

# MOVING TO WORK 2014 ANNUAL PLAN



Vancouver Housing Authority

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# Moving to Work 2014 Annual Plan

## VANCOUVER HOUSING AUTHORITY

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## SECTION I MOVING TO WORK GOALS AND OBJECTIVES

### **The Vancouver Housing Authority**

The mission of the Vancouver Housing Authority (VHA) is to provide opportunities to people who experience barriers to housing because of income, disability, or special needs in an environment which preserves personal dignity, and in a manner which maintains the public trust.

The VHA was established in 1942 for the purpose of housing an influx of employees to the aluminum and shipyard industries during World War II. During that time, the VHA built 1,000 permanent homes and 11,396 temporary units capable of housing 50,000 people. When the war was over the temporary units were sold to buyers who agreed to dismantle and remove them. The land was then re-developed into some of Vancouver's best-planned neighborhoods.

In the 1960s the VHA assumed the primary role we still hold today, providing subsidized housing for low-income families, elderly, and disabled people. As a low-income housing provider, we have partnered with various community groups along the way, resulting in the creation of Columbia Non-Profit Housing in 1981, the Council for the Homeless in 1989, and Vancouver Affordable Housing in 2008.

In the early 1990s the VHA became a diversified housing authority by purchasing our first Workforce Housing property. As we continue to serve extremely low-income families, elderly, and disabled people in our traditional subsidized programs, investing in workforce housing and community development allows the VHA to provide additional affordable housing to low-income families. In addition this diversified housing portfolio reduces our dependence on federal funding sources and meets local policy goals.

Today the VHA provides affordable rental housing and housing assistance for more than 12,000 residents of Clark County, Washington. In addition to affordable housing, the VHA's community development activities also shape the lives of the people and neighborhoods we serve.

### **The Moving to Work Demonstration**

The MTW demonstration offers public housing authorities the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies. The program has three statutory objectives and in order to meet these objectives allows certain exceptions from federal rules governing the public housing and Section 8 Voucher programs and in some cases offers flexibility in the funding of these programs.

*The Moving to Work Statutory Objectives:*

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

VHA recognizes that the MTW demonstration is a valuable tool for meeting the housing needs of Vancouver and Clark County and that the statutory objectives align with VHA's goals of promoting resident empowerment and self-sufficiency, maximizing the use of federally subsidized housing and rent assistance, and providing opportunities to people who experience barriers to housing because of income, disability or special needs.

The VHA was among the original group selected to participate in Moving to Work (MTW) in 1999. More recently, the Department of Housing and Urban Development (HUD) and VHA executed an Amended and Restated Agreement on March 26, 2008. The new Agreement has a term of ten years and will end in 2018.

### **The Moving to Work Plan and Report**

As a MTW agency, the VHA is required to adopt an Annual MTW Plan that describes the activities planned for the next fiscal year. At the end of the year the VHA prepares an Annual MTW Report that compares the activities of the completed fiscal year with what was originally planned for that year. The required format and content of these plans and reports are outlined in an attachment to the MTW Agreement. This MTW Annual Plan is for the VHA's 2014 fiscal year that will begin on January 1, 2014.

### **Moving to Work Activities for 2014**

Initiatives developed and approved under the MTW demonstration that require authorization under the terms of the MTW Agreement are known as MTW Activities. In addition to previously approved MTW Activities that will be continuing from previous years,

the VHA is seeking approval for three new activities for 2014. The first is an alternative to the way escrow is calculated for participants in the Section 8 Family Self Sufficiency (FSS) program. This initiative is expected to both increase enrollment in the program and the number of successful graduates. Second, VHA is proposing to end the practice of using the utility allowance for the actual number of bedrooms in a unit when a Section 8 voucher holder is over-housed. By using the allowance based on the voucher size if the number of bedrooms on the voucher is less than the number of bedrooms in the unit, VHA expects to realize significant savings from reduced HAP expense for over-housed households. The third new activity is to use MTW funds to replace an expiring rental subsidy program at three local properties.

### **New Projects and Planned Renovations**

Construction expected to be completed in 2014 includes First Street, a new 152 unit mixed income housing project that will have 8 Project-Based Vouchers, and the new addition to Van Vista Plaza. VHA is also currently in the planning stage for a 30 unit Housing First project. Also planned are renovations to Columbia House, a 152 unit Elderly High-rise under the Section 8 New Construction program; Pinewood, a 25 unit transitional housing project; and Skyline Crest, 150 units currently Public Housing but in the process of conversion under the Rental Assistance Demonstration, or Voluntary Conversion to Section 8 Vouchers, or Section 18 disposition, or a combination of two strategies contingent on HUD making a final determination and following through.

### **Stakeholder Involvement**

VHA's 2014 MTW Annual Plan was developed with input from our MTW Advisory Committee, comprised of a number of our community partners and housing advocates, as well as our Resident Advisory Board.

VHA will continue to use the flexibility provided by the MTW Demonstration to work with community partners to bring new housing opportunities to very-low income residents of Clark County. We will also continue to seek input and advice from our Moving to Work Advisory Committee and the RAB as we develop and implement new activities for the MTW Demonstration.

## SECTION II GENERAL HOUSING AUTHORITY OPERATING INFORMATION

### Housing Stock Information

#### Number of Public Housing Units at Beginning of Plan Year

Prior to a number of recent disposition and conversion applications VHA had 575 units in its Public Housing inventory. Beginning in 2008 VHA began to seek alternatives to continuing these properties as a response to inadequate Public Housing program funding which resulted in significant unmet long-term capital needs. VHA determined that disposition was the best course of action and in late 2008 the first disposition application was submitted for the sale of 89 scattered single family units. These units were identified as being the most costly to maintain due to their size and scattered locations. The next project identified for disposition was a 100 unit elderly high-rise. This property had a significant amount of unmet capital need and also required improvements to better serve the elderly and disabled population. This disposition application was approved in 2010 and the VHA obtained replacement housing in the form of Section 8 vouchers which were project-based at the site. In 2011 VHA submitted disposition applications for the remainder of the 575 public housing units. One application was for 84 units in small developments (duplexes and triplexes) that due to their age and scattered location the sale of which was the best course. The plan for the remaining two projects was that VHA would project-base vouchers after disposition assuring that the residents could for the most part remain in their homes and the increase in revenue from the voucher subsidy would be able to meet the capital and operating needs of the properties. These last two disposition applications were stalled when HUD changed the parameters for approval and as an alternative VHA submitted applications for conversion of these units under the new Rental Assistance Demonstration (RAD). Both applications were initially approved for RAD conversion but one, Skyline Crest, is still pending and HUD suggested VHA submit an application for voluntary conversion as well for this property which was completed in 2013.

The earlier draft of this Annual Plan anticipated that VHA would have no physical units remaining for 2014 but would retain 273 units under the Faircloth limit for potential new Public Housing development. However delays in both the approved RAD conversion and delayed approval of either the RAD or Voluntary Conversion applications for Skyline Crest means that VHA will begin 2014 with 302 Public Housing units. VHA still optimistically anticipates these units will be converted by year end.

#### Planned Significant Capital Expenditures

Planned capital expenditures for 2014 are not finalized due to pending conversion under RAD. Once conversion is completed HUD will no longer provide funding for capital

improvements and any remaining funds will be placed in reserve accounts for the converted projects.

### **New Public Housing Units Planned for 2014**

VHA is continuing to seek development opportunities that would allow for replacement Public Housing units. Also under consideration is placement of Public Housing units in existing unsubsidized units owned by VHA, newly purchased properties, or in existing or newly developed properties owned by local non-profits or Low Income Housing Tax Credit (LIHTC) partnerships. VHA is currently applying to place Public Housing units at Lincoln Place, a planned 30 unit permanent housing project for chronically homeless individuals and operated under the Housing First model. This project addresses a major need identified under the Clark County 10-year Plan the End Homelessness. If all approvals are met, construction should start in late 2014 with completion about 12 months later.

### **Public Housing Units to be removed from Inventory**

In earlier drafts of this Plan it was anticipated that conversion of Public Housing under RAD or Voluntary Conversion would have been completed by 2014. However delays in the approved RAD conversions of 122 and 30 units have occurred and conversion is not expected to happen now until later in 2014. The remaining 150 units of VHA's original portfolio of Public Housing, Skyline Crest, is still pending approval under RAD or the application for Voluntary Conversion. It is hoped that this issue is resolved soon and Skyline Crest can be removed from the public Housing inventory.

### **Number of MTW Housing Choice Vouchers Authorized**

VHA currently has 2169 Housing Choice Vouchers (HCV) funded under the MTW Annual Contributions Contract (ACC)

### **Number of non-MTW Housing Choice Vouchers Authorized**

VHA is authorized for 255 special purpose vouchers that are not part of the MTW demonstration. These include 75 Mainstream vouchers designated for persons with disabilities, 100 Veteran's Affairs Supportive Housing (VASH) tenant-based vouchers and 30 VASH project-based vouchers for homeless veterans, and 50 Family Unification Program (FUP) vouchers. In some cases VHA is utilizing MTW activities with these vouchers as agreed to with HUD and Veteran's Affairs.

In addition to the vouchers funded directly to the VHA from HUD, VHA administers about 390 vouchers that ported to Clark County from other jurisdictions and where VHA bills the initial Housing Authority. MTW activities are utilized with these vouchers.

