

Keene Housing Authority Moving to Work Annual Report 2009

A Demonstration Program of the Department of Housing and
Urban Development



Table of Contents

Governing Board and Staff	4
Executive Summary	5
Section I. Introduction	
A. The Keene Housing Authority.....	6
B. MTW Demonstration Program Summary.....	7
C. KHA’s Ongoing MTW Goals and Objectives.....	9
Section II. General Housing Authority Operating Information	
A. Housing Portfolio.....	10
B. Occupancy and Leasing Information	14
C. Waiting List Information	19
Section III. Non-MTW Related Information (Optional)	
A. Youth Services.....	20
B. Family Planning Collaborative.....	20
Section IV. Long-Term Vision for KHA’s MTW Program (Optional)	
Section V. Proposed MTW Activities	
Section VI. Ongoing MTW Activities Report	
A. Project-Base Vouchers.....	22
B. Housing Assistance Coupon Program.....	24
C. Eligibility Administration.....	29
D. HQS Inspections.....	31
E. Standard Deductions.....	33
F. Resident Self-Reliance Program.....	35
G. Alternative Recertification Schedule.....	41
H. Rent Reasonableness.....	43
I. Restrictions on Section 8 Portability.....	44
Section VII. Sources and Uses of Funding	
A. Planned Sources vs. Actual Sources of MTW Funds.....	46
B. Planned vs. Actual Sources and Uses of State or Local Funds.....	47
C. Planned vs. Actual Sources and Uses of COCC.....	47
D. Cost Allocation.....	47
E. Planned vs. Actual Use of Single Fund Flexibility.....	47
F. Planned vs. Actual Reserve Balances.....	47
G. Planned vs. Actual Sources by AMP.....	47

Section VIII. Administrative

A. Progress Report on Deficiencies.....48
B. Agency-Directed Evaluation.....48
C. Performance and Evaluation Report for Capital Fund Activities (outside of MTW Block Grant).....48
D. Certification of Compliance with Statutory Requirements.....48

Appendices:

- A. Moving to Work Evaluation Template
- B. KHA MTW Timeline
- C. Certification of Meeting Statutory Requirements

Keene Housing Authority Governing Board and Staff

Board of Commissioners

Christopher Coates, Chairperson

Audrey Hadcock, Vice Chairperson

Lee Robator, Treasurer

Tom Moses

Jennifer Marsh

Chief Executive Officer

P. Curtis Hiebert

Senior Management Staff

Deb Guyot, Assistant Director and Chief Financial Officer

Linda Mangones, Community Development Block Grant Administrator

Julie Davenson, Manager of Policy and Program Development

Denise Pratt, Manager of Housing and Services

Bruce Soper, Facilities and Asset Manager

Michelle Young, Accounting Manager

Keene Housing Authority Moving to Work Annual Report 2009

Message from the CEO, P. Curtis Hiebert

KEENE HOUSING AUTHORITY MOVING TO WORK REPORT 2009 MESSAGE FROM P.C. HIEBERT, CEO

The following quote is from the KHA 2008 Annual report: ***The KHA, like the rest of the country including businesses, families and indeed the world, had little idea of the financial and social “perfect storm” that would hit the world during the second half of 2008 and continues today.***

The KHA made dramatic progress during 2009 on its Disposition program. We adapted to the financial realities of the economic conditions and got final approvals from HUD and accomplished the transfer of the complete Public Housing inventory to our 501(c) 3 affiliate organization. We obtained conventional financing and leveraged over \$5,000,000 to put into capital improvements in our properties. Contracts were bid and awarded, and a major amount of construction was completed. The KHA also received, contracted, and completed over \$400,000 in capital improvements utilizing American Reinvestment and Recovery Act funds.

These activities were made possible by the flexibility allowed by our Moving to Work Program. The benefits to our residents made possible by the MTW program were extended to financial flexibility that allowed us to also invest in the properties themselves.

The KHA is proud to present this report of its Moving to Work Program, and hope the things we have learned here will help generate ideas for much needed changes in Public Housing and Section 8 programs elsewhere.

Sincerely,

P. Curtis Hiebert, CEO

Section I. Introduction

A. The Keene Housing Authority

The Keene Housing Authority was created by resolution of the City Council for the city of Keene on July 15, 1965 in accordance with Section 4 of Chapter 203, New Hampshire Revised Statutes Annotated. The stated mission of the authority was filling the need 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. The Authority, as a duly created municipal agency of the city, derives extensive powers from RSA 203.8. Among these powers is the authority to:

- Acquire, lease, manage, maintain or operate housing projects.
- Provide for the construction, reconstruction, improvement, and extension of housing projects or any part thereof.
- Lease or rent any dwellings, houses, land, or buildings in any housing project.
- Establish and revise the rents and other charges for use of the property.
- Own, hold, and improve real or personal property.
- Purchase, lease, obtain options upon, and acquire by gift any real or personal property.
- Sell, lease, exchange, transfer or dispose of any real or personal property.

The Authority is governed by a five person Board of Commissioners appointed by the Mayor of the City of Keene. The Board is responsible for the hiring and supervision of the Chief Executive Officer, who is responsible for the day-to-day operation of the agency. The Keene Housing Authority has a staff of approximately 35.

Organization

Keene Housing Authority is a small agency that operates a full diversity of housing programs including HUD Multifamily programs, Low Income Housing Tax Credit programs, Rural Development, HOME and the Community Development Block Grant program. The diverse portfolio of housing and services enables the agency to fulfill its goal of providing affordable and quality housing in Keene and surrounding communities now and into the future. The

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;

- any and all services and programs that will assist in improving the social and economic welfare of such individual s and families.

diversification of programs, while essential, also poses an administrative challenge for a small agency with limited resources navigating the complexities associated with managing mixed-finance programs.

Keene's organizational structure consists of three major departments as well as several administrative positions. The three major departments include Housing and Services, Facilities and Asset Management and Finance. Administrative positions include the CFO/Assistant Director, Community Development and Block Grant Administrator and the Manager of Policy and Program Development.

Keene Facts

Keene, New Hampshire is located in Cheshire County in the southwest corner of the state and is the busy hub for several local and interstate roads and highways. At an elevation of 486 feet above sea level, it covers a land area of 37.3 square miles. Population in the year 2000 was 22,563. Industries providing employment include educational, health and social services (24%), retail trade (16.3%) and manufacturing (15.9%). 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 Cheshire Medical Center, Keene State College, Antioch New England Graduate School, Franklin Pierce 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.

B. 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 Section 8 allocation with the exception of the Mainstream Voucher program. KHA began implementing the program on October 1, 1999 for all Public Housing residents. The Section 8 program was implemented in 2000.

The three statutory objectives of the Moving to Work demonstration program are 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.

In accordance with these requirements, the objectives, as cited in Keene's original MTW proposal, of the **Keene Housing Authority's Spectrum MTW Demonstration Program** include:

- To give financial incentives to families with children to increase their income through employment.

- To provide greater contact and service coordination for all residents.
- To encourage full employment for all residents able to work, while recognizing that many families will need housing assistance even after they achieve full employment.
- Reduce the administrative workload in order that more staff time may be devoted to developing and providing services to our residents which are focused on them helping them enter the workforce.
- Increase financial efficiency of the program, to either serve more participants, or serve the same number less expensively.
- Increase housing choices for participants to include opportunities for site selection, homeownership, and supportive services.

Summary of Keene Housing Authority's MTW Initiatives and Goals

Keene Housing Authority's major initiative in 2009 was the completion of the Disposition of its entire Public Housing Portfolio. All units in the portfolio received a Project-Based Voucher issued and administered as part of the Moving to Work program. Rehabilitation of the Keene Affordable Housing properties started in April of 2009 and will continue throughout 2010. Ongoing MTW strategies include the following:

- Utilize MTW flexibility to **preserve and expand housing options and services** through collaborative projects, partnerships and development with local, regional and national institutions.
- Continue the **Keene Affordable Housing Project** to **rehabilitate and preserve** the majority of KHA's housing inventory.
- Provide subsidy reform initiatives, through the **Section 8 Housing Assistance Coupon program**, to provide incentives for working families to achieve and maintain employment.
- Operate the **Safety Net Program** to provide temporary relief for people who experience an increase in rent burden due to a qualified financial hardship.
- Provide supportive services such as the **Resident Self-Reliance Program, Congregate Housing Program and Youth Services** to **increase housing success rates among participants.**
- **Diversify funding sources** to ensure the long term financial viability of all housing and service programs, including MTW initiatives, operated by the Keene Housing Authority.
- **Maximize efficiency** of operations and **streamline service delivery** through MTW initiatives such as self-certifications and standard deductions.
- Develop plans to implement **energy efficiency programs** at properties owned or managed by KHA.
- Engage in regular **organizational and staff development initiatives** to accommodate the shifting paradigm of how we serve residents and the community.

C. 2010 Operating Goals

Spectrum Housing Choices

It is a goal of KHA's, beyond the MTW demonstration, 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 over the past 10 years. Housing initiatives that have been created under the MTW program to increase housing opportunities include:

- Rent reasonableness exemption allows for increased housing options for participants in the Section 8 program.
- Income eligibility up to 80% in the Section 8 program allows more needy families to be eligible for housing (other multi-family programs cap eligibility at 50%)
- Collaborations with local shelter programs and the creation of the Heading for Home Homeownership program increase the spectrum of housing options.
- Development of Low Income Housing Tax Credit programs has provided additional housing choices since 2006 for applicants on Keene Housing Authority Section 8 waiting lists.
- Site based waiting lists for all KHA Project-Based Coupons allows families to choose the developments where they want to live.

Keene Housing Authority Agency Operating Goals

- Improve the quality, maintenance and financial viability of KHA's entire housing portfolio.
- Explore housing needs for special populations in Keene and Cheshire county.
- Provide supportive services for residents to help them maintain housing and achieve economic self-sufficiency.
- Incorporate green building techniques into property rehabilitation.
- Convert all of KHA's residential portfolio into tobacco free communities.
- Develop comprehensive public relations and marketing campaign to expand awareness of services provided by KHA and affordable housing issues.
- Enhance access to KHA's programs incorporating new technology and social media.

