PORT HAP



by other Housing Authorities. Port UMLs totaled 24 in 2012, compared to 6,357 MTW UMLs. Port HAP funds accounted for \$20,928 of the \$4M in all HAP expended in 2012.

Data Collection: Ports are tracked in the Housing Choice Voucher MIS. 1 port request in 2011 due to reasonable accommodation.

Authorization(s): Attachment C Section D.1.(g) Operational Policies and Procedures. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. This authorization waives certain provisions of Housing Choice Voucher(r) of the 1937 Act and 24 C.F.R. 982 subpart H as necessary to implement the Agency's Annual

SECTION VII. SOURCES AND USES OF FUNDING

Planned vs. Actual Sources (MTW, Mainstream, and Non-Elderly Disabled)

A. Planned vs. Actual Sources (MTW, Mainstream, and Non-Elderly Disabled)

SOURCES	2012 Budget MTW Coupons	2012 Unaudited Actuals MTW Coupons	2012 Budget Mainstream Vouchers NON-MTW	2012 Unaudited Actuals Mainstream Vouchers NON-MTW	2012 Budget Non-Elderly Disabled Coupons NON-MTW	2012 Unaudited Actuals Non-Elderly Disabled Coupons NON-MTW
Housing Choice Voucher Funds	\$5,174,056	\$5,362,459	\$373,168	\$382,577	\$982,224	\$702,704
HCV-FSS	\$131,198	\$131,198				
Interest Income	\$1,700	0	\$400	0	\$600	0
Other Income		\$1,075				
TOTAL SOURCES	\$5,306,954	\$5,494,732	\$373,568	\$382,577	\$982,824	\$702,704
USES						
Audit Fees	\$20,000	\$18,720	\$1,000	\$1,000	\$1,000	\$1,000
Office Expenses	\$250,000	\$196,048	\$7,968	\$2,816	\$24,536	\$14,445
Salaries & Benefits - Admin	\$400,000	\$274,216	\$11,000	\$11,315	\$2,000	\$7,410
Salaries – Programs & Services	\$517,138	\$429,634	\$34,000	\$30,395	\$79,000	\$75,021
Tenant Services	\$20,000	\$5,000				
Total Administrative Expenses	\$1,207,138	\$923,618	\$53,968	\$45,526	\$106,536	\$97,876
HACs Disbursed	\$4,099,816	\$4,061,539	\$319,600	\$328,038	\$876,288	\$622,214
TOTAL USES	\$5,306,954	\$4,985,157	\$373,568	\$373,564	\$982,824	\$720,090

Available funds in the MTW Coupon program are considered restricted funds. The KHA has significant capital obligations and housing program commitments for which these funds are obligated.

In June of 2011, the KHA was notified they had been awarded \$131,198 for FY2011-Housing Choice Voucher Family Self Sufficiency Program Coordinator Salaries. This funding supports two (2) Resident Services Coordinator positions. The funding term for this award ends December 31, 2012.

B. Planned vs. Actual Sources (State and Local Funds)

The Keene Housing Authority was not a recipient of state or local funds in fiscal year 2012.

C. Planned vs. Actual Sources (COCC)

COCC is not applicable to the Keene Housing Authority.

D. Cost Allocation

Not Applicable

E. Planned vs. Actual Use of Single Fund Fungibility

In 2012, funding fungibility was not applicable as the Keene Housing Authority no longer received Operating or Capital Funds.

F. Optional: List Planned vs. Actual Reserve Balances

Not Applicable

SECTION VIII. ADMINISTRATIVE

Progress Report on Deficiencies

Keene Housing Authority has not been cited for observed deficiencies in the Moving to Work Program.

Agency Directed Evaluation of the Demonstration

KHA has not engaged any outside evaluators to review the program. The agency will be continuing to evaluate the impact of its proposed and ongoing activities in 2012.

Policy discussions are scheduled with key staff as well as regular strategic planning sessions to help monitor and redirect demonstration activities as needed.

KHA values the opportunity to participate in the demonstration and the benefits it affords not only the recipients of its services but the organization. The perception of MTW staff and their roles has changed with the flexibility granted under the demonstration prompting more inquiry into the impact of its policy and activities on the community. KHA continues to nurture and cherish this growth as it tries to address the impact of a national housing crisis on the local community.

Performance and Evaluation Report for Capital Fund Activities not Included in the MTW Block Grant

This section no longer applicable.

Certification that KHA Meets the 3 Statutory Requirements of the MTW Program

The 3 statutory requirements of the MTW program include:

1. Assuring that at least 75% of the families assisted by the agency are very low-income
2. Continuing to assist substantially the same total number of eligible families as would have been served had the amounts not been combined
3. Maintaining a comparable mix of families (by family size) served, as would have been provided had the amounts not been used under the demonstration.

Keene Housing Authority continues to exceed these requirements and the certification is provided as Appendix I to this report.

Appendix I. Certification of Meeting Statutory Requirements



Keene Housing Authority
Providing affordable housing in the Monadnock Region.

Certification of Compliance with Statutory Requirements

Acting on behalf of the Board of Commissioners of the Keene Housing Authority, as its Chairman, I certify that, as described in this Moving to Work Annual Report for fiscal year 2012, the Keene Housing Authority has met the Moving to Work Deregulation Demonstration's three statutory requirements.

1. At least 75% of the families assisted by the KHA are very low-income families.

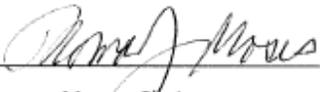
FAMILIES SERVED AS OF 12/31/2012	534
Number of families with incomes below 50% Area median Income	466
Percent of families with income below 50% Area median Income	87%

2. The KHA continues to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined.

TOTAL FAMILIES SERVED IN FY 2012	619
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3. KHA maintains a comparable mix of families served (by family size) as would have been provided had the amounts not been used under the demonstration.

MIX OF BEDROOM SIZES SERVED				
	0-1 BR	2 BR	3BR	4+ BR
Number of families served by household size in FY 2012	340	143	121	15
Percentages of families served by household size	55%	23%	20%	2%


 Thomas Moses, Chairman

3-20-13
 Date