**Number of Housing Choice Vouchers to be Project-Based**

VHA currently has 215 Project-Based Vouchers under contract in 4 properties. This includes 98 PBV awarded as part of a Public Housing disposition action and 30 VASH PBV. VHA is planning the placement of 8 PBV in the proposed First Street project in 2014. In addition VHA plans to utilize another 30 PBV as part of the conversion of Public Housing under RAD. Under RAD the subsidy for 30 units of Public Housing will be transferred to another project where the relatively lower subsidy will be more appropriate. The 30 formally Public Housing units, known as Fruit Valley, will have replacement housing in the form of PBV from current VHA stock for current Public Housing residents and will offer future vacant units in the open market.

*Figure 1: Project-Based Voucher Properties*

COMMUNITY	PBV UNITS	TOTAL UNITS	DETAIL
Camas Ridge	8	51	Mixed Income Development
Van Vista Plaza	98	98	Previously Public Housing
Vista Court	76	76	New Elderly Project
Central Park Place	30	124	VASH PBV
First Street Project	8	152	Planned Mixed Income Development

**Planned Leasing Information**

**Anticipated Number of MTW Public Housing Units to be Leased**

VHA anticipates that the RAD conversion of 152 units will be completed in early 2014 leaving 150 Public Housing under lease. These units may also be converted under RAD or under the Voluntary Conversion and/or disposition application before the end of the Plan year.

**Anticipated Number of Non-MTW Public Housing Units to be leased**

All of VHA’s Public Housing stock is part of the MTW demonstration.

**Anticipated Number of MTW Housing Choice Vouchers to be leased**

VHA is currently planning for a lease-up rate of between 88 and 90 percent, or about 1900 vouchers during the 2014 fiscal year. This estimate assumes funding levels at the current rates under sequestration carrying over into 2014 with continuing resolutions rather than a new 2014 Federal budget. Should the funding amounts improve, then VHA will lease vouchers at a rate supported by the new amounts of funding.

### **Anticipated Number of Non-MTW Housing Choice Vouchers to be leased**

About 220 Non-MTW vouchers are expected to under lease each month for a utilization rate of 95%. That breaks down to approximately 72 Mainstream, 95 VASH and 47 FUP vouchers leased per month.

### **Anticipated Issues Relating to Leasing**

Other than the lowered funding expected driving reduced utilization, no significant issues related to leasing are anticipated for 2014.

### **Number of Project-Based Vouchers In-use**

VHA anticipates a lease rate of 98% or better for the 215 PBV currently under contract (This includes the 30 VASH PBV not part of the MTW ACC).

## **Waiting List Information**

### **Anticipated Changes in Waiting lists**

The only major anticipated change in the waiting lists is the creation of new lists for projects converted under RAD. Placement on these two site-based lists will be first offered to current applicants on the Public Housing waiting lists for these projects as required under the RAD implementation in Notice PIH 2012-32.

### **Anticipated Changes in the Number of Families on the Waiting Lists**

Due to the freeze in issuing new vouchers necessitated by the sequestration, VHA does not anticipate opening the HCV list in 2014. The list currently has 1635 applicants. Should we start issuing vouchers in 2014 either to main utilization levels necessitated by sequestration or due to new additional funding we still do not anticipate the number of applicants on the list to go below 1200.

**SECTION III  
NON-MTW RELATED HOUSING AUTHORITY INFORMATION**

**Planned Sources and Uses of other HUD or other Federal Funds**

Detail on anticipated HUD and other Federal funds received by VHA but are not part of the MTW demonstration are detailed in the following table. Fund sources include Section 8 New Construction projects and their rental income, a Shelter Plus Care program, grants for ROSS and FSS Service Coordinators, and non-MTW vouchers.

*Figure 2: Planned Sources and Uses of other Federal Funds*

<b>Sources</b>	
Rental Income	1,289,552
HUD and Other Grants	3,517,675
Other Revenue	1,038,777
Investment Income	39,734
<b>Total</b>	<b>5,885,738</b>
<b>Uses</b>	
Administrative Expenses	2,847,550
Maintenance	252,950
Utilities	226,350
Insurance and other Expenses	131,760
Housing Assistance Payments	1,730,985
Interest Expense	50,332
Capital Expenditures	207,500
Less Principle & Reserve Contributions	568,512
Transfers To (From) Reserves	(207,500)
<b>Total</b>	<b>5,808,439</b>
<b>Net Income (Deficit)</b>	<b>77,299</b>

**Non-MTW Activities Proposed by the Housing Authority**

New projects undertaken in 2014 may include rehabilitation of Pinewood, and renovation of Orchards and the SafeChoice Shelter. These are all transitional housing facilities owned by VHA and are not federally subsidized. Columbia House, a 150 unit elderly building under the Section 8 New Construction program, is also planned to undergo renovation.

## SECTION IV LONG-TERM MOVING TO WORK PLAN

### **Our Mission**

The mission of the Vancouver Housing Authority is to provide opportunities to people who experience barriers to housing because of income, disability or special needs in an environment which preserves personal dignity and in a manner which maintains the public trust. In carrying out its mission, the VHA is committed to: expanding housing access; providing services to our residents; managing a healthy and balanced housing portfolio; and maintaining fiscal stability and excellence in management and operations.

As a Moving to Work Agency, VHA utilizes the opportunity and funding flexibility to design and test innovative, locally-designed housing and self-sufficiency strategies that support our mission and meet our long-term commitments. We value this designation and fully support the MTW objectives of increased resident self sufficiency, cost effectiveness, and housing choice.

### **Expanding Housing Access**

VHA will expand access to affordable housing within Clark County to meet current and emerging low income community needs either through VHA ownership and/or development, or in conjunction with other developers of low income housing. Strategies to meet this goal include: Increasing housing options through new housing development in underserved areas of Clark County, Providing housing for under-served populations and those with special needs and creating housing options through partnerships and innovative programming.

### **Resident Services**

VHA will work with community partners to foster and support self-sufficiency for workable individuals; supportive service for the elderly and disabled; and activities that positively impact generational poverty and result in increase employment and/or independence for populations served. Strategies include: Expanding work readiness and employment support availability to increase resident self sufficiency, Investigating programming that supports independence of seniors and other vulnerable adults and expanding linkages with community social and educational partners to encourage school success.

### **Portfolio Management**

VHA will provide decent, safe, sanitary, and well maintained housing for low income families. Construction date, fiscal health, income generation, and projected capital improvements will all be considered in the maintenance of a healthy and balanced

portfolio. Strategies for maintaining the portfolio include: Managing the portfolio to ensure fiscal viability, enhancing our ability to secure private funding to improve capital needs management and increasing VHA's capital funding flexibility to allow for fiscally sound property improvements.

### **Fiscal Stability**

VHA will be fiscally sound with diverse income and programming that supports long term fiscal sustainability. A balanced budget of revenue and expenses will be maintained recognizing the use of reserve funds as appropriate. Fiscal measurements will consider federal program budgets, existing unit sustainability, and future housing development. Strategies for maintaining fiscal stability include: Exploring ways to increase revenue, reducing development costs and monitoring operations to ensure the most effective use of resources given our current and projected fiscal climate.

### **Operations**

VHA will promote respect for clients and employees, and excellence in management and operations. VHA will succeed in forming and maintaining cooperative and respectful working relationships with the public, neighborhood, and community organizations and other units of local government. Strategies include: Ensuring operations are efficient, effective, and reflective of organizational resources and goals, ensuring that employment law and HR best practice compliances are being met and encouraging an innovative and effective workforce.

## SECTION V

### PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

#### Activity 2014-01: Modified FSS Escrow Calculation

##### Description

This proposed activity is to modify the way escrow is calculated in the Section 8 Family Self-Sufficiency Program (FSS). The current method was developed well over 20 years ago when the primary purpose of the program was for participants to get off welfare. Today this method results in escrow amounts that may do little to motivate many potential participants who may be already working or in some cases provides too much reward for minimal achievement. VHA's proposed method under MTW has two parts. The first is to continue with a monthly deposit to a participants escrow account when they have increased earned income that results in a Total Tenant Payment (TTP) over the baseline set when they join FSS. However the baseline will be a fixed amount set at \$450 for all new participants regardless of their income rather than the current practice of setting it at the TTP of their most recent eligible reexamination.

The second part of the proposed method is for VHA to pay a specific amount to a participant's escrow account based on specific achievements. Some of these "pay points" would result in an immediate deposit to the escrow account while others would not be calculated and paid until a successful program graduation. The proposed pay points are listed below:

1. Complete 50% of required core GOALS\* classes in first 12 months (24 months if working/school full time) = \$500
2. Complete entire GOALS curriculum = \$500
3. Employment obtained at a minimum of 20 hours per week in industry specified in ITSP = \$500
4. Maintain employment (calculated at end of contract)
  - a. At least 32 hours per week for 6 consecutive months =\$500; or
  - b. At least 32 hours per week for 12 months or more =\$1,000
5. Increased credit score(one only, calculated at end of contract)
  - a. To 550 = \$300
  - b. To 600 = \$350
  - c. To 650 = \$400
  - d. To 700+ = \$500
6. Complete educational goal (one only, calculated at end of contract)
  - a. GED = \$150
  - b. Post-Secondary Certification (minimum 6 months) =\$250
  - c. AA degree = \$500

- d. BA degree or higher \$750
- 7. Established savings account with \$500 minimum for 12 months = \$500
- 8. Complete all ITSP goals and graduate prior to contract end date = \$750
- 9. Purchase a home= \$1,000 (available at closing of home loan)

The maximum allowable that a participant may earn under pay points is \$6,000. There is no limit set on the amount a participant may earn under the increased earned income part of the escrow calculation. Under this new system FSS participants would only be eligible for one interim withdrawal from their escrow account during their program participation. This new methodology will only apply to new program participants starting January 1, 2014 or later. Existing program participants will continue with their current contracts and escrow calculation.