The number of affordable housing units in KHA's general portfolio has increased by 131 since 2004 due to the development and/or acquisition of 5 properties. After several years of developing and acquiring affordable housing, KHA's focus is on preservation of its older, existing housing stock and financial viability. The majority of rehabilitation over the next year will be concentrated on the Keene Affordable Housing Project (KAHP). This project involves rehabilitating the 213 KAHP units using conventional financing.

Extensive rehabilitation is also required at Wedgewood Duplexes and Central Square Terrace, neither of which are part of the KAHP or the Moving to Work portfolio. Central Square Terrace, a 90 unit high-rise, is over a hundred years old and located in historic downtown Keene, NH.

Wedgewood Duplexes was constructed in 1982 and needs extensive capital improvements as well. Wedgewood Duplexes is located in a rural setting in Winchester, NH just outside of Keene.

Section II. General Housing Authority Operating Information

Housing Portfolio

Fig. 1 Keene Housing Authority's Former Public Housing Portfolio

Main Developments	Number of Units	Date of Disposition	Date of PBV Issuance	Owner	Description
Harper Acres	112	9/28/2009	10/1/2009	MAHC*	Studio, 1 and 2 bedroom units in walk-up garden style buildings.
Harmony Lane	38	9/28/2009	10/1/2009	MAHC	2 and 3 bedroom Townhouse style units
North/Gilsum	29	9/28/2009	10/1/2009	MAHC	3 and 4 bedroom townhouse style units
Bennett Block	14	9/28/2009	10/1/2009	MAHC	Studio, 1 and 2 bedroom units with elevator access in a 3 story building.
Scattered Sites	Part of KAHP Portfolio				
9 Spruce St.	2	9/28/2009	10/1/2009	MAHC	Various unit sizes and configurations
Damon Court	6	9/28/2009	10/1/2009	MAHC	
17 Roxbury Ct.	2	9/28/2009	10/1/2009	MAHC	
19 Roxbury Ct.	2	9/28/2009	10/1/2009	MAHC	
309 Water St.	2	9/28/2009	10/1/2009	MAHC	
537 West St.	2	9/28/2009	10/1/2009	MAHC	
539 West St.	2	9/29/2009	10/1/2009	MAHC	
Farmstead Commons 54	1	9/28/2009	10/1/2009	MAHC	
Scattered Sites	Sold to private owners; no longer part of KAHP portfolio				
69 Elm St.	2	6/22/2009	No PBV's	Private Owner	
64 Spring St.	2	6/22/2009	No PBV's	Private Owner	
51 Forest St.	3	6/22/2009	No PBV's	Private Owner	
440 Main St.	2	6/22/2009	No PBV's	Private Owner	
Farmstead Commons 59 & 69	2	6/16/2009	No PBV's		
390 Water St.	2	6/26/2009	No PBV's	PHA Resident	

The Keene Housing Authority owns and manages 479 units of housing. 228 of these units were operated as Public Housing. Fifteen of the Public Housing scattered sites units were sold in June 2009 in accordance with KHA's approved Disposition Plan. Ownership of the remaining 213 units transferred to the Monadnock Affordable Housing Corporation (MAHC), KHA's 501 (c) 3 affiliate organization, when the Disposition was concluded in September of 2009. The properties and units

are now called the Keene Affordable Housing Program (KAHP) instead of Public Housing. As of the end of September 2009, Keene Housing Authority no longer operated a Public Housing program.

Tenants living in the 15 Public Housing scattered site units were offered extensive relocation counseling and support as well as financial assistance. KHA hired a full-time Relocation Specialist in 2008 to help both permanently and temporarily displaced families during the relocation process. The types of assistance provided to tenants who were permanently displaced by the sale of the scattered sites units included:

- Housing counseling assistance including searching for rental units.
- Transportation for housing searches.
- Tenant-based voucher assistance.
- Preference for KHA owned and managed properties.
- Cash assistance benefits for families who did not meet income eligibility requirements for other housing programs.
- Reimbursement for moving expenses.
- Referrals and service coordination.

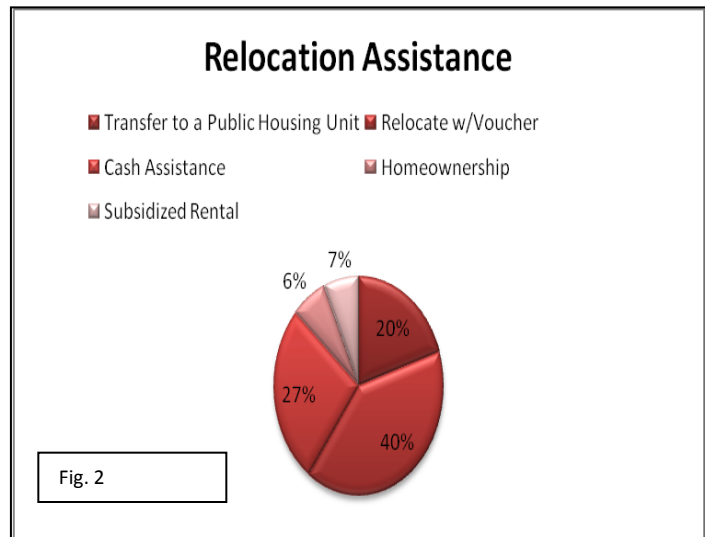
All of the 15 displaced households successfully found new housing with the assistance of the Relocation Specialist. The chart in figure 2 shows the types of relocation assistance provided for permanently relocated families. One of the families who received cash assistance purchased the scattered site property in which she had been a Public Housing resident for over 20 years.

Tenants in the remaining 213 units were given the option of staying in their apartment or moving with a Replacement Voucher allocated to the Keene Housing Authority and issued as a Housing Assistance Coupon. Only 14 families choose to move with the voucher. The rest of the tenants opted to remain residents. Those tenants opting to remain are temporarily relocated to another unit within their development as renovations occur. The first group of residents were relocated in June of 2009 and were moved into newly renovated units at the end of 2009. The completion of this first group of buildings was

delayed for a variety of reasons. On average, each building is expected to be renovated within 2 months. The rehabilitation for all units in KAHP is projected to be completed by the end of 2010.

Moving to Work Housing Assistance Coupons

As part of the Moving to Work Demonstration program, Keene created the Housing Assistance Coupon program (HAC) in 2000 as an alternative to HUD's Housing Choice Voucher program (HCV). Most of KHA's Section 8 assistance, with the exception of the 50 Mainstream Vouchers, is



administered under the MTW program as a HAC. Some of the subsidy administered under MTW is still follows traditional HCV rules because the household was “grandfathered in” when MTW started or they are living in a KHA owned or managed property where issuance of HAC’s caused confusion among in-house staff and auditors monitoring compliance for the Low Income Housing Tax Credit program. Regardless, they are still considered part of the MTW Section 8 allocation.

KHA’s Section 8 MTW Coupon allocation includes 359 Section 8 Coupons. In June of 2008, Keene applied for and was awarded 228 replacement vouchers. These vouchers were allocated to support the Public Housing units once the Disposition was completed and the units no longer received Operating Subsidy. These additional vouchers were allocated as part of the MTW allocation and issued as HACs, increasing Keene’s MTW Section 8 Coupon allocation to 587.

KHA’s December 2009 Voucher Management Systems reports utilization of 519 MTW coupons and 52 Mainstream vouchers. 151 of these vouchers were Project-Based in the KAHP units and 17 were utilized for tenants who chose to or had to permanently relocate. For further information on HAC/HCV lease-ups refer to *Section B. Occupancy and Lease up Information*, of this report.

Other KHA Owned or Managed Housing Inventory

The remaining properties owned by Keene Housing Authority are governed by the IRS’s Low Income Housing Tax Credit program (LIHTC), HUD’s Multi-family program, Community Development and Block Grant program, Rural Development and Home programs. Keene also owns and manages approximately 28 commercial spaces disbursed among several different properties in Keene. Most of these spaces are rented to local non-profit agencies providing essential services to residents of the KHA.

Keene Housing Authority also provides technical assistance and support to other local non-profit housing agencies. Such agencies include Cheshire Homes and Cheshire Housing Trust, also operating in Keene and the Monadnock region.

Fig. 3 Keene Housing Authority Residential Housing Portfolio

Property	Number of Units	Housing Type	Description
Program: Multi-family Section 8 New Construction			
Meadow Road	18	Family	2 and 3 BDR Townhouse Style units
Wedgewood Duplexes	30	Family	2 and 3 BDR Duplex units
Central Square Terrace	90	Senior and Disabled	Efficiencies and 1 BDR units in High Rise w/ Elevator
Program: Low Income Housing Tax Credit			
Riverbend (Includes HOME units)	24	Family	2 and 3 BDR Townhouse Style units
Evergreen Knoll (Includes HOME units and RD Subsidy)	32	Family	2 and 3 BDR Townhouse Style units
Stone Arch Village Senior Housing (Includes HOME units)	33	Senior	Senior High Rise w/ Elevator 1 and 2 bedrooms
Stone Arch Village Family Housing	24	Family	2 and 3 BDR Townhouse Style units
Special Programs: Conventional, CDBG, State Financed, etc.			
Keene Affordable Housing	213	Family	Range of units and building styles from efficiencies to 4 bedrooms
Chamberlain Block	12	Family	1 and 2 BDR units in High Rise
Cottage St.	3	Family	2 and 3 BDR units
Total Units in KHA Residential Portfolio	479		

A. Occupancy and Lease-up Information

Public Housing Occupancy

The Disposition of Keene Housing Authority's Public Housing program, and subsequent rehabilitation, was originally scheduled to start in the fall of 2008. In preparation for the rehabilitation, Keene accumulated vacancies starting in July of 2008 to be used for temporary relocation of the tenants during renovations. There is little, if any, housing available in the Keene area where KHA could relocate families. Even if there was housing available, Residents preferred to be relocated within their development to prevent disruption of access to schools, services and employment. Despite the vacancy loss, it made the most sense to use vacant units for relocation.

The Relocation Specialist also needs to ensure tenants with reasonable accommodation requests are granted such as relocation to a first floor unit. In some of the family housing developments, there were challenges acquiring enough vacant units for families needing 4 bedroom units. This meant some additional units were left vacant to accommodate tenant occupancy preferences and needs.

Delays in financing the project pushed the Disposition back until September of 2009. As a result, the units were left vacant longer than intended. As of October 1, 2009, 151 of the 213 units were occupied and 62 units vacant. There were 4 new tenant lease-ups from the waiting list in 2009 and 27 move-outs, due to reasons not related to the rehabilitation. Three of the households who moved-out left because they purchased homes. Demographics for former PHA tenants are included with the Section 8 Tenant Demographics as they became Section 8 participants after the Disposition (and their information was converted into the Section 8 database).

Occupancy Trend Report for Public Housing 12/31/2009

Fig. 4

Property	Jan	Feb	March	April	May	June	July	Aug	Sept	Avg
Bennett Block	88%	88%	88%	88%	88%	88%	88%	88%	76%	87%
Harper Acres	87%	85%	82%	79%	77%	74%	72%	72%	72%	86%
Harmony Lane	90%	88%	89%	90%	87%	84%	82%	80%	80%	85%
North/Gilsum	80%	73%	73%	73%	70%	53%	53%	53%	47%	63.8
Scattered Sites	67%	64%	61%	55%	55%	Dispo				60%
Averages	82%	80%	79%	77%	75%	75%	74%	73%	69%	76%

+ Keene Affordable Housing Program Developments
Modernizing the properties by 2011



Harper Acres

- New windows, roofing and siding.
- Creation of 6 fully accessible units.
- Conversion of studios to 1 bedroom units.
- Modernization of bathrooms and kitchens including new stoves and cabinets.
- Replacement of flooring.
- Improved bathroom ventilation and air circulation.
- New heating units as needed.
- Replace light fixtures.



Forest View

- New windows, roofing and siding.
- 2 newly created and fully accessible units.
- Replacement of kitchen cabinets, counter tops and sinks.
- Paint interior of units.
- Improved bathroom ventilation and air circulation.
- Replace range hoods.
- Replace light fixtures.
- New heating units as needed.



North and Gilsum

- New windows, roofing and siding.
- Creation of a fully accessible unit.
- Replacement of kitchen cabinets, counter tops and sinks.
- Paint interior of units.
- Improved bathroom ventilation and air circulation.
- Replace range hoods.
- Replace light fixtures.
- New heating units as needed.

+ Keene Affordable Housing Program Portfolio

**Harper Acres**

112 Studio, 1 and 2 bedroom apartments are available. All utilities are included in rent in addition to trash and snow removal. Emergency pull cords are located throughout the unit. Each building boasts sun rooms providing a space to share an afternoon coffee with neighbors. Located next to the Ashuelot River Trail Park, some units have views of the river path. Friendly Bus and City Express bus stops are located on-site. Friendly meals are provided 6 days a week in the community center. The historic Mill Building community center provides recreational space and additional laundry facilities for Residents. Harper Acres is in walking distance to several shopping centers.

**North and Gilsum Street**

29 3 and 4 bedroom townhouse style apartments. All utilities included in addition to trash and snow removal. Each unit offers a private outdoor patio, washer/dryer hook-ups and a parking space. There is ample open space and playground equipment. NG is located in a quiet residential neighborhood in close proximity to the Keene Recreation Center and Franklin School. The on-site Family Activity Centers hosts year-round free recreational and educational events and computer labs.

**Forest View**

38 3 and 4 bedroom townhouse style apartments. All utilities included in addition to trash and snow removal. Each unit offers a private outdoor patio, washer/dryer hook-ups and a parking space. There is ample open space and playground equipment. Nestled alongside the Ashuelot River Park Trail and within walking distance to Cheshire Medical Center, this development is within a mile of downtown and west Keene. The on-site Family Activity Centers hosts year-round free recreational and educational events and computer labs.

**Bennett Block**

Located just off Central Square in downtown Keene, this development is ideally situated and located near a public transportation bus stop providing access to all major destinations in Keene. Summer concerts in the gazebo on Central Square are a two minute walk. The 3 story building with elevator access to all floors offers 14 Studio, 1 and 2 bedroom units. On-site friendly meals provided 6 days a week in the community room. All utilities included except electricity. Trash and snow removal included. Laundry rooms are located on each floor. Emergency pull cords are located throughout the unit.

Housing Assistance Coupon Utilization and Lease-ups

KHA’s plan is to Project-Base up to 50% of its’ 587 coupons (vouchers), with the majority being Project-Based in the KAHP units, as approved as part of the 2008 MTW Annual Plan. As of December 2009, there were 151 Project-Based Coupons issued in the KAHP properties. The remaining 62 KAHP units will be issued Project-Based Coupons as they are rehabilitated and occupied in 2010. That, along with projected lease-ups should bring KHA’s total utilization rate to 587 or higher in 2010.

During the first 5 years of the demonstration, the average number of coupons utilized monthly was approximately 390, significantly higher than the 359 allocated to the agency due to the alternative subsidy structure. In 2007, steep increases in the Fair Market Rents and utilities costs passed on from the landlord to the tenants absorbed a higher percentage of subsidy per unit. KHA also increased the percentage of the FMR’s on which the step subsidies were based further increasing the amount of HAP used per voucher.

**Demographics of Section 8 Tenants
12/31/2009**

Total Households	519
Income Levels	
30% ELI	56%
50% VL	32%
80% L	7%
Family Type	
Families w/Children	28%
Elderly	33%
Disabled	44%
Ethnicity	
White	98%
Hispanic	0%
Black	1%
Asian	1%
A. American	0%

Fig.5

Section 8 Voucher and Coupon Utilization Report for 2009

Fig. 6

Coupon Type	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
Homeownership	12	12	12	12	12	13	13	13	12	12	12	12
Coupons	400	396	397	393	389	379	372	363	356	482	496	487
Portables Paid	0	0	0	0	2	2	2	3	3	3	3	3
Tenant Protection	4	6	7	8	10	12	14	14	14	17	17	17
Total MTW	416	414	416	413	413	406	401	393	385	514	528	519
Voucher Allocations												
MTW	359	359	359	359	359	359	359	359	359	359	359	359
MTW Replacement	0	0	0	0	0	0	0	0	0	228	228	228
Vouchers												
Total	359	359	359	359	359	359	359	359	359	587	587	587

The demographics of HAC/HCV participants have changed over the duration of the program. There use to be an even distribution of coupons among families with children and elderly and disabled households. A higher percentage of elderly and disabled households now constitute the tenant population. This is due to higher attrition rates among the families than elderly or disabled. Since the current tenant demographics also reflect the demographics on the waiting list, it may not be a problem but a reality of the need in the region. Keene Housing Authority continues to explore the housing needs of the region. As probably is true across the country, there is a growing need for housing for the disabled veteran and homeless populations. KHA staff are participating in a newly created Homeless Coalition in Keene to identify and help respond to the housing needs for homeless people. In addition, a grant was submitted by the CDBG program to provide housing for

people released from the county jail who have difficulty finding housing due to their criminal record.

B. Waiting List Information

KHA operates a Mainstream HCV waiting list and an MTW HAC waiting list plus five Public Housing waiting lists (site-based waiting list system). However, once the Disposition of Public Housing was completed, the Public Housing

Fig. 7

Approximate Waiting List Times as of 12/2009		
Waiting List	Current Households	Current Length
Mainstream	151	4 yrs
MTW HAC Coupons	473	6 yrs
<i>KAHP Project-Based Coupons</i>	(formerly PH waiting lists)	
Harmony Lane	145	2 yrs
North/Gilsum	77	2 yrs
Bennett Block	115	1 yr
Harper Acres	197	2 yrs
Scattered Sites	174	3 yrs

waiting lists were converted to Project-Based waiting lists on September 29, 2009. Income eligibility requirements remained the same so families were not removed from the waiting list as a result of the conversion. Applicant households converted to the Project-Based Coupon waiting lists retained their original date and time of application and also have the option of being on the Section HAC and/ or Mainstream waiting lists.

The Project-Based Coupon waiting list will decrease in length over the next year, as the 62 vacant units in the KAHP portfolio are leased after rehabilitation is completed. This could also decrease the number of households on our MTW HAC waiting list as many households opt to be on every waiting list KHA manages. KHA's issuance of coupons has decreased for the past two years, and in 2009 only 13 new coupons were issued to families on the waiting list.

Most of the demographics on the Section 8 waiting lists have remained largely unchanged over the past ten years. The only exception to this is the distribution of the types of families on our waiting list. Two-thirds of our waiting list consists of elderly or disabled households.

Fig. 8

Demographics of Applicants on the Waiting List 12/31/2009

Total Households	473
Income Levels	
30% ELI	71%
50% VL	21%
80% L	3%
Family Type	
Families w/Children	36%
Elderly	20%
Disabled	44%
Ethnicity	
White	98%
Hispanic	0%
Black	1%
Asian	1%
A. American	0%

Section III. Non-MTW Related Housing Authority Information

Reporting in this section is optional.

Youth Services

Keene Housing Authority's youth program has been funded by Cheshire County's Division of Children Youth and Families Incentive Fund Program (DCYF) since 1999, receiving on average \$25,000 a year. This grant funded one full-time Youth Services Coordinator in combination with funds from the KHA. In July of 2009, due to cuts in the state budget and movement in administration from the county to state level, KHA received a \$10,000 funding cut in their grant (all programs in the state received a funding cut). The youth program was at its highest level of funding in 2003 when it received over \$95,000 a year for youth services from the Eisenhower Foundation in addition to the DCYF funding. Working with a budget of \$15,000 per year, KHA was not able to maintain the full-time Youth Services Coordinator position. Instead, KHA is using the DCYF grant funds to contract local youth programs to run activities at our two Family Activity Centers. KHA's long term goals are to bring back daily after-school programs, pre-school and family programs to both centers.

Family Planning Collaborative

KHA and other social service and health care providers recognized that unintended pregnancies (which result in about half of the births in the United States) are a major threat to the health and financial well being of children and families. They are also responsible for enormous social service and health costs. These agencies formed the FPC to coordinate their education and case management efforts.