\*GOALS, Gaining Opportunities at Lifelong Success, is a series of classes, workshops and other resources centered on six essential pieces of maintaining self-sufficiency: Motivation and Inspiration, Education and Training, Employment, Financial Management, Health and Wellness, and Personal Relationships.

### **Relation to Statutory Objectives**

This proposed activity will provide incentives to families with children to obtain employment and become economically self-sufficient.

### **Impact on Statutory Objectives**

VHA anticipates this activity will result in an increase in the number of Section 8 households participating in FSS and an increase in the number of program graduates achieving self-sufficiency and leaving the Section 8 program.

### **Metrics and Data Collection**

Metrics will include the following Standard HUD Metrics for self-sufficiency activities :

- The average earned income of participants in this program. The baseline is \$8939 annually and the benchmark will be \$10,000 after one year.
- The average amount in escrow accounts for all HCV FSS participants. The baseline is \$1467 and the benchmark will be \$2000 after one year.
- The increase in positive outcomes in employment status. The baselines are 39% employed full-time, 18% employed part-time, 18% enrolled in educational program, 53% enrolled in job training program, and 37% unemployed. The benchmarks after one year are 50% employed full-time, 22% employed part-time, 23% enrolled in educational program, 58% enrolled in job training program, and 32% unemployed.
- The number of households receiving TANF assistance. The baseline is 4 households or 5% of HCV FSS participants and the benchmark will be 3 households or 4% of HCV FSS participants.

- The number of households receiving services aimed to increase self-sufficiency (number active in HCV FSS program). The baseline is 84 and the benchmark will be 100 after two years.
- The number of households transitioning to self-sufficiency upon graduation from FSS. The baseline will be 5 annually and the benchmark will be 8 annually after three years.

In addition to these standard metrics VHA has established the following optional metrics:

- The number of new participants enrolling in the HCV FSS program compared to previous years. The baseline will be 32 and the benchmark will be 50 after two years.
- The average earned income of all HCV FSS participants. The baseline will be \$9752 and the benchmark will be \$12,000 after three years.

Data will be collected from periodic reports from the VHA housing programs database.

### **Authorizations**

This activity is authorized under Section E of Attachment C to the Amended and Restated Agreement.

## **Activity 2014-02: Utility Allowance in HCV Program will be the lesser of Unit Size or Voucher Size**

### **Description**

This proposed activity is to change the current calculation of tenant rent and housing assistance in the HCV program for those households that have chosen to rent a unit with more bedrooms than the number assigned on their voucher under the VHA subsidy standards. In these cases the utility allowance used will be based on the lesser of the unit bedroom size or voucher bedroom size. Currently a significant number of HCV households choose larger units. When they do, and the gross rent is still below the payment standard for their voucher size, the VHA pays a higher amount of housing assistance due to the HCV program requirement that the utility allowance for the unit bedroom size be used in the calculation of assistance. This has the effect of the household receiving a larger subsidy that they would have received if they had chosen a unit with the same number of bedrooms as their voucher.

### **Relation to Statutory Objectives**

This activity will reduce costs and achieve greater cost effectiveness.

### **Impact on Statutory Objectives**

VHA anticipates an annual savings in excess of \$50,000 when fully implemented.

### **Metrics and Data Collection**

Metrics will include the following Standard HUD Metric for cost effectiveness:

- Decrease in HAP cost due to this activity. The baseline will be \$55,294 which is the estimated cost for 2013 attributable to the use of utility allowances for the actual unit size in over-housed HCV households. The benchmark will be \$5,000 after one year which assumes some over-housed households will retain their larger allowance due to a hardship.

In addition to the standard metric VHA has established the following optional metrics:

- The number of over-housed households. The baseline is 740 and the benchmark will be 720 after two years.
- The percentage of HCV households that are over-housed. The baseline is 29.55% and the benchmark will be 28.75% after two years.

Data will be collected from periodic reports from the VHA housing programs database.

### **Authorizations**

This activity is authorized under Section D. 2.a. of Attachment C of the Amended and Restated Agreement.

### **Additional Information for Rent Reform Activities**

This Board approval and public hearing requirements for a rent reform activity are the same as the approval and hearing for the 2014 Plan as a whole.

The VHA has performed an impact analysis and has determined that approximately 225 HCV households will be impacted by this activity with an average decrease in housing assistance of \$21.00 per month. These households were identified by determining which households were over-housed and calculating a new HAP amount utilizing the low utility allowance. Of 740 over-housed households 30%, or 225, had current HAP amounts that would be reduced under this policy. The other 70% are in units where the contract rent is high enough that a reduced utility allowance has not effect on the HAP. There is no indication that any members of any protected class are more likely to be impacted by this activity.

Under the transition plan VHA will provide at least a 90 day notice of the estimated change in subsidy to those households we anticipate will be impacted. The change will go into effect at the households next required reexamination. This will provide time for these households to opt for moving to a less expensive unit if they choose to do so.

Impacted household may request a hardship exemption under the terms of the existing hardship policy for MTW rent reform activities. A copy of the hardship policy with this activity added can be found in Appendix D.

## **Activity 2014-03: Local Non-Traditional Rent Subsidy Program**

### **Description**

This proposed activity is to use the local non-traditional flexibility to fund a replacement for an expiring Washington State funded program in three local properties. The funding allows the properties to maintain some rents affordable for extremely low-income families below 30% of Area Median Income (AMI). The amount funded will be up to \$36,000 annually divided between Anthem Park, Esther Short and Mill Creek properties based on the number of residents renting units with rent lowered under the previous program. Currently Anthem Park has 3 residents at or below 30% of AMI whose rent was “bought down” to 30% of 30% of AMI. Esther Short has 4 residents and Mill Creek has 6 whose rent has been bought down to this level. Once one of these residents moves from the unit the buy down subsidy will end for that unit and the property may raise the rent for the next resident and no further subsidy will be available for that unit or resident under this activity.

All three properties are under the Low Income Housing Tax Credit (LIHTC) program and as such perform income eligibility at least annually on all residents. Management will provide VHA with verification of income eligibility and other information for these families receiving this benefit so that VHA can complete required reporting to HUD. A Memorandum of Understanding (MOU) will be made between VHA and the participating properties detailing each party’s responsibilities.

VHA was made aware of this expiring fund and the need for alternative funding by a resident of Mill Creek during the public comment period for the MTW Plan.

VHA acknowledges that the length of time this funding will be available is dependent upon VHA remaining under an MTW Agreement (currently through 2018).

### **Relation to Statutory Objectives**

This activity will result in increased housing choice.

### **Impact on Statutory Objectives**

VHA anticipates that this activity will allow a number of extremely low and very low-income families to maintain their current housing.

### **Metrics and Data Collection**

Metrics will be the following Standard HUD Metrics for housing choice:

- The number of housing units preserved for households below 80% of AMI due to this activity. The baseline will be zero and the benchmark will be 12 after one year.
- The number of households that would lose housing assistance absent this activity. The baseline will be 12 and the benchmark will be no reduction after one year.

Data will be collected from periodic reports from the VHA housing programs database.

### **Authorizations**

This activity is authorized under Attachment C, Section B. 1., and Attachment D of the Amended and Restated Agreement.

## SECTION VI

### ONGOING MTW ACTIVITIES: APPROVAL PREVIOUSLY GRANTED

The following MTW activities are carrying over from previous years. With the implementation of the minimum income rent reform in 2013, a number of MTW activities were determined to be redundant or no longer necessary. This includes the community involvement requirement (2010-01), the imputed income for households voluntarily dropping TANF to avoid work requirements (2009-02) and the limited utility allowance payments (2009-09). In addition the Project-Based Vouchers tied to services activity (2008-01) has been significantly modified and now utilizing tenant-based vouchers among other changes. Because of this the several waivers to PBV regulations in that activity have been moved and consolidated under activity 2011-04. Other changes include new requirements and a scholarship program at Skyline Crest Campus of Learners (2010-02), expanding activity 2011-01 to include PBV as well as Public Housing for new developments.

The VHA is not currently planning to contract for any outside evaluations of these ongoing activities in 2014.

#### **Activity 2013-01: Minimum Income Rent Reform**

This activity utilizes a minimum income when calculating rent for any HCV or Public Housing household that contains one or more work-able family members. Work-able is defined as an adult under the age of 62 who is not disabled, a dependent, or a full-time caretaker for a disabled household member. The minimum income is \$9000 annually for each work-able family member. For example a household with one work-able member has a minimum income of \$9000; a household with two workable members has a minimum income of \$18,000, and so on. If the household's actual annual income as determined under the program regulations falls below the minimum, tenant rent and housing assistance is calculated using the minimum. If the household's actual income is greater than the minimum, the actual income is used and the minimum income will not be a factor. A household subject to the minimum still has any deductions they might be eligible for under HUD regulations (as modified by VHA MTW policy) deducted from the minimum income as part of the rent calculation.

#### **Plan Year First Identified and Implemented**

This activity was proposed and approved for the 2013 VHA fiscal year. Implementation began in January 2013 with outreach to impacted residents regarding the policy and the procedures for hardship exemptions. The new rents were effective June 1, 2013.

### **Update on Status of Activity**

The activity is fully implemented and ongoing. As this plan is being drafted only about 25% of the 513 impacted households are using their short-term hardship waiver/transition period. The remaining households are paying the new rents based on the minimum income. Five additional households were granted long-term exemptions under the hardship policy.