With limited funding, the FPC:

- Keeps records of pregnancy intentions and other characteristics of women giving birth at Cheshire Medical Center .
- Provides education and support to social service providers to help them discuss family planning and birth control. Also provides educational materials.
- Coordinates efforts with Dartmouth Hitchcock and Planned Parenthood to provide birth control education.
- Provides free condoms in some social service restrooms.
- Provides birth control education at Keene's transitional housing programs and other sites.

KHA staff continue to meet on a quarterly basis with other social service providers to address issues relative to family planning and train staff.

Section IV. Long Term Vision for KHA's Moving to Work Program

KHA's MTW program will focus exclusively on the Section 8 program after completing the Disposition of all of its Public Housing inventory in September of 2009.

Keene Housing Authority's long term vision for the Moving to Work Program includes preservation of affordable housing and services for residents. Flexibility granted under MTW is critical in helping KHA maintain affordable housing options for applicants. Keene has been able to increase the number of affordable housing units in the Monadnock region by coupling Section 8 assistance with other affordable housing programs managed by local non-profit entities. The "broader use of funds" allows KHA to use subsidy in conjunction with other programs to serve more families. The ability to continue and expand this flexibility will be critical to long term financial viability of affordable housing in the Monadnock region. Keene's ability to create alternatives to the regulations governing Project-Based Coupons is critical in developing and prioritizing partnerships with non-profit housing providers that would otherwise not be feasible or result in conflicting program regulations. The PBCs also allows KHA to maximize the impact of its subsidy dollars by designating them in units where rents are already restricted for households with very low to extremely low-incomes. Project-Basing the coupons results in affordable rents for the tenant and provides a stable source of revenue for affordable housing entities. Keene will continue to evolve the Housing Assistance Coupon and use of Section 8 funds to adapt to the housing needs of the region. As an MTW agency, Keene has the ability to request a change in policy, in cooperation with local stakeholders, more expeditiously than policies are changed on a federal level. This allows KHA to adapt more swiftly and efficiently to rapid changes on the local level.

Keene's Moving to Work Vision

- Preservation of housing
- Affordability for residents
- Permanency and availability of housing
- Flexibility to meet local and changing needs
- Easily accessed and efficiently delivered services
- Emphasis on resident self-sufficiency and independent living
- Collaborative service delivery
- Green and energy efficient housing

Keene Housing Authority's mission supports the integration of services, as a critical component, in the successful management of housing operations. However, as operating budgets are tight and grants limited, it has become increasingly difficult to fund services. The Disposition of the Public Housing has caused KHA to be ineligible for HUD grants designated for Public Housing such as the Congregate Program and ROSS grants. Keene will need to determine the level and types of services it can afford to provide for its residents in 2010 and beyond. KHA has been innovative in its partnership with local social service agencies but these partnerships often require a monetary contribution or fee for service provided to the resident. Staff are working on developing a

sustainability plan to preserve service coordination for residents and expand it to other properties owned and managed by the Keene Housing Authority.

Section V. Proposed MTW Activities

All activities proposed in the Moving to Work Annual Plan for 2009 were implemented and are included in *Section VI. Ongoing MTW Activities*, as required by Attachment B of the MTW Agreement. Proposed activities in 2009 included the following:

- Section 8 HAC Subsidy Calculation
- Project Base Vouchers
- Portability Policy
- Heading for Home Homeownership program

Section VI. Ongoing MTW Activities

A. Initiative: Project-Based Coupons

Statutory Objective(s): Increase housing options

Baseline: Zero PBV units as of 1/2009.

Benchmarks: 213 units of PBCs by 12/2010

Metrics: Number of housing units added to PBV inventory; Supplemental measures: Income distribution of Section 8 tenants; Average time spent on the waiting list; Number of coupons issued vs. utilized

The authority granted under the 2008 amended MTW Agreement to “*develop and adopt a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance*” created an important opportunity for the Keene Housing Authority to preserve affordable housing units in its jurisdiction. In its 2009 Annual Plan approved by HUD, KHA proposed to project-base up to 50% of its total voucher allocation in KHA owned or managed properties. The purpose was to provide subsidy for tenants living in the KAHP units, which were, until September of 2009, supported by Public Housing Operating Funds. This initiative was included as part of the 2009 MTW Annual Plan which called for project-basing up to 50% of KHA’s allocation. On October 1, 2009, KHA issued 146 project-based coupons to the occupied KAHP units. As of December 2009 151 units out of the 213 units were leased with Project-Based Coupons.

Keene is considering additional properties owned and/or managed by KHA to be added to the Project-Based Coupon portfolio in 2010 where tenant-based coupons are currently in use. The properties under consideration include Low Income Housing Tax Credit properties and are rent restricted according to IRS and State Housing Finance Agency regulations but do not have subsidies tied to the unit. Income eligibility for these units is restricted at 50% and 60% of the Area

Median Income. Some of the units also contain HOME funding which adds another layer of income and rent restrictions. Using Section 8 Coupons to provide a steady stream of subsidy revenue helps to preserve affordable housing units, keep rent affordable for tenants as opposed to providing subsidy on the private market where affordability and permanency is not guaranteed by Land Use Restriction Agreements or other legal means. Deconcentration is a factor to monitor when deciding where to Project-Based Coupons. Keene is fortunate in that the developments are small, the largest being 112 units and the smallest only 24 units with locations throughout the city of Keene and neighboring towns.

Initiative Evaluation

Number of housing units added to PBC inventory in 2009:

151 Project-based coupons have been utilized as of December 2009.

Income Distribution of PBC Admissions in 2009	
	Percentage of Households
Extremely Low Income	60%
Very Low Income	35%
Low Income	5%
Total	100%

Average time on the waiting list:

All PBC were utilized by existing Public Housing tenants. PBC have not yet been issued from the waiting list but the information will be tracked once KHA starts to fill vacancies from the waiting list.

Number of coupons utilized vs. issued:

KHA received 228 replacement vouchers to be used in conjunction with the Disposition. As of the end of December, 151 PBC have been utilized plus 17 tenant protection vouchers. The remaining PBC will be utilized as rehabilitation is completed on the KAHF units and they are leased in 2010.

Plan Year Proposed: 2009 Annual Plan

Plan Year Implemented: 2009

Data Collection: Data will be maintained in the Tracker Systems Software (as of 1/1/2010 implementation date) which is used to administer all of KHA Section 8 Voucher programs.

Authorization (s): Attachment C. Section D.7 Establishment of an Agency MTW Section 8 Project-Based Program. The Agency is authorized to Project-Base Section 8 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 Section 8 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 Section 8(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.

B. Initiative: Housing Assistance Coupon Program (HAC) Stepped Subsidies

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

Baseline: 100% voucher utilization or 359 vouchers in 2001; 100% Coupon utilization or 359 Coupons in 2001; 47% of MTW households employed in 1999; 29% MTW households exiting program in 2004 evicted for non-payment of rent; \$617 average HAP cost as of 12/2009.

Benchmarks: Increase in 15% of Coupons utilized; Increase of 15% in number of households working within first five years of demonstration; 20% or less of households evicted due to non-payment of rent annually.

Metrics: Increase in percentage of vouchers utilized; Increase in percentage of households working during first 5 years of the demonstration; Number of households evicted for non-payment of rent or rent burden; Changes in average HAP.

The Keene Housing Authority provides Section 8 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 and (2) Income-based subsidy method. Elderly and disabled households are allowed to choose between 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 families that do not have an elderly or disabled head of household 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) 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 the remaining two years. 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 the full five years. There is a minimum rent of \$50. The second and third step subsidies are based on a percentage of the local Fair Market Rents. Utility rebates are not paid as part of the program as a minimum rent has been established.

Housing Assistance Coupon Program Subsidies Effective 1/1/2010

1st Step (1st year)	2nd Step at 65% of FMR (2nd year)	3rd Step at 45% of FMR (4th year)	Bedroom Size
Lower of Welfare rent or VPS - 20% of Gross Income	\$551	\$381	1 Bedroom
Lower of Welfare rent or VPS - 20% of Gross Income	\$690	\$477	2 Bedroom
Lower of Welfare rent or VPS - 20% of Gross Income	\$832	\$576	3 Bedroom

The subsidy is directly deposited into the family's bank account on the 1st of the month. The family is then 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 as in traditional Section 8 HCV programs. The subsidy is paid to the tenant rather than the landlord to teach the participant to manage their money and serve as a regular reminder of the full cost of rent for their unit. It complements the goals of the Resident Self-Reliance program teaching financial responsibility and removing paternal overtones of program administration.

The payment process is explained to landlords in the Landlord Handbook and upon entry into the program. Landlords are sent letters detailing the family's obligation for paying their rent. In addition, the letter states that if the family does not pay the contract rent in full by the fifth of month, then the landlord should contact Keene Housing Authority who will work with the family to address issues preventing timely payment.

Keene has been operating the HAC Step Rent program for over 10 years. As previous reports and data have demonstrated, it has provided incentives for families to move to work. Families who are not working receive a strong incentive to gain employment and take advantage of the employment programs. Since the family portion of rent does not increase in the step subsidy program when their income increases, the family may use their savings to finance other costs of living necessities, reduce debt or build assets. The RSR program is designed to help tenants gain the personal financial management skills and knowledge to make decisions that best help them achieve their goals. These strategies help the family stabilize and advance their financial and employment base over the next two years before their subsidy is reduced at years two and four of the 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 2009, KHA increased the percentage of the FMR on which the step subsidies were based to help offset a rise in rents on the local level. The deeper level of subsidy and higher rents means fewer families would be served but those being served would remain stable in their housing. KHA continues to serve more families than at the start of the demonstration.