### **Anticipated Changes, Modifications, or Additions**

VHA is considering a change the definition of work-able from “an adult under the age of 62 who is not disabled, a dependent, or a full-time caretaker for a disabled household member” to “an adult under the age of 65 who is not disabled, a dependent, or a full-time caretaker for a disabled household member”. If it is decided to move forward with this change this activity will be resubmitted for approval as a new activity in an amendment to the 2014 Plan or a new activity in the 2015 Plan.

### **Activity 2013-02: School Stability Subsidy Program**

This proposed activity uses funding received under MTW for a pilot subsidy program in partnership with Family Resource Centers (FRC) at selected local schools. The FRC will select families to receive the subsidy when they determine that the assistance is needed in order to prevent a child’s family from having to relocate due to financial reasons. The subsidy allows the family to remain in the school’s district providing needed stability for the student.

To be eligibility the family’s income must be below 50% of the Area Median Income and the assistance must be used within the school district. The family must be participating in ongoing case management provided by the FRC and have a student identified by the FRC as needing the educational stability that remaining in the same school would provide. The subsidy is a flat amount of \$400 and is limited to 36 months per family. The subsidy may be in the form of a housing assistance payment to a landlord or a payment toward a mortgage.

### **Plan Year First Identified and Implemented**

This activity was proposed and approved under an amendment to the 2013 Annual MTW Plan. Implementation will begin with the start of the 2013/2014 school year.

### **Update on Status of Activity**

This activity was approved on July 30, 2013.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for this activity for 2014.

## **Activity 2013-03: Shelter and Transitional Housing Facilities Support**

This activity is to use funding received under MTW for a pilot subsidy program in partnership with local agencies operating shelter or transitional housing programs. VHA will provide funds for improvements to the facilities that are required to maintain or expand transitional housing and shelter space for homeless low-income households.

### **Plan Year First Identified and Implemented**

This activity was proposed and approved under an amendment to the 2013 Annual MTW Plan. Implementation will occur in the fall of 2013.

### **Update on Status of Activity**

This activity was approved on July 30, 2013.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for this activity for 2014.

## **Activity 2013-05: Health Advocate Training Program**

This is a part of a training program to be made available to up to 12 current HCV or Public Housing residents. Selected residents receive 6-month on-the-job training to become a Health Advocate. A Health Advocate is a new class of health worker that functions as a health navigator, community worker and health coach combined. VHA is partnering with Peace Health and will provide up to \$7000 per resident toward the cost of the program. Other funding comes from the Washington State Workforce Training and Educational Training Board. Some of the cost to the VHA is offset by the resident through the completion of a reexamination including the new earned income at the start of the program. The resulting decrease in housing assistance partially funds VHA's contribution. The flexibility under the MTW single fund budget as well as authority to waive the income exclusion that would normally apply to State or local employment training programs requires that this program be considered an MTW activity.

### **Plan Year First Identified and Implemented**

This activity was proposed and approved under an amendment to the 2013 Annual MTW Plan.

### **Update on Status of Activity**

**Implementation of this activity began in August 2013 with the selection of 12 residents. The residents have begun attending Clark College as the first phase of their training.**

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for this activity for 2014.

### **Activity 2012-01: Multi-Disciplinary Team Pilot Project - CSSR**

Community Supported Self Reliance (CSSR) is a pilot project where housing assistance along with intensive wrap around services are made available through partnering agencies to very-low income clients with multiple barriers to self-reliance. The 16 participants initially selected for the pilot project are provided a Housing Choice Voucher with a time-limit of five and a half years (66 months). In addition to the regular HCV program obligations, participants are required to actively participate in their approved self-reliance plans developed with their assigned case manager from a partnering agency; failure to do so results in expulsion from the program. Participants facing expulsion may file a grievance with the project's Review Board. If the expulsion is upheld by the Review Board, the participant will be considered to be in violation of their HCV family obligations and will be terminated from the HCV program. Participants facing termination of housing assistance will have an opportunity for an HCV informal hearing.

In addition to access to a housing voucher participants in this program, and their case managers, will have access to the expertise and resources provided by members of the Project Team and the Review Board. Participants will also participate in a VHA sponsored Self-Sufficiency program.

### **Plan Year First Identified and Implemented**

This activity was proposed and approved for the 2012 VHA fiscal year. Implementation began in January 2012.

### **Update on Status of Activity**

Participants are almost all showing improvement in their self-sufficiency scoring, and with a couple of exceptions due to relapse are on track to meet three-year benchmarks in 2015.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for this activity for 2014.

### **Activity 2012-02: Commitment of MTW Funds for Leveraging in the Creation of Affordable Housing**

VHA is committing up to \$2,000,000 in MTW funds for the development of additional affordable housing in Clark County Washington. The re-programmed funds will be used to leverage additional investment funds in amounts far greater than the MTW funds.

Development activities may include site acquisition, substantial rehabilitation of existing housing, and the development of new units.

### **Plan Year First Identified and Implemented**

This activity was first proposed in an amendment to the VHA 2012 MTW Annual Plan.

### **Update on Status of Activity**

This activity was expected to be first utilized for the 1<sup>st</sup> Street project. Currently the funding plan for that project is not finalized but the amount committed to that project is now expected to be reduced. Other development opportunities are under consideration and may utilize this activity if warranted.

### **Anticipated Changes, Modifications, or Additions**

There are no changes planned for this activity for 2014.

## **Activity 2012-03: Home-Sharing in Housing Choice Voucher Program**

Home-Sharing is a variation on the shared housing option permitted under special housing types under the regulations for the HCV program. However in this case the vouchers are set aside and designated for use in shared housing only. Currently 21 vouchers are set aside for this activity. Applicants issued a Home-Sharing Voucher (HSV) will only be able to use their voucher for shared housing. A separate waiting list with no local preferences is utilized for Home-Sharing.

Income eligibility at intake is set at 30% of Area Median Income (AMI). In addition to the standard HCV briefing, new participants are provided information about roommate matching services and other resources applicable to locating shared housing. Home-Sharing Vouchers are tenant-based so participants will be allowed to move with continued assistance to another shared housing unit provided they are in compliance with their lease and family obligations.

The HSV payment standard is set at 33% of the HCV three bedroom payment standard regardless of the actual number of bedrooms in the property within which the HSV participants unit is located and any prorated amount of the contract rent if applicable. This policy allows participants to rent units being offered by homeowners and others for a fixed amount, and equips participants with the knowledge of their subsidy amount prior to their housing search. In addition portability is not allowed in the HSV program.

Inspection standards are the same as other MTW vouchers except as modified by Shared Housing standards under 24 CFR § 982.618.

### **Plan Year First Identified and Implemented**

This activity was first proposed in an amendment to the VHA 2012 MTW Annual Plan. Implementation was suspended due to the decision to freeze issuing new Vouchers as part of VHA strategy to cope with sequestration.

### **Update on Status of Activity**

As noted above this activity is suspending until such time as funding allows issuing new vouchers.

### **Anticipated Changes, Modifications, or Additions**

VHA is considering using single fund flexibility to partially fund a room-mate matching service as part of this activity if funding allows implementation in 2014. Any VHA provided funding for the service would be matched by a grant from the City of Vancouver.

## **Activity 2012-04: Short-Term Rental Assistance**

This activity utilizes MTW funds to provide a rental subsidy to a third party entity (a partnering agency) who will manage intake and administration of the program. VHA plans an initial funding amount of up to \$200,000 for this activity. VHA will seek Board approval before increasing this amount and for annual renewal.

The intent of this project is to provide families in Clark County the opportunity to manage short-term budget shortfalls by assisting them with time-limited housing assistance administered through partner agencies. VHA plans to partner with up to four local agencies. These agencies will be selected based on their experience administering short-term rental assistance like HUDs Homeless Prevention and Rapid Re-Housing Program, or similar efforts, and their ability to provide matching funds for the program.

For the purpose of this project short-term rental assistance will be considered assistance that lasts less than 18 months. This includes temporary assistance with rent payments, and eviction prevention assistance in order to obtain or remain in housing, including up to six months of arrears. Partners have the discretion to determine how to structure the rental subsidy so that rental assistance may be used to cover all or just a portion of a program participant's monthly rent.

Partner agencies will be required to match funds provided by the VHA on a 1:1 basis. Match could include funds used to staff or administer the program, and funds used for short-term rental assistance. Eight percent of VHA funds will be allowable for program administrative costs.

The target population is residents of Clark County who are either very recently experiencing homelessness or are at imminent risk of homelessness will qualify for

assistance. Rental assistance must be utilized within Clark County. Households must be at or below 50 percent of AMI and be in need of temporary assistance to end or prevent homelessness, but who have the capacity to maintain stable housing upon the conclusion of the assistance. To be considered at imminent risk of homelessness, the following conditions must be met: eviction, or utility termination is imminent; the household has an inability to make required payments due to a sudden reduction in income; the assistance is necessary to avoid eviction or termination of services; and there is a reasonable prospect that the family will be able to resume payment within a reasonable period of time.

**Plan Year First Identified and Implemented**

This activity was first proposed in an amendment to the VHA 2012 MTW Annual Plan. Implementation began in January 2013.

**Update on Status of Activity**

This activity is under way and is being managed by Impact NW.

**Anticipated Changes, Modifications, or Additions**

VHA hopes to be able to expand this activity to additional agencies and populations in 2014.

**Activity 2011-01: Minimum Rent and/or Income Limits for New Public Housing Units**

VHA will be continuing to seek opportunities to replace Public Housing units that were previously removed under a disposition plan. When developing replacement Public Housing units VHA plans to set a minimum rent and/or a minimum income limit for applicants to the new project. The minimum rent would be higher than the one currently allowed under regulation. The minimum income would still be well below the very-low income limit at 50% of Area Median Income (AMI). The actual minimum rent and/or income limit will depend on the requirements of any new project.

**Plan Year First Identified and Implemented**

This activity was approved for the 2011 Plan year.

**Update on Status of Activity**

This has not been implemented to date as there have not been any opportunities for replacement Public Housing units.

**Anticipated Changes, Modifications, or Additions**

There are no changes to this activity planned for 2014.

### **Activity 2011-03: Floating Units in PBV Programs**

This activity allows the subsidized units to “float” or change in a project under contract in the PBV program when, for example, a new tenant needs a different size unit or when a tenant no longer requires the subsidy but wants to remain in-place.

#### **Plan Year First Identified and Implemented**

This activity was approved and implemented in 2011.

#### **Update on Status of Activity**

This activity has been concluded in 2013 due to the conversion from PBV to tenant-based vouchers being utilized for activity 2008-01. The remaining PBV projects do not require floating units as those units are not time-limited.

#### **Anticipated Changes, Modifications, or Additions**

This activity has ended and is not expected to be reactivated in 2014 or later.

### **Activity 2011-04: Up to 50% of Units in a Project may be PBV Units**

This activity allows the VHA to designate up to 50% of the units in a project to be PBV units. This would apply only in those projects not already exempt from the 25% cap such as projects designated for the elderly and/or disabled. In addition VHA will allow up to 100% of the units to be PBV units in former Public Housing projects disposed of under approved disposition plans.

#### **Plan Year First Identified and Implemented**

The activity was proposed and approved in the 2011 MTW Annual Plan.

#### **Update on Status of Activity**

To date this authority has not been used.

#### **Anticipated Changes, Modifications, or Additions**

There are no changes anticipated to be made to this activity in 2014.

### **Activity 2011-05: VHA Staff to Perform HQS and Rent Reasonableness on VHA Owned Properties.**

This MTW activity allows the VHA to have Section 8 HCV department staff perform HQS inspections and determine rent reasonableness for units owned by the VHA or owned by an entity substantially controlled by the VHA such as a tax credit property. This authority creates substantial savings compared to what the VHA was being charged by contracted inspectors.

**Plan Year First Identified and Implemented**

This activity was approved and implemented in 2011.

**Update on Status of Activity**

This activity will be ongoing throughout the 2014 plan year.

**Anticipated Changes, Modifications, or Additions**

There are no anticipated changes, modifications, or additions planned for 2014.

**Activity 2010-01: Community Involvement and Educational Opportunity Initiative**

This activity requires that work-able adults in the Housing Choice Voucher program perform community service or self-sufficiency activities if they are not working at least 25 hours per week or already enrolled in a self-sufficiency program. Together with the existing requirement for Public Housing residents, this provides an opportunity for new experience, personal growth and self-enrichment for all recipients of subsidized housing through VHA who are able to, but not currently, working.

**Plan Year First Identified and Implemented**

This activity was identified in the VHA 2010 Annual Plan and implementation began being phased in as participants had their annual eligibility reviews in 2010.

**Update on Status of Activity**

This activity was concluded in 2013 and will not be enforced in 2014 except for those participants who still have deficit hours to make up under agreements made with the VHA.

**Anticipated Changes, Modifications, or Additions**

This activity was ended in June 2013 when the new minimum income rent reform took effect. It was determined that this activity might take away time participants could be spending securing new income sources such as employment and it also allows VHA to redirect staffing toward employment related services in support of rent reform.

## **Activity 2010-02: Skyline Crest Campus of Learners**

The Skyline Crest Campus of Learners is a partnership between VHA and the residents of Skyline Crest; VHA's largest Public Housing Property. VHA provides children and young adults' resources and activities through the community center and families develop and commit to success plans centered on their child's school attendance and community involvement.

### **Plan Year First Identified and Implemented**

This activity was identified in the VHA 2010 Annual Plan and was implemented beginning that year.

### **Update on Status of Activity**

The transition of Skyline Crest to the Campus of Learners was completed in 2011. The activity is ongoing.

### **Anticipated Changes, Modifications, or Additions**

Skyline Crest currently has applications pending approval under RAD, Disposition & Voluntary Conversion; however this will have little effect with regard to this activity as under any approved application vouchers will be project-based with tenant rent remaining at 30% of adjusted income. Other changes planned for 2014 include a lease revision that will include new requirements to tighten school attendance and a new VHA funded scholarship program. VHA will provide tenants and resident organizations at least 30 days notice of any proposed lease revision providing an opportunity for written comments. VHA will consider any comments received during this period before adopting the new lease for the Campus of Learners.

## **Activity 2010-04: Waiting List Preference for Applicants without Housing Subsidy**

This activity creates a local preference in the VHA Housing Choice Voucher and Public Housing waiting lists for applicants not already receiving subsidized housing. As a MTW activity it waives the requirement that a local waiting list preference in the Housing Choice Voucher program not be denied for a Public Housing resident.

### **Plan Year First Identified and Implemented**

This activity was identified in the VHA 2010 Annual Plan and was implemented at the beginning of 2010

### **Update on Status of Activity**

Currently the local preference is in place and the waiting lists are ranked accordingly.

**Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

**Activity 2009-02: Imputed TANF Income for Voluntary Grant Closures**

VHA imputes a full TANF grant for participants who voluntarily close their grants rather than face sanction due their failure to comply with the work activities program or fraud. This extends the current HUD policy on imputing TANF income and closes a loophole where participants were able to get a lower rent after violating the requirements of an agency working in close partnership with the VHA.

**Plan Year First Identified and Implemented**

This activity was identified in the VHA FY 2009 Annual Plan and was implemented beginning January 1, 2009.

**Update on Status of Activity**

This activity has been eliminated.

**Anticipated Changes, Modifications, or Additions**

This activity has been dropped because the minimum income rent reform activity that went into effect on June 1, 2013 made it obsolete. Households that would have been required to have imputed income under this activity are in all likelihood to have an even higher income under the new minimum income MTW activity.

**Activity 2009-03: No Verification of Assets Less Than \$5000**

VHA does not obtain a verification of a reported asset if the reported value is less than \$5000. This MTW activity saves VHA significant administrative funds by eliminating verifications on the vast majority of assets and any income from those assets that has little or no effect on housing subsidy and/or tenant rent.

**Plan Year First Identified and Implemented**

This activity was identified in the VHA FY 2009 Annual Plan and was implemented beginning January 1, 2009.

**Update on Status of Activity**

This activity will be ongoing in 2014.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

### **Activity 2009-06: Alternate Required HQS Inspection Schedule**

VHA performs a Housing Quality Inspection (HQS) inspection prior to approving a new lease in the Housing Choice Voucher program and then performs subsequent inspections every-other-year unless one is requested by the owner or tenant.

### **Plan Year First Identified and Implemented**

Although VHA first identified a proposed alternate inspection schedule for the HCV program in the FY 2007 it was not implemented that year and was redesigned and identified again in an amendment to the FY 2009 Plan. The activity was implemented on January 1, 2010.

### **Update on Status of Activity**

This activity is ongoing.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes to be made in 2014 other than an adjustment to the benchmarks under the metrics.

### **Activity 2009-08: Simplified Utility Allowance Schedule**

VHA utilizes a simplified utility allowance schedule in the Housing Choice Voucher program that simplifies rent calculations, particularly for participants prior to leasing, and encourages reduced energy consumption.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning September 24, 2009.

### **Update on Status of Activity**

This activity is ongoing.

### **Anticipated Changes, Modifications, or Additions**

VHA is planning to change the metrics for this activity in order to capture the savings achieved rather than the current metrics around unit selection by participants.

## **Activity 2009-09: Limited Utility Allowance Payments**

For both Public Housing and the Voucher program, tenants whose rent calculation results in a negative rent (also known as a Utility Allowance Payment or UAP) are only allowed to receive the payment for six months unless a hardship exception is granted.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning October 1, 2009.

### **Update on Status of Activity**

This activity will likely be concluded in 2014.

### **Anticipated Changes, Modifications, or Additions**

The number of households impacted by this activity has dropped due to the implementation of the minimum income rent reform activity. For this reason VHA is planning to drop this activity for the HCV program. The activity will continue under Public housing (a much higher percentage of households are impacted under Public housing compared to HCV) until the conversion under RAD is completed.

## **Activity 2009-10: Replacement of Medical Expense Deduction**

Under this activity the VHA has eliminated individual calculation and verification of medical expenses for Elderly and Disabled designated families, replacing the deduction with an Elderly/Disabled deduction increased to \$700.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning November 5, 2009.

### **Update on Status of Activity**

This activity is ongoing.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

## **Activity 2009-11: 40% Maximum Family Share Expanded to Ongoing Tenancy**

VHA has taken the 40% maximum family share normally applied at contract approval in the Housing Choice Voucher program and expanded it to subsequent reexaminations as well. If, at a reexamination, the rent calculation results in a family share greater than 40% of the family's adjusted monthly income, the family is required to reduce their share to less than 40% through an increase in income or a move to a less expensive unit within one year, or they may receive an exemption through participation in a self-sufficiency program or the hardship policy.

**Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning September 1, 2009.

**Update on Status of Activity**

This activity was concluded in 2013.

**Anticipated Changes, Modifications, or Additions**

This activity was dropped due to it not meeting benchmarks and because of the high administrative costs associated with tracking and the required moves.

**Activity 2009-13: Next Required Reexamination 12 Months after Interim**

This MTW activity provides that the next required reexamination (AKA Annual Review) will be rescheduled to at least 12 months after the effective date of an interim reexamination. This policy reduces the overall number of reexaminations required each year.

**Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning October 1, 2009.

**Update on Status of Activity**

The activity is ongoing for both Public Housing and Housing Choice Voucher programs.

**Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

**Activity 2009-15: Owners Restricted to Annual Rent Increases**

Under this MTW policy owners in the Housing Choice Voucher program are restricted to a single rent increase each year.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning September 1, 2009.

### **Update on Status of Activity**

This activity is ongoing.

### **Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

## **Activity 2009-16: Renter Education Required for Applicants**

Under this activity new applicants for Public Housing and the Housing Choice Voucher program must complete a rent education course prior to being offered a unit or voucher when they reach the top of the waiting list. Exemptions can be made for disability related or other issues. The course covers topics including money management and credit, landlord/tenant rights and responsibilities, how to be a good renter, and how to find landlords that will rent to you. Applicants who complete the course receive a certificate of completion that is recognized by many landlords in the community and can substitute for good credit and references in tenant screening policies.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning September 1, 2009.

### **Update on Status of Activity**

This activity is ongoing, however there has not been many courses offered due to the suspension of new leasing activity in the HCV program due to funding reductions under the sequester.

### **Anticipated Changes, Modifications, or Additions**

VHA contracted with a difference agency to provide the course in 2013. No other changes are anticipated for 2014.

## **Activity 2009-19: No Waiting List for Assisted Living Facility**

This MTW activity allows for tenant selection to be made by the assisted living administration rather than utilizing a waiting list. This allows for the unique needs of the assisted living population and their need for services.

### **Plan Year First Identified and Implemented**

This activity was identified in an amendment to the VHA FY 2009 Annual Plan and was implemented beginning August 25, 2009. It was later modified in 2011 when the facility was disposed under Public Housing and converted to Project-Based Vouchers.

**Update on Status of Activity**

This activity is ongoing.

**Anticipated Changes, Modifications, or Additions**

There are no changes planned for 2014.

**Activity 2008-01: Housing Assistance Tied to Services**

This activity partners with other community organizations in order to provide housing assistance tied to case management and other services. Tenant selection may be done by the partner so that appropriate clients they have already identified can be readily served. The partnering agency may also place time limits on assistance.

**Plan Year First Identified and Implemented**

This activity was first identified in the VHA FY 2008 Annual Plan and implemented on May 28, 2008.

**Update on Status of Activity**

This activity is ongoing.

**Anticipated Changes, Modifications, or Additions**

This activity was changed from PBV to HCV in 2013 as part of a revision to the activity. This change was made because of the sale of two of the properties under PBV contracts and because it was felt that tenant-based vouchers would serve the client better due to changes in family size etc.

**Activity 2007-02: Alternate Required Reexamination Schedule**

In 2010 moved from a biennial schedule for required reexaminations in Public Housing and the HCV program to one where families on fixed income have a reexamination of eligibility every three years and other families return to the annual schedule. The families on the three year schedule will have rent and assistance recalculated using the current payment standard and utility allowance schedules as applicable and the COLA published by the Social Security Administration (if any) during years that they do not have a full reexamination.

**Plan Year First Identified and Implemented**

This activity was identified in the FY 2007 Annual Plan and implemented on January 1, 2008. The schedule was modified and described in an amendment to the FY 2009 Plan and the new schedule of triennial reexamination for fixed income families and annual reexaminations for all others was implemented on January 1, 2010.

**Update on Status of Activity**

This activity will be ongoing in 2014.

**Anticipated Changes, Modifications, or Additions**

There are no anticipated changes planned for 2014.

**Activity 1999-08: No Flat Rent Option in Public Housing**

VHA used authority under the MTW demonstration to not implement the flat rent option in Public Housing. The option of a flat rent rather than the income based one benefits higher income tenants, allowing them to use a resource that VHA believes should remain available for the lowest income applicants. VHA uses a ceiling rent and restricts tenants to the ceiling rent for one year. In this way the higher income tenant move on to other housing available in the community making the Public Housing unit with its deep subsidy available to new applicants.

**Plan Year First Identified and Implemented**

VHA's rent policy for the MTW demonstration was first identified in the 1999 agreement, implemented that year, and did not contain a flat rent policy.

**Update on Status of Activity**

This activity will likely end prior to the 2014 fiscal year.

**Anticipated Changes, Modifications, or Additions**

This activity is expected to end with the conversion of the VHA's remaining Public Housing under the RAD demonstration.

**Activity 1999-09: No Earned Income Disallowance in Public Housing**

VHA has opted to not offer an Earned Income Disallowance (EID) in Public Housing. Under an earlier MTW activity all families were given an escrow account when they had increased earnings; escrow accounts are still available under the FSS program. VHA has concluded that building an asset is preferred to a temporary rent reduction and continues to not offer an EID to encourage participation in FSS and to eliminate the administrative burden of tracking various disallowance periods.

**Plan Year First Identified and Implemented**

VHA's rent policy for the MTW demonstration was first identified in the 1999 agreement, implemented that year, and did not contain an earned income disallowance.

**Update on Status of Activity**

This policy is expected to end in 2013 with the conversion of all remaining VHA Public Housing under RAD.

**Anticipated Changes, Modifications, or Additions**

Should VHA develop new Public Housing this activity may be reactivated.

**Figure 3: Summary of Previously Approved MTW activities**

<b>Activities designed to reduce cost and achieve greater cost effectiveness</b>		
<b>Number</b>	<b>Activity</b>	<b>Status in 2014</b>
2011-05	VHA to perform HQS and rent reasonable on VHA owned properties	Ongoing
2011-03	Units allowed to “float” in certain Project-Based Voucher projects	Concluded
2010-04	Waiting list preference for applicants without subsidized housing	Ongoing
2009-03	Verification of assets limited to those declared greater than \$5000	Ongoing
2009-06	Alternate required inspection schedule in HCV program	Ongoing
2009-10	Replacement of medical expense deduction	Ongoing
2009-13	Reset of required reexamination schedule after interim review	Ongoing
2009-15	Limit contract rent increases in the HCV program to one per year	Ongoing
2007-02	Alternate required reexamination schedule	Ongoing
1999-08	Public Housing rent income based only, no flat rent option	Concluded
1999-09	No earned income disallowance in Public Housing	Concluded
<b>Activities designed to provide incentive toward self-sufficiency</b>		
<b>Number</b>	<b>Activity</b>	<b>Status in 2014</b>
2013-05	Health advocate training program	Ongoing
2013-01	Minimum income rent reform	Ongoing with Modification
2012-01	Community Supported Self Reliance	Ongoing
2010-01	Community involvement and educational Opportunity initiative	Concluded
2010-02	Skyline Crest Campus of Learners	Ongoing with Modification
2009-02	Imputed TANF income for voluntary grant closures	Concluded
2009-09	Limited utility allowance payments	Concluded
2009-11	40% maximum family share for ongoing tenancy in HCV program	Concluded
2009-16	Renter education program required for applicants	Ongoing
<b>Activities designed to increase housing choice</b>		
<b>Number</b>	<b>Activity</b>	<b>Status in 2014</b>
2013-02	School Stability Subsidy Program	Ongoing
2013-03	Shelter and transitional housing facilities support	Ongoing
2012-04	Short Term Rental Assistance	Ongoing
2012-03	Home-Sharing program	Pending Implementation
2012-02	Use of funds for creation of affordable housing	Pending Implementation
2011-01	Minimum rent and/or income limits for new Public Housing units	Pending Implementation
2011-04	Up to 50% of units may be PBV in a Project	Ongoing
2009-08	Simplified utility allowance schedule in HCV program	Ongoing with Modification
2009-19	Special waiting list for assisted living program	Ongoing
2008-01	Housing assistance matched with case management services	Ongoing with Modification

## SECTION VII SOURCES AND USES OF MTW FUNDS

### Planned Sources and Uses of MTW Funds

Figure 4 contains the detail of anticipated sources and uses of the funds received for MTW programs.

**Figure 4: Sources and Uses of MTW Funds**

	Low Rent Public Housing	Capital Fund Program	Housing Choice Vouchers	Total MTW Funds
<b>Sources</b>				
Rental Income	666,678	-	-	666,678
HUD and Other Grants	709,843	419,883	12,410,770	13,540,496
Other Revenue	3,500	46,654	3,738,826	3,788,980
Investment Income	129,577	-	3,000	132,577
<b>Total</b>	<b>1,509,598</b>	<b>466,537</b>	<b>16,152,596</b>	<b>18,128,731</b>
<b>Uses</b>				
Administrative Expenses	809,712	115,847	2,143,902	3,069,461
Maintenance	141,750	-	8,000	149,750
Utilities	184,750	-	-	184,750
Insurance and other Expenses	425,628	-	4,034	429,662
Housing Assistance Payments	-	-	14,645,650	14,645,650
Interest Expense	150	-	-	150
Capital Expenditures	-	352,041	41,600	393,641
Less Principle & Reserve Contributions	8,700	-	-	-
Transfers To (From) Reserves	-	-	(700,000)	(700,000)
<b>Total</b>	<b>1,570,690</b>	<b>467,888</b>	<b>16,143,186</b>	<b>18,181,764</b>
<b>Net Income (Deficit)</b>	<b>(61,092)</b>	<b>(1,351)</b>	<b>9,410</b>	<b>(53,033)</b>

### Planned Sources and Uses of State & Local Funds

Figure 5 contains detail of the planned sources and uses of State and local funds.