Initiative Evaluation

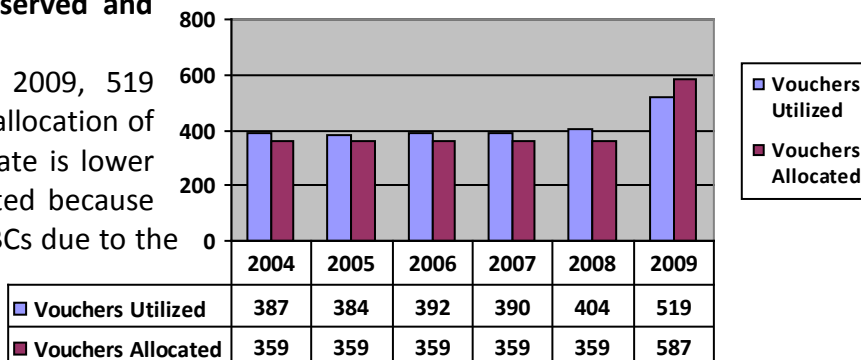
Increase in number of households served and vouchers utilized:

At the end of the Plan Year for 2009, 519 vouchers were utilized out of a total allocation of 587 MTW vouchers. The utilization rate is lower than the number of vouchers allocated because there were vacant units not issued PBCs due to the rehabilitation of the KAHU units.

Once the remaining vacancies are issued PBCs, the utilization rates will reach 587 or higher.

In September of 2009, before leasing the PBCs allocation, KHA’s utilization was 385, serving 26 more families than required. KHA’s utilization rate averaged around 390, much higher than the KHA’s allocation of 359 vouchers. As mentioned previously in the report, steep increases in the Voucher Payment Standard and an increase in the step subsidy rates absorbed a significant amount of HAP funds reducing the number of vouchers KHA was able to issue.

Voucher Utilization History



Changes in Average HAP

HAP funds utilized in December of 2009 was \$319,447. The average cost per HAP is \$615, including costs for administration of the voucher. The chart below provides a breakdown of average HAP costs by bedroom size as of the beginning of 2010 after KHA converted its Section 8 data into Tracker Systems Software.

Average HAP				
Bedroom	Vouchers	HAP	Contract Rent	Gross Rent
-1*	9	\$302	\$514	\$515
0	48	\$505	\$771	\$775
1	225	\$505	\$771	\$804
2	165	\$624	\$932	\$1014
3	101	\$756	\$1092	\$1174
4	13	\$999	\$1382	\$1101
Averages	561	\$593	\$886	\$897

**indicates SRO unit type*

Increase share of households working:

Refer to section G. Initiative Resident Self-Reliance Program for data on this measure.

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

Refer to section G. Initiative Resident Self-Reliance Program for data on this measure.

Safety Net Hardship Policy

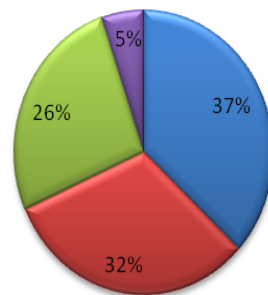
The Safety Net program provides temporary relief to households experiencing a financial hardship. The Safety Net program allows participants to work off a portion of their rent by completing jobs for the Keene Housing Authority, following a payment arrangement, or requesting Keene Housing Authority allow a reduction in the rent/increase subsidy for a specified period of time by conducting an interim adjustment.

Participants who work to pay rent receive an hourly rental credit toward their rent 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.

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

Reasons for Hardship Exemption

■ Unemployment ■ Decrease in Income ■ Increase in Rent ■ Medical/Health



In 2009 19 households requested a subsidy or rent adjustment through the Safety Net program. The length of assistance provided to each household ranged from 1 to 6 months. Only 2 requests out of the 19 were denied in 2009.

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. Applicant has lost their job for good cause or is 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 (such as an increase in qualified expenses)
5. Applicant applies 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 initiatives. If Keene observes a large percentage of HAC Step Subsidy participants requesting or receiving Safety Net assistance, the agency would need to reevaluate its initiatives and external factors to determine if changes are necessary in its policies. The number of participants has been steady over the years with five to ten households, at most, participating in the program at a given time. This will continue to serve as the benchmark as Keene monitors the number of Safety Net cases over the next year, especially as utility costs are shifted from landlords to the tenants.

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

Plan Year Implemented: Original MTW Agreement executed in 1999

Data Collection: The information is tracked in an access database. Information on rents and housing subsidy are tracked in the Section 8 database. The Section 8 database, Housing Assistant Manager (HAM) uses an antiquated DOS platform with limited reporting capabilities. In January 2010, Keene will be converting to new Section 8 software, Tracker Systems, which will hopefully provide better reporting capabilities. Keene has traditionally monitored rent burdens of active participants over the years to evaluate 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 Access database. 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 its 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.

C. Initiative: Eligibility Administration

Statutory Objective(s): Increase housing options

Baseline: 1 household achieved homeownership in 1999. 100% of applicants lease-up after issuance in 2009; 100 private landlords and 7 waiting lists for the Section 8 program.

Benchmarks: 12 households achieved homeownership as of 2009 fiscal year end; Maintain 75% of new admissions with incomes at or below the VLI

Metrics: Number of households achieving homeownership; Number of households in KHA's Section 8 homeownership program; Income distribution of new admissions.

Keene Housing Authority increased program eligibility from 50% to 80% of the AMI in the Section 8 program at the start of its MTW program. Previously, the only program households in the 80% income bracket were eligible for was the Public Housing program. This change in program eligibility expanded the number of program options for households. When the Section 8 Homeownership program was created in 2006, KHA realized that residents who progressed in the Resident Self-Reliance program and increased their incomes over 80% would be penalized by losing eligibility for the homeownership program. As a result, Keene 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. Keene 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 if their income changed. This policy change prevented two households from going into foreclosure. Since adoption of the policies no families have gone into foreclosure and the number of homeownership households has remained stable.

The Heading for Home Program (H4H) offers eligible participants the option of buying a home with mortgage payment assistance through the Section 8 Housing Assistance Coupon (HAC). Eligible applicants for H4H must be eligible for a HAC. H4H participants are required to participate in the Homeownership Seminars facilitated by Cheshire Housing Trust, a HUD approved homeownership counseling agency. Cheshire Housing Trust also administers Individual Development Accounts (IDA), which serves as an additional resource for those who want to save money for homeownership. Participants are required to participate in counseling sessions and financial management workshops. Participants 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.

Initiatives Evaluation

Number of households achieving homeownership:

There were 12 households continuing participation in the Section 8 Heading for Home program at the close of the 2009 fiscal year. Keene Housing Authority has exceed its benchmark for this part of the initiative, not a small feat for a small agency in a bad housing market. In addition, 6 out of the 20 families leaving the Resident Self-Reliance Program in 2009 achieved homeownership. Some families used relocation assistance to help them purchase their home while others achieved it without using any subsidy or financial assistance from the Keene Housing Authority.

Income distribution of new admissions:

The data includes the PBC lease-ups in the KHP units as well as lease-ups on the private market.

Income Distribution of New Admissions in 2009	
	Percentage of Households
Extremely Low Income	55%
Very Low Income	35%
Low Income	7%
Total	100%

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

Plan Year Implemented: Original MTW Agreement executed in 1999 for Section 8; 2008 Plan Year for Homeownership revisions.

Data Collection: Data on new admissions is tracked in the Section 8 database. Data can be tracked separately for homeownership and Section 8 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.

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 Section 8(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.

D. Initiative: HQS Inspections

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: 100 % HQS inspections conducted by KHA in 2001; 0% conducted by Landlords in 2001; 130 units failed initial HQS inspection in 2009. All deficiencies were fixed by the landlord and no subsidy was abated. Number of HQS units failing HQS resulting in permanent and temporary subsidy abatement (new metric for 2010).

Benchmarks: 75% Reduction in HQS inspections conducted by KHA staff within first 5 years of the demonstration. Number of HQS units failing HQS resulting in permanent and temporary subsidy abatement (new metric for 2010).

Metrics: Percentage of HQS inspections conducted by Landlord vs. KHA. Number of HQS units failing HQS resulting in subsidy abatement.

“The Resident Self-Reliance Program got me where I am today. I got through school, have a great job and now own a home.”
 P.M. program participant exited in March 2009.

Keene Housing Authority conducts initial inspections for all units and encourages new landlords to participate in the initial inspection. Landlords are encouraged to conduct annual inspections on the units. However, 64% of the landlords view inspections as a service, largely due to the marketing of the KHA inspector, and have requested Keene Housing Authority conduct their annual inspection. In the HAC Program, Keene Housing Authority conducts the initial inspections (as well as educates the landlords in HQS). Interim inspections are conducted by KHA if requested by the participant, landlord or staff.

Landlord Education and Participation

Landlords are encouraged to contact KHA with any questions they may have about the HQS. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the KHA may terminate assistance to a family because of the HQS breach caused by the family.

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 sub-standard apartment. The program is designed to educate the residents so they are empowered to make informed decisions when searching for or living in an apartment. Due to this education, they are able to determine first hand if there are issues that need to be addressed to make sure the unit continuously meets HQS.

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

- A Good Place to Live
- Inspection Form for the Housing Choice Voucher Program
- Protect Your Family from Lead in Your Home
- KHA checklist

KHA employees inquire about and discuss HQS during quarterly meetings and monthly contacts. Participants are asked during the Annual Review, about HQS and staff briefly reviews the HQS. Participants are asked to complete an inspection form demonstrating that they have assessed the condition of their apartment and determined whether it meets HQS.

During quarterly Resident Self-Reliance program meetings, families complete and update family information including information on HQS in their units. During the Annual Recertification process, participants are asked about the HQS and a brief review of HQS is conducted.

KHA is increasing the number of quality control inspections from 5% to 20% to ensure Landlords are fully complying with HQS. The KHA employs several types of inspection strategies to ensure all subsidized apartments meet HQS in addition to extensive education programs for both the participant and the landlord.

Every three months, 20% of all units self-inspected by landlords receive a quality control inspection conducted by KHA. If the owner fails to maintain the dwelling unit in accordance with HQS, the Keene Housing Authority will take prompt and vigorous action to enforce the owner obligations. The Keene Housing Authority's remedies for such breach of the HQS include termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.

The Keene Housing Authority will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the specified period and KHA verifies the correction. If a defect is life threatening, the owner must correct the defect 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 administration required to execute the program while shifting some of the program responsibility to the tenants in an effort to integrate self-sufficiency activities into the housing component. It may also indirectly have an impact on the quality of tenant-based housing units as tenants become more educated about HQS standards and local code requirements.

Initiative Evaluation

Type of Inspections	KHA Inspected	Landlord Inspected	Contractor Inspected	Failed HQS	Total
Initial Inspection	69	0	12	36	81
Annual Inspection	311	62	41	87	414
Quality Control Inspection	28	0	0	7	28
Totals	408	62	35	130	523

Out of the 523 inspections conducted in 2009, 130 failed upon initial inspection. However, all of the violations were corrected by the Landlord and assistance was not abated or denied for any unit. The deficiencies were minor and easily corrected. 78% of the inspections were conducted by KHA staff which is the exact opposite of the outcome KHA anticipated. There are several factors that probably have influenced the outcome:

- Changes in staff
- Changes in Ownership entities

At the start of the demonstration, with new Section 8 staff who were supportive of trying out the initiative, most inspections were conducted by Landlords. A change in staff and philosophy, overtime, seems to be the major force in shifting the bulk of inspections from Landlords to KHA staff. Previous to KHA hiring the inspector in 2003, most inspections were conducted by the Landlords. In 2003, KHA hired a Section 8 inspector who was well known and respected in the community for his former work as a retired Police Detective, Union Representative and City Council member. His skills as a detective lent itself well to his new role as inspector, requiring close attention to detail and observation. The inspector has stated he marketed the inspections as a service to Landlords and believes that is why most Landlords chose to have KHA conduct the annual inspection.

As a result of changing staff philosophy, KHA implemented a change to this initiative requiring that all initial inspections be conducted by KHA. This was a result of cautious staff concerned some of the Landlords would not be faithfully in making their units meet Housing Quality Standards. The option remains at the annual inspection for Landlords to self-inspect their units.

Another influencing factor was the increase in percentage of tenant-based vouchers issued to properties owned or managed by the Keene Housing Authority. KHA did not want to be the administrator of the voucher and then also conduct their own inspection as the owner. KHA hired a contracted inspector to conduct initial and annual inspections in KHA owned or managed units to remove potential conflict of interest problems.

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

Plan Year Implemented: Original MTW Agreement executed in 1999.

Data Collection: Results of quality control inspections are tracked in spreadsheets. Quality control inspections are conducted each quarter.

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 Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.*

E. Initiative: Standard Deductions

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: 100% of eligible households reporting medical or disability expenses require verification. Data on staff time will be provided in 2009 Annual Report. Baseline on new measure won't be available until 2010 report.

Benchmarks: 75% Reduction in number of households claiming medical expense deduction higher than standard deduction; 25% Reduction in staff time to process annual certifications

Metrics: Number of households claiming medical/disability expenses: Reported decrease in processing annual certifications; Difference between reported expenses and expenses provided by the standard deduction.

In its 2006 Annual Plan, Keene Housing Authority created a standard deduction for elderly and disabled households. A standard deduction of \$1718 is provided for all elderly and disabled households effective 1/1/2009. This deduction includes any qualifying medical, disability assistance expenses, childcare expenses and the elderly household deduction of \$400. 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. It is still assumed that residents can pay 3% of the medical expenses, which is subtracted from the standard deduction. Households that would experience a rent burden of 30% or higher of their adjusted income would be eligible to receive a full deduction based on their actual qualifying expenses plus the standard \$400 deduction. In these cases, staff follows the standard procedures for calculating adjusted income, including verification procedures.

In an amendment to the 2007 Annual Plan, KHA included a clause that allows the standard deduction to be adjusted on a yearly basis according to the Medicare increase.

The verification process consumes a tremendous amount of staff time. By implementing a standard deduction, a large portion of administrative costs 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 our Safety Net hardship policy. It is a win-win situation for both parties. It also limits the intrusiveness in tenant's lives. The requirement for a family to track their individual expenses causes a tremendous amount of anxiety on a yearly basis for elderly and disabled families.

Initiative Evaluation

Number of elderly and disabled households eligible for deductions is approximately 274. Staff normally would have to process verifications for all these households but as a result of the standard deduction only had to process expense deductions for 12% of the eligible households. The amount of time spent per household on verifying expense deductions can vary greatly among households. Some only have a few expenses while others have as many as 10 to 20 verifications.

Since a report is not yet available in our software to help us extract the data on deductions provided, we used an Ad-Hoc report from the MTW module of PIC from the 2009 reporting period. The average deduction received per household is \$1989. The MTW standard deduction for elderly/disabled households is \$1718. There were 12% of the households who had expenses higher than the standard deduction. As a result, staff verified the medical expenses for these households and provided a deduction based on their actual expenses rather than the standard deduction processed through Safety Net. The highest deduction claimed was \$8810.

As part of this initiative, KHA isn't verifying expense deductions unless a household requests it because their actual expenses are more than the standard deduction. KHA doesn't yet have a mechanism in place to measure if we are spending too much HAP providing a deduction for families who normally do not have qualifying expenses. KHA may consider asking tenants to report their expenses but not verify it. If we find the deduction is too high and therefore doesn't outweigh the administrative costs savings, we can adjust the standard deduction.

Plan Year Proposed: 2005 Annual Plan

Plan Year Implemented: 2005

Data Collection: This information is collected annually during the tenant's certification, whether it is a self-certification or full certification. 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.

F. Initiative: Resident Self-Reliance Program (RSR)

Statutory Objective(s): Incentive for self-sufficiency

Baseline: 47% of households employed full-time on 10/1999; 51% of households increased their earned income in 2008 (% of increase baseline will be established in 2010); 39% of households exiting the program through 2005 achieved self-sufficiency standards. 11 out of the 16 households exiting within the first year, 2000, moved to non-subsidized housing.

Benchmarks: 75% Increase in earned income (by over 25% over a five year period); 15% increase in employment; 75% of households leaving the program over the course of the demonstration due to achievement of self-sufficiency competencies.

Metrics: Number of households employed; Earned Income, Reasons participants leave the program.

All families participating in the Step Rent or Subsidy programs are required to participate in the RSR program. An expansion of 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 Service Coordinator who is responsible for coaching the participant's progress.

The RSR program defines competencies for self sufficiency. These competencies outline the skills necessary to achieve economic self-sufficiency. Each family's needs are identified during an initial assessment. The competencies they must work on are identified by the RSC and participant working together. In order to be exempt from required activities, participants must demonstrate they have developed the skills associated with each competency. Competency categories include the core skill groups of financial management, employment, education, and family planning in addition to the self-development groups of interpersonal skills, wellness, healthy relationships and household management. The program is uniquely tailored to the family's skills, resources and goals. Each family works to achieve competencies specific to their circumstances, since the abilities and backgrounds of participants are diverse and one plan would not be suitable for all families.

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 ISTP goals

Develop a Financial Plan

Each participant 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

Participants meet on a quarterly basis to review progress on their goals in groups of up to 20



Overcoming Adversity

Satum Siek, pictured above in the photo, stands on the front porch of her home she purchased after over 20 years of residency as a Public Housing Resident with the Keene Housing Authority. Satum raised her two children in this home as Resident Self-Reliance program participant. When KHA announced it was selling several of its scattered site units, Satum responded to the RFP. She was able to purchase the duplex house which she has called home for many years. Her story of self-sufficiency is a remarkable one in that she not only over came economic hardship but fled Cambodian genocide in the 1970's. After moving to this country she raised her family as a single working mother. She was a participant in the RSR program since 1999.

people. The intention of these meetings is to provide an opportunity for program participants to network, problem solve, share successful strategies and learn about new resources, programs, and financial management and employment strategies. Topics may 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

Participants 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.

Goal Setting

Every person is required to develop and update their ISTP every quarter. The ISTP helps participants 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 added once significant milestones have been achieved.

The RSC acts as a coach and mentor guiding their 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.

There were 86 RSR participants in 2009. There was a reduction due to the accumulation of vacancies in the Public Housing program. A decrease in RSR families has also been a result of Keene issuing minimal vouchers and higher attrition among RSR participants than non-RSR families.



A Moving to Work Collaborative First Course Job Training Program

First Course is an intensive 16-week culinary training program in Keene. The program evolved to provide job opportunities for people in the food service industry which is a growing industry. In the next ten years, it is predicted that 2 million new positions will be added nationwide. The

program prepares trainees for positions such as prep cook, catering manager, food and beverage director, food sales representative, nutritionist, sauté cook, baker and more.

The curriculum is designed to provide individuals with a solid foundation in the food service hospitality industry. The small class offers individualized attention and comprehensive support and job search assistance. Career training goes hand-in-hand with soft skills training including workplace expectations, internships at local establishments and simulated interviews. Trainees learn in a hands-on, real world work environment learning skills such as cooking, food preparation, knife skills, sanitation and ServSafe food safety to front-of-the house fundamentals in dining room and catering set-up service. The program is geared for people 16 years old targeting a diversity of people including people with abilities and disabilities, career-changers, unemployed, recent high school graduates. Preference for enrollment is given to people facing challenges which may include low-income, a physical or developmental disability or recovery from substance abuse or mental illness. Four of Keene's largest non-profit providers are the founding collaborators of this program which includes the Keene Housing Authority, Monadnock Developmental Services, Monadnock Family Services and Southwestern Community Services.

First Course Participant Profile

Monique Reno chose to continue participation in the Resident Self-Reliance program even though she knew she could opt out due to her disabilities. She moved to one of Keene Housing Authority's Public Housing units in 2003. She and her 3 children have been active members of the community attending the after-school program, family events at the Family Activity Center and participating in beautification projects in the neighborhood. She has worked closely over the years with KHA Resident Service Coordinators and Youth Services staff. In 2009 she became concerned when her oldest son, who had left college after a year and a half and was unemployed, became depressed spending most of his time around the house. She was concerned for his well being and future. She worked with KHA's Resident Services Coordinator, Claire, to identify some options for Shaun. Shaun had some learning disabilities and limited hearing in one ear. Claire, a former special education teacher, connected the family to Vocational Rehabilitation. At first the agency stated the family wasn't eligible for services. Claire's background helped her dig a little deeper to discover they did qualify for services as well full reimbursement for the costs of a hearing aid for Shaun. Monique, whose suffers from anxiety, was overwhelmed by the bureaucracy of many social service programs. Monique emphasized she can't thank Claire enough for helping her navigating the complex application process for services. She said she never would have known what to do to get the resource she needed to help herself and her family. Monique said they never would have been able to afford one for him without financial assistance as the family did not have health insurance. He completed some testing programs through Vocational Rehabilitation which identified Park Ranger or a Chef as possible career paths. Claire also provided employment counseling and financial management training. Monique and Shaun completed one of the RSR programs' financial management courses on CD. She gave Shaun an allowance of \$20 a week and helped him set-up a bank account, all of which he has paid back to his mother.