**Figure 5: Sources and Uses of State or Local Funds**

<b>Sources</b>	
Rental Income	16,000,178
HUD and Other Grants	527,858
Other Revenue	4,158,163
Investment Income	2,730,355
<b>Total</b>	<b>23,416,554</b>
<b>Uses</b>	
Administrative Expenses	6,807,631
Maintenance	1,620,798
Utilities	1,585,713
Insurance and other Expenses	2,418,506
Housing Assistance Payments	492,770
Interest Expense	7,768,712
Capital Expenditures	712,650
Less Principle & Reserve Contributions	2,554,703
Transfers To (From) Reserves	(647,650)
<b>Total</b>	<b>23,313,832</b>
<b>Net Income (Deficit)</b>	<b>102,722</b>

## Planned Sources and Uses of the COCC

VHA utilizes the State and local fund, detailed in the previous table, as permitted under Asset Management in the Public Housing program for the Central Office Cost Center.

## Cost Allocation or Fee-for-Service

VHA began using a fee-for-service approach in 2011 to pay for indirect administrative expenses. Administrative fees are established by HUD for Low Rent Public Housing, Housing Choice Vouchers and Capital Fund programs. Where such fees are not present, VHA has established rates in compliance with OMB Circular A-87 and the 1937 Act.

## Planned Use of Single-Fund Flexibility

VHA will continue to use single-fund flexibility amongst all three Federal programs of Housing Choice Voucher (HCV), Capital Fund Program and Low Rent Public Housing. This use will include support of the VHA’s Work Opportunity Program, the Rise and Stars Community Center, and other MTW related programs such as the rent education classes and community service programs.

Single fund flexibility will also be used to fund recently proposed MTW activities allowing for use of funds outside of Section 8 and Section 9 of the 1937 Housing Act. These include the use of fund for leveraging funding for new development, the Home-Sharing program, and for Short-Term Rental assistance.

## Reserve Balances and Planned Uses

The following table shows calendar year 2014 projected MTW reserve balances and planned uses.

**Figure 6: Reserve Balances and Planned Uses**

<b>September 30, 2013 Balance</b>	960,193
Oct-Dec 2013 projected S8 operating cost transfers	(329,262)
<b>December 31, 2013 projected balance</b>	630,931
2014 budgeted Section 8 operating cost transfers	(180,000)
2014 budgeted MTW operating cost transfers	(410,000)
First Street remaining commitment	(10,000)
Orchard Glen commitment	(10,000)
Pinewood commitment	(10,000)
Homeless shelters commitment	(10,000)
<b>December 31, 2014 projected balance</b>	931

## SECTION VIII ADMINISTRATIVE

### **Resolution Adopting the Annual Plan Certification of Compliance**

The VHA Board of Commissioners approved a resolution adopting the Moving to Work 2014 Annual Plan on September 25, 2013. Copies of the Resolution and the Certification of Compliance are included in Appendix A.

### **Agency Directed Evaluations**

VHA contracted with a consultant to perform a quality control assessment utilizing SEMAP measures modified for changes made under MTW. The first assessment was completed in July 2013 with the agency receiving the equivalent of a high performer score. A second evaluation is scheduled for 2014. No additional agency directed evaluations other than the annual evaluation of metrics and benchmarks for individual MTW activities are planned for 2014.

APPENDIX A  
BOARD RESOLUTION AND CERTIFICATION

HOUSING AUTHORITY OF THE CITY OF VANCOUVER

CLARK COUNTY WASHINGTON

RESOLUTION NO. 3021

RESOLUTION TO APPROVE THE MOVING TO WORK ANNUAL PLAN  
FOR FISCAL YEAR 2014

**WHEREAS**, the Housing Authority of the City of Vancouver has entered into various contracts with the United States of America pertaining to the Housing Act of 1937, as amended; and

**WHEREAS**, the Department of Housing and Urban Development and the Housing Authority of the City of Vancouver have entered into a Moving to Work Demonstration Agreement as amended and restated on March 26, 2008; and

**WHEREAS**, the Moving to Work Agreement with the Department of Housing and Urban Development requires the submission of a Annual MTW Plan; and

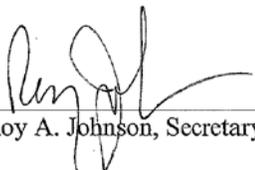
**WHEREAS**, the Annual Plan for Fiscal Year 2014 has been prepared and made available for public comment for thirty days and a public hearing was held on September 5, 2013.

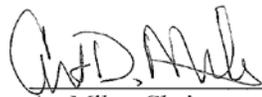
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Vancouver Housing Authority that:

1. The Board of Commissioners approves the 2014 Moving to Work Annual Plan and authorizes the Executive Director to complete the Plan documents and submit the Plan to the Department of Housing and Urban Development, and to revise VHA policy to reflect the proposals in the Plan once HUD approval is obtained.
2. The Board of Commissioners certifies that the Public Hearing Requirement has been met and authorized the Chair of the Board to execute the attached Certifications of Compliance.

ADOPTED by the majority of members of the Board of Commissioners and signed by me in open session in authentication of its passage this 25<sup>th</sup> day of September 2013.

ATTEST:

  
\_\_\_\_\_  
Roy A. Johnson, Secretary-Treasurer

  
\_\_\_\_\_  
Art Miles, Chair

OMB Control Number: 2577-0216  
Expiration Date: 12/31/2011

**Annual Moving to Work Plan  
Certifications of Compliance**

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

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

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning January 1, 2014, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA and conducted a public hearing to discuss the Plan and invited public comment.
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
4. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
7. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

Attachment B

1

OMB Control Number: 2577-0216  
Expiration Date: 12/31/2011

16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).

17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Vancouver Housing Authority  
PHA Name

WA008  
PHA Number/HA Code

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

Art Miles  
Name of Authorized Official

Chair  
Title

Art Miles  
Signature

September 25/2013  
Date

## APPENDIX B PUBLIC PROCESS AND PUBLIC COMMENTS

The 2014 VHA Annual MTW Plan was developed over the course of several months. As the Plan was being developed VHA consulted with our Moving to Work Committee and our Resident Advisory Board (RAB). Their feedback was considered as the Plan was finalized.

The Plan was made available for public comment on August 5, 2013 and a public hearing was scheduled for September 5, 2013. Notification was placed in the Columbian, the local newspaper, and made available on our website. In addition information about the Plan and notice of the Public Hearing was published in our tenant newsletter which is mailed to over 2900 HCV and Public Housing households.

Four written comments were received and our included in this appendix. Two letters are general letters of support and contain no specific comments regarding elements of the Plan. An email comment was made suggesting that VHA allow people to receive benefits while going to school. Another letter was received with a large number of specific comments. VHA considered these comments and made some clarifications to the Plan as a result. Two people attended the Public Hearing but had no comments regarding the Plan.

The following table contains comments received and VHA's response.

Comment:	Response:
The VHA should allow people to receive benefits if they either work or go to school at least part time.	The VHA has no restrictions on participants going to school. In most cases financial aid is excluded from counting as income when calculating assistance. In addition dependents, which can include adult family members attending school, are exempt from VHA minimum income rent reform.
Our office must first preface its substantive comments by expressing our dismay that VHA has not provided adequate information about the details of its proposed activities to elicit meaningful input from its residents, RAB, and community-stakeholders.	VHA respectfully disagrees. VHA maintains both a RAB and an MTW Advisory Committee that were informed of VHA proposals and provided feedback in a number of meetings. In fact one MTW activity was suggested by a RAB member.
VHA is proposing twenty-one (21) MTW and non-MTW activities; except for two of these activities, VHA's plan documents mostly contain vague descriptions that do little to assist readers in understanding the particulars and attendant impact of the activities.	VHA is proposing three new MTW activities. Commenter is counting at least eight MTW activities that either have or will be ending as "new" in addition to a number of minor changes to other existing activities. In addition to the Plan itself, VHA has repeatedly responded to a number of questions and requests for clarification from the commenter.
VHA's diversion of MTW funds may impact its	VHA is not diverting MTW funds. We are, as part of

Comment:	Response:
ability to maintain the number and value of existing subsidies.	the demonstration, using flexibility to utilize funding in new ways in support of the MTW objectives while serving substantially the same number of families as we would absent the demonstration.
VHA should demonstrate that its proposed use of funds is a valid exercise of its authority and will not jeopardize housing availability or strain limited community resources.	VHA believes the MTW requirements, including both the Annual Plan and Report, and the required HUD approval, does demonstrate this.
VHA's proposed Skyline Crest initiative seeks to create new conditions of occupancy, the non-compliance of which could result in the termination of housing assistance.	VHA has not completed any proposed lease change at this point, only noted in the Plan that we are considering one for 2014. It is not our intent to terminate housing assistance for participating families.
Thus, we are troubled that VHA is again not offering the proposed lease language in advance of seeking RAB and community support and HUD approval for its proposed initiative.	As noted in the Plan, VHA will be providing any proposed lease changes to both residents and resident groups for a 30-day comment period as required under 24 CFR § 966.3.
We believe that the proposed model reflects VHA's misunderstanding of its role in having a FSS program by improperly favoring higher-income residents over low-income residents.	VHA respectfully disagrees and believes the commenter has some misunderstandings regarding the FSS program, including an assumption that participants maintain static income throughout their participation.
As described, VHA's proposed TTP of \$450 undoubtedly makes it harder for lower income tenants to yield as much benefit as higher-income tenants.	This part of the proposed change does made it harder for certain participants to obtain escrow deposits when minimally employed, but those same participants are also more likely to forfeit that escrow when their participation ends without graduation. The proposed change also provides a number of payments available for achievements important for achieving self-sufficiency regardless of income.
VHA has not demonstrated either a compelling basis or the authority for such a disparate approach. Nor has VHA shown that such an approach will not have a discriminatory impact against persons of color, women, or families with children.	VHA respectfully disagrees. We believe our proposed change to escrow will have a positive impact on all new FSS participants. Past impact analyses, most recently in 2012, do not show any significant concentrations of any protected class within the narrow income range (no income to very low-income) among work-able families who might be impacted by a change to the voluntary FSS program.
It is also not clear how VHA can afford increased escrow expenditures in light of its previous claims that it cannot afford supportive services for residents impacted by	VHA is does not expect any significant expenditure increases due to this rule for several years and believes the long term costs will be offset by higher graduation rates in the program. Escrow deposits,