Meanwhile, a job training program in Keene, called First Course, was accepting new students. Claire encouraged Shaun to go with her to the First Course modern and newly constructed training facility. Shaun's mother said he was instantly hooked on the program when he saw the kitchen and facility. He applied for and was enrolled in the

program. Monique said Shaun excelled in the program because the teachers adapted their training techniques using verbal and visual methods. Whereas Shaun had difficulty learning in a conventional classroom, he was able to excel at First Course receiving one of the highest test scores. He participated in several internships but working in the dining commons at the local college was his favorite. The day after graduating from the program he was hired full-time with benefits at the college. He was hired at a much better wage than he would have been without his training at First Course. Monique said she has seen a transformation in her son from an isolated, depressed and unemployed young adult to a fully employed, confident and sociable young man. She said the increase in his confidence due to the program has been astonishing. Monique credited his employment at the college improving his social life and depression. She also said she can't thank Claire, her Resident Services Coordinator, enough for being there every step of the way.

Compliance Policy

Subsidy is reduced to the third step level, rather than permanently terminating assistance, for RSR participants who are not in compliance with their RSR contract. The following outlines the policies and procedures for non-compliance with RSR contract obligations.

To remain in compliance with the RSR program, participants must engage in the following activities as outlined in their RSR Contract:

- Complete skill development activities
- Participate in quarterly goal meetings
- Make reasonable progress toward established goals
- Create and maintain a financial plan

The Resident Services Coordinator assesses compliance on a quarterly basis. If it is determined a participant household is in non-compliance by the Resident Services Coordinator, the household will be notified in writing of their compliance breach with the RSR contract and program requirements. The letter will note the required activities the participant has failed to comply with and the actions the participant must complete within a specified time frame to become in compliance and prevent their subsidy from being reduced.

Initiative Evaluation

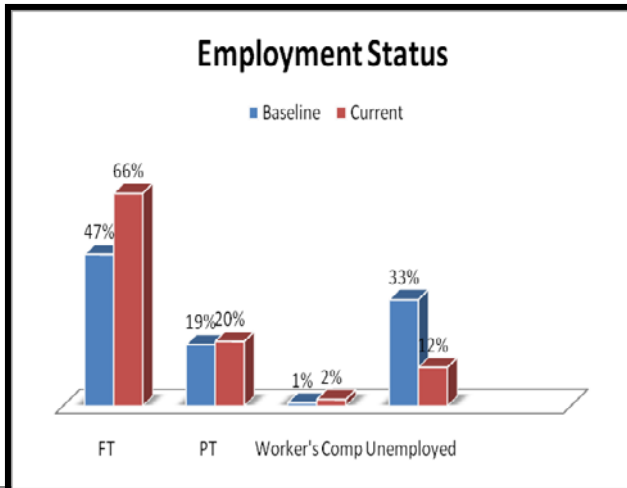
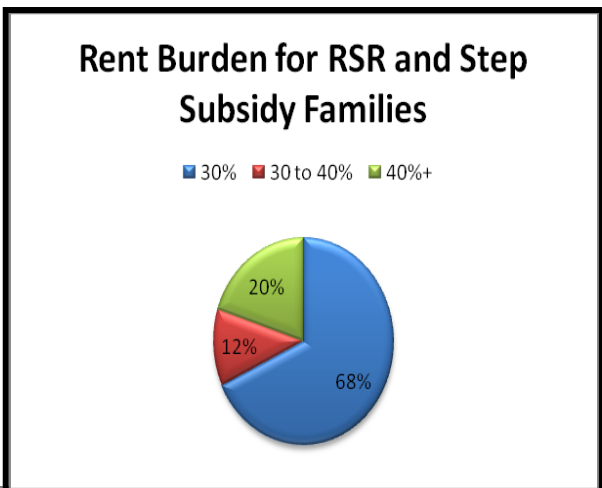
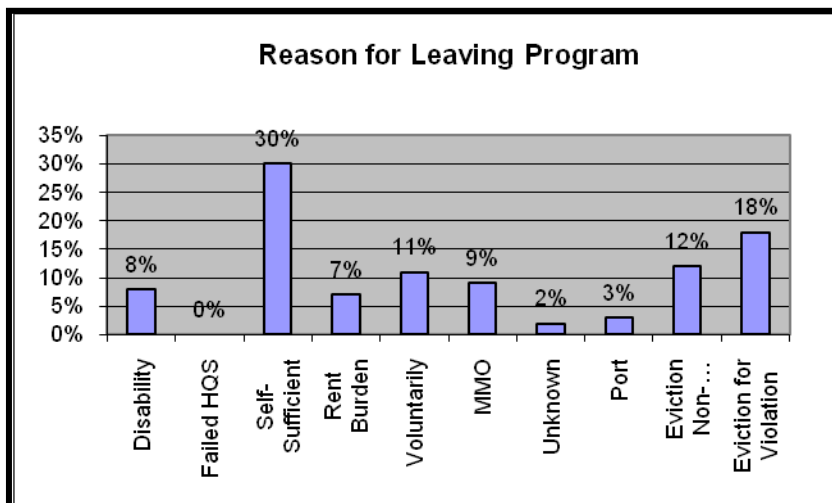
There were a total of 86 families enrolled in the Resident Self-Reliance Program (RSR) in 2009. The program continues to be successful with a majority of families moving on to self-sufficiency, homeownership or renting on the private market without subsidy. KHA would like to see the number of people leaving due to termination decrease. About 10% of the families leave the program because they receive disability status and opt out of the RSR and Step Subsidy program choosing to move to the income-based program. Keene has seen a steady increase in households applying for disability status both through the Social Security office and with Keene Housing Authority in order to qualify for income-based programs. This information, coupled with the knowledge that a growing percentage of applicants and Section 8 participants are non-elderly disabled, prompts us to explore further service options and RSR program adaptations for these families.

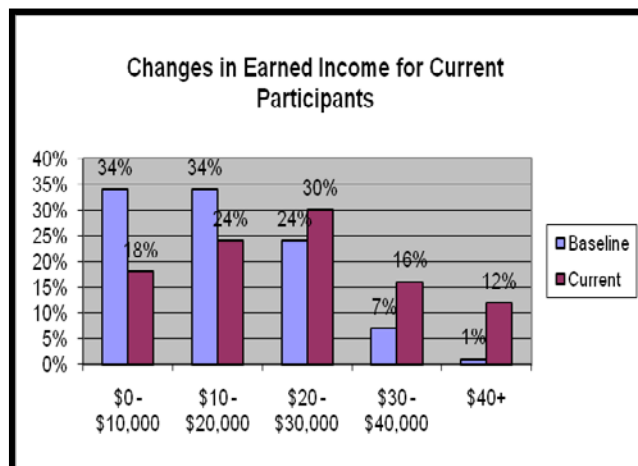
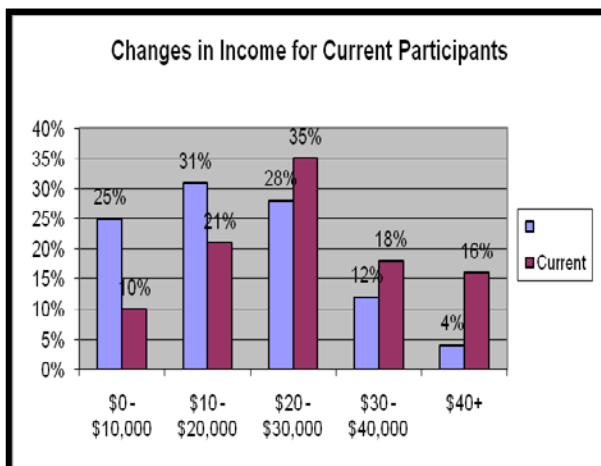
The economy continues to be a challenge for Resident Self-Reliance program participants trying to find and maintain employment. Employment status decreased slightly in 2009 but still remains

higher than the start of the demonstration when full-time employment was at 47%. In 2009, 66% of RSR participants were employed full-time. Income remained relatively stable as well.

In 2009, KHA eliminated one of two Resident Service Coordinator positions. This has affected the number of workshops and programs KHA has been able to offer participants. In 2010, KHA will be researching software and web-based programs to move our workshops on-line and allow participants to communicate via web-based tools. Web-based programs helps families access the programs without having to worry about transportation or child care issues. Residents who do not have computers can use the computer lab at KHA to participate or other alternatives. Perhaps all MTW agencies can develop some core curriculum programs that would enable residents participating in self-sufficiency programs across the country to meet and discuss issues they share in common. KHA hopes this strategy enables us to offer more programs despite cuts in staffing. However, personal connection is also important so the RSR program will continue to offer opportunities to meet individually with their Resident Service Coordinator as well as with other participants and service providers.

All charts below reflect data on current program participants as of 12/31/2009.





Plan Year Proposed: Proposed in Keene’s original application in response to the 1996 RFP.
Plan Year Implemented: Original MTW Agreement executed in 1999

Data Collection: Data is collected from families during quarterly goal meetings reported on a case management form. The information is then entered into an access database that has tracked all program participants since 1999. While primitive, the database has served its purpose. 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. This 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 MT Plan.

G. Initiative: Alternative Recertification Schedule

Statutory Objective(s): Increase cost effectiveness/efficiency
Baseline: Estimated baseline of 359 full recertifications conducted annually in 1999.
Benchmarks: 50% reduction in staff time conducting annual certifications; 30% reduction in number of required full-recertifications conducted annually.
Metrics: Same as baseline

KHA conducts recertifications 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-certifications. 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.