Comment:	Response:
its imputed minimum income rule.	payouts, and graduation rates are all metrics for the activity. Should the costs become unreasonable VHA has the option of ending the activity.
What is more, VHA's proposal seems to be driven more by narrow and cynical views of the efforts and achievements of low-income tenants than on empirical data.	This appears to be more an ad hominem attack rather than a constructive comment.
In creating the FSS program, Congress expressed its intent to assist families to overcome the need for welfare and public housing assistance. The primary objective of the FSS program, which remains extant, is: [" .]to reduce the dependency of low-income families on welfare assistance and on Section 8, public, or any Federal, State, or local rent or homeownership subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency ....	This comment ignores the impact of welfare reform on the families we serve and the resulting focus on reducing dependency on housing assistance rather than welfare which, for better or worse, has already been substantially reduced. The conventional escrow calculation has also "ignored" the realities of welfare reform as it was developed long before welfare reform began. The VHA proposal is intended to address the fact that many families who previously would have been on welfare are now entering the program with zero income and many more are working jobs that are currently insufficient, but would have paid the rents of twenty years ago when this objective was written.
We believe that VHA should offer the same support and reward to all families in accord with the stated objectives of the FSS program. Accordingly, we ask that VHA devise a more equitable escrow model for existing and prospective participants.	VHA believes our proposal is equitable and will provide greater reward, more specifically targeted to achievement, to all new FSS participants.
Additionally, we ask that VHA provide certain pay points in advance to ensure the realization of a stated goal. For instance, rather than giving a pay point to a tenant for obtaining a GED, VHA could offer funding for materials or day-care services necessary for the tenant to get the GED. We also ask that VHA permit escrow withdrawals as may be necessary to meet stated goals.	As stated, the purpose of the pay points is to reward achievements. There are already many resources available to help participants along the way. In addition VHA will permit an early escrow withdrawal in certain circumstances.
According to VHA's description of impact, it appears that at least 225 households will be negatively impacted by this change. Some of these households, many of who are disabled, will face a rent increase of more than one hundred dollars.	Correct, but the impact will be an average reduction in HAP of only \$21.00, in many cases a reduction in a UAP payment rather than a rent increase. Only eight households face a change over one hundred dollars and these are all larger households, with an average income of \$27,000,

Comment:	Response:
	<p>who currently have a rent burden of 30% that after the change will still average only 36% despite their choice of a unit larger than their voucher.</p>
<p>We believe that VHA should not apply this rules change to current participants until those participants elect to move out of their current units. It is unreasonable for VHA to permit tenants to choose units with more bedrooms than they have been approved for, provide a subsidy based on the larger unit size then, in mid-stream, change the rules so that low-income families will either have to move at their own expense or face increased housing costs that potentially place them in the excessively rent-burdened category. VHA has created the existing situation and should not expect low-income families to bear the costs of reversing it.</p>	<p>VHA did not permit or create the current situation. It is a result of current program regulation and changing it will not result in households becoming "excessively" rent burdened as the change only affects households whose gross rent is below the payment standard.</p>
<p>If VHA does proceed with this change as it is proposed, VHA should mitigate the inevitable harm by 1) providing relocation assistance to families who must move due to this rule change, and 2) gradually phasing in any decrease in subsidy that results in a family paying more than thirty percent (30%) of her adjusted income in rent and utilities.</p>	<p>VHA does not agree that either relocation assistance or phased increases are necessary in this case. It should be noted that utility allowances are based in part on an assumed number of family members for the unit size. Many of the affected households are likely currently receiving an allowance they don't even need due to their lower consumption as an over-housed family.</p>
<p>Mitigation of harm is particularly important as VHA's current Voucher subsidies are inadequate to keep families from being overly rent burdened. This is due to low payment standards and a "simplified" MTW utility allowance schedule that ignores the actual costs of all utilities and that most subsidized housing families rent homes that are not energy efficient. Thus, although VHA may be paying a slightly higher subsidy than it would under the proposed change, it is not paying more than those households should be receiving.</p>	<p>This statement is unfounded. VHA's payment standards are thoroughly evaluated each year taking into account the local rents and vacancy rates, rent burdens, unit quality and leasing success. Currently some bedroom sizes are set at 100% of the FMR. By their nature all program utility allowances ignore a household's actual costs. VHA's MTW allowance is based on regular program allowances which in turn are based on current local rates and are calculated to be adequate for an energy conservative household.</p>
<p>VHA is proposing new conditions for occupancy at its Skyline Crest campus. We believe this is a new activity that exceeds the scope of the initial "Campus of Learners" initiative approved by HUD and thus disagree with VHA that HUD approval and public</p>	<p>As the commenter has pointed out, she has not seen the proposed changes, so how can she determine it is a new activity? The change the VHA is considering involves additional reporting and follow up requirements for parents when a child is having attendance issues. The change will be in</p>

Comment:	Response:
process are not necessary at this stage.	the form of a new lease or lease addendum and will be made available for public comment prior to implementation.
The Proposal is Unlawful and Unrelated to MTW Statutory Objectives.	This conclusion is unfounded.
<p>In response to our office's inquiry seeking clarification of this proposal, David indicated that VHA is proposing to discontinue its practice of requiring households to join its Family Self-Sufficiency (FSS) program to keep receiving UAPs after six months. Further, VHA intends to make the change to the Section 8 Voucher (S8V) program effective October 1, 2013, but will continue its current practice in the Public Housing (PH) program.</p> <p>If this is what VHA is proposing, it should revise its Annual Plan to make this clear.</p>	<p>This activity never required households to join FSS. Rather it was intended as an incentive to get households to join by allowing them to continue to receive UAP payments if they participated in a self-sufficiency program. Few households did join and most that did showed little incentive to participate beyond the minimum requirements. For this reason, and the fact that the minimum income rent reform has moved many households out of eligibility for a UAP, VHA is ending the activity. The issue of timing has to do with conversion of Public Housing under RAD which was scheduled for October 1, 2013 and is now expected to occur November 1, 2013 for some units. The proposed effective date for Public Housing to coincide with conversion is simply to avoid additional administrative cost.</p>
<p>Our office has not been provided with sufficient information to offer educated comments about this proposal. Of obvious concern, however, is 1) how the proposal will meet MTW statutory objectives, 2) why VHA is seeking to engage in an activity that it acknowledges will mean that wait-list applicants will remain longer on a multi-year waitlist, and 3) how and why VHA determined that newly developed public housing units will be offered to a "target population" rather than wait-list applicants or current public housing residents who are being forced to accept vouchers that provide less than a "one-for-one" subsidy replacement (as had been promised under VHA's public housing disposition and conversion proposal documents). We ask that VHA fully consider these questions before embarking on any new public housing development with Voucher funds.</p>	<p>The proposed blended subsidy activity this comment refers to has been removed from the plan.</p>
<p>We cannot support VHA's proposal to increase the scope of impact on low-income families. VHA has not demonstrated a rational basis for increasing the definition of "workable" from</p>	<p>VHA's proposed change to the definition of workable is simply in keeping with the facts of a longer living population and later retirements.</p>

Comment:	Response:
<p>age 62 to 65, nor has it demonstrated how this will meet MTW statutory objectives. We do not believe that requiring an elderly tenant to increase his/her income to overcome an arbitrary income threshold will result in sustained economic independence and movement off the subsidized housing program.</p>	

**David Overbay**

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**From:** Alex Shapovalov [REDACTED]  
**Sent:** Friday, September 06, 2013 7:40 PM  
**To:** David Overbay  
**Subject:** Comments on 2014 Moving to Work Plan

Hello.

I would like to comment on the Moving to Work Plan. The plan obviously has a good objective - to encourage people to move forward toward financial independence. Every workable adult should have a goal to become financially independent and to be able to support his/her own family. But the best way to do it is not to just find some job. The best approach is to get education and then to find a good job. Of course not all people are inclined toward learning and getting education. But there are people in our community who do, and the Moving to Work Plan should support that.

When a person gets higher education he/she can find a much higher paying job. It would allow him/her to become truly financially independent and even to support our community through taxation or other means. Established nationwide programs like Food stamps or Medicaid have measures which allow people to receive benefits if they either work or go to school at least half time.

I propose that the Moving to Work Plan would use the best practices of these programs and include a similar measure. It would allow some category of people like youth or immigrants to get an education, even if they did not have such an opportunity before, and then find a good job and fully support themselves and give back to our community. In a long term it would be much more effective than just requiring all people to quickly find a job.

Thanks.  
 Alex Shapovalov.



Northwest Justice Project

**RECEIVED** 500 W. 8<sup>th</sup> Street, Suite 275  
 Vancouver, WA 98660  
 Tel. (360) 693-6130  
 Fax (360) 693-6352

SEP 10 2013

Vancouver Housing Authority Executive Department Toll Free 1-888-201-1020  
 www.nwjustice.org

César E. Torres  
 Executive Director

September 5, 2013

**VIA EMAIL AND FIRST CLASS MAIL**

Roy Johnson  
 Executive Director  
 Vancouver Housing Authority  
 2500 Main Street, Suite 200  
 Vancouver, WA 98660-2697

Re: MTW Annual Plan