Self-certifications have proved challenging for tenants, with mostly elderly and disabled families who are confused about their sources of income and how to report it. KHA proposed in its' 2010 plan to recalculate subsidy during the interim, or self-certification years, by using EIV data to verify available income information in addition to self-certifications. Information not available through EIV will be provided by the tenant using hand delivered documents. Most tenants in the income based program receive Social Security benefits. Social Security income benefits will be calculated by applying the COLA to the previously verified Social Security benefit. Any income derived from assets will be verified using copies of the most recent statements provided by the residents. Many companies are no longer cooperating with 3rd party verification requests and the information provided by the resident is often more accurate. Most residents are able to access their assets through on-line accounts and print them out so they are current for certifications.

Initiative Evaluation

519 households were leased-up in the MTW program as of the end of fiscal year 2009. Full certifications will be conducted every 3 years for these households. In the 2 interim years staff must process self-certifications from tenants. The piece staff won't have to do which takes up approximately 75% of the certification process is conduct verifications for these households. When a self-certification is processed there is a 75% reduction in the time staff must spend on the certification process for this household.

In 2010, KHA was able to reduce administrative costs for the HAC program by eliminating an administrative position worth approximately \$45,000 per year. In 2010, as EIV and hand-delivered documentation is incorporated into the self-certification process, staff will need to track whether or not this has caused an increase in administration of the self-certification and any changes in the amount of average subsidy paid for self-certification years.

In 2010, staff will develop estimates for their time spent on full recertifications. Continuous staff turnover made this difficult to achieve as new employees are not as efficient as trained, season employees. Staff will also track the number of self-certifications verses full recertifications they conduct in a calendar year suing Tracker Systems. Using this data, in combination with the average administrative costs per HAP, we should be able to provide a reliable figure on the amount of time and dollars saved using self-certifications. It is inevitably quite obvious that self-certification are more time efficient and cost effective than full recertifications.

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 Investment.)

Plan Year Implemented: 2004

Data Collection: See Initiative Ongoing Eligibility.

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.

H. Initiative: Rent Reasonableness

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

Baseline: 1 Hr of staff time allocated to creating a rent reasonableness chart in 2009 (adopted NHHFA's table). Percentage of households receiving exemption to lease-up with initial rent over 40% of their monthly gross income (new measure for 2010).

Benchmarks: 100% reduction in staff time conducting RR; Less than 25% of households lease-up with rent over 40% of their gross monthly income

Metrics: Staff time spent on rent reasonableness charts annually. Number of coupons utilized vs. coupons issued; Number households with rent burdens over 40% at initial program entry.

Keene Housing Authority removed rent reasonableness as a requirement in the MTW Section 8 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, 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.

Families also receive the document "Can I Afford the Unit I Have Found?" with a detailed explanation of how to calculate affordability. The family must fill out and sign an Income and Expense Report with the case manager detailing their ability to afford the apartment. The Income and Expense Form is updated and reviewed at each examination.

Affordability Factors

- Age of the Head of Household
- Disability
- Currently in place
- Length of time family has lived at that address
- Actual dollar amount the family share exceeds 40% of their adjusted monthly income
- Location- near work or medical services
- Transportation
- Amount of assets a family has at its disposal

- Employment
- Contract Rent-does it include utilities?
- Fuel Assistance and/or Electrical Assistance
- Food Stamps and/or Community Kitchen

Keene has a high success rate of households finding housing after they have been issued a voucher. As of the third quarter in 2008, all households who were issued coupons found housing. Keene will continue to track its success rates in future reports.

Initiative Evaluation

All of the new coupons issued in 2009 were successfully leased up. KHA staff do not conduct rent reasonableness except for the Mainstream Housing Choice Voucher program. KHA has adopted NHHFA's system for conducting rent reasonableness for the Mainstream HCV program. The rent reasonableness table is available for our jurisdiction but it does not have to be calculated for the 500 plus households served. Rent burden reports less than 5% out of the 519 vouchers issued have a rent burden higher than 30% of the tenant's annual income. A lot of these are due to reasonable accommodations. For some households, rents are affordable because they do not have additional costs such as transportation.

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 Section 8 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.

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

Plan Year Implemented: Original MTW Agreement executed in 1999.

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 Section 8(o)(10) of the 1937 Act and 24 C.F.R. 982.507 as necessary to implement the Agency's Annual MTW Plan

I. Initiative: Restrictions on Section 8 Portability

Statutory Objective(s): Increase cost effectiveness/efficiency

Baseline: Less than 1% of coupons were issued as ports in 2009. Average HAP paid per port in 2009 was \$373.

Benchmarks: Less than 5% of coupons paid as ports.

Metrics: Number of ports paid monthly. Average HAP paid per port.

In 2009 KHA stopped absorbing ports from other PHA's. As part of MTW, KHA has always had restrictions on ports but no baseline data is available on the numbers of ports administered before the initiative was implemented. Keene has submitted data on ports to VMS for 2009 and included it as its baseline number. In order to measure this initiative, Keene would need to know the

number of ports it would have administered if they were permitted. Since households are aware of this policy, and may not request portability as a result of the policy, it is unlikely KHA could estimate the number of ports it would administer if they were permitted. Therefore, KHA will track the value of dollars lost for the ports it does administer. Keene's main reason for restricting ports with the exception of those requested by reasonable accommodation or due to domestic violence, is to keep voucher funding in the Keene community for use by those who intend to live in the Monadnock region.

Initiative Evaluation

Less than 1% of voucher funds were used for paying portable coupons in 2009. In May there were two portable coupons leased and by the end of 2009 there were a total of three portable coupons leased. The remaining HAP funds were leased within KHA's jurisdiction.

Data Collection: Ports are tracked in the Section 8 software. To date there have only been 3 reasonable accommodation requests to port and all have been approved.

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

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

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 Section 8(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

A. Planned vs. Actual Sources (Operating, Capital and HCV)

	2009 Budget Public Housing	2009 Unaudited Actuals Public Housing	2009 Budget Section 8	2009 Unaudited Actuals Section 8
Sources				
PH Rental Income	800,000	516,132		
Non-Dwelling Income	41,788	31,608		
Section 8 - 359 Vouchers			2,989,752	3,080,590
Section 8 - 228 Vouchers	1,898,784	1,425,087		
PH Operating Fund	327,820	187,190		
PH Capital Fund	163,293	0		
Interest Income	1,800	1,901		2,915
Other Income	12,000	11,948	8,000	15,847
Total Sources	\$3,245,485	\$2,173,866	\$2,997,752	\$3,099,352
Uses				
Administrative	348,111	248,121	675,774	435,449
Programs & Services	97,000	140,595	227,052	218,541
Utilities	485,000	414,569		
Maintenance	581,250	551,730		
General Expenses	283,416	126,904	2,100	1,205
Disposition & Relocation	501,316	414,529		
HAP Disbursed	949,392	277,418	2,092,826	2,444,157
Total Uses	\$3,293,485	\$2,202,684	\$2,997,752	\$3,099,352

In accordance with the approved 2009 MTW Plan, the KHA disposed of its public housing inventory and sold it to its 501(c) (3) affiliate. The sale changed the way the properties would be funded, and allowed for over \$5,000,000 of capital improvements to be put back into the properties. The 2009 budget for Public Housing was based on the issuance of 228 additional Section 8 vouchers. The voucher request was approved and the new coupons were combined with the original allocation of 359, resulting in a combined voucher total of 587.

As a result of the declining economy, the original LIHTC investor withdrew and a new source of funding for capital improvements had to be secured. A request for a funding modification was approved by HUD and a new conventional funding source was secured. The transfer was completed in late Sept. 2009. The change from LIHTC funding to conventional financing extended the closing date of the sale. The loss of the LIHTC funding only affected the Operating Budget to the extent that the properties remained Public Housing for a few additional months.

In 2009, the KHA was not eligible to receive 2009 Capital Funds. KHA did receive prorated Operating Funds. All grant programs associated with public housing were terminated in 2009. Delays in the timing of the closing resulted in increased vacancy loss and relocation expenses. With the use of funds from the additional 228 vouchers issued, KHA was able to cover increased relocation costs and upfront costs associated with the disposition. Units were being vacated and remodeled on a rolling basis throughout the year.

In summary, there were no major changes from the approved 2009 MTW Plan. The change in the source of funding and the timing delays presented some internal challenges, but the goal of the disposition plan, the benefits to the tenants, and the investment in capital improvements continue to be the primary focus.

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

The Congregate program was funded by both Federal and State grants. As of the Disposition date, the KHA was no longer eligible to receive funding for this program.

C. Planned vs. Actual Sources (COCC)

Not applicable.

D. Cost Allocation

Not applicable.

E. Planned vs. Actual Use of Single Fund Flexibility

Funding fungibility allowed the KHA to combine Operating Funds, Capital Funds, and Section 8 voucher funding. Prior to the sale, fungibility was important because it helped offset some of the historical underfunding of public housing. By combining funding, the KHA was able to operate and maintain the properties and to provide the many support services outlined in this report. The new funding structure for the former public housing stock and the \$5,000,000 in capital improvements will bring the properties up to date, reduce maintenance costs, establish Reserve Accounts, and allow us to continue services for our residents.

F. Optional: List Planned vs. Actual Reserve Balances

Not applicable.

G. Optional: Planned vs. Actual Sources by AMP

All of Keene Housing Authority units were under one AMP called NH010 therefore it would be duplicative to report information by AMP as it has already been covered in Section A.

Section VIII. Administrative

A. Progress Report on Deficiencies

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

B. Agency Directed Evaluation of the Demonstration

Keene 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 2010.

Keene will be working on identifying new measures for its initiatives and tools to collect and evaluate the data. New Section 8 software will hopefully aid in KHA's ability to extract and evaluate data relative to the demonstration. Policy discussions will be scheduled with key staff as well as regular strategic planning sessions to help monitor and redirect demonstration activities as needed.

Keene 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. Keene continues to nurture and cherish this growth as it tries to address the impact of a national housing crisis on the local community.

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

The KHA did not receive Capital Funds for 2009. All prior year funds were expended by the end of 2008.

D. 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 B to this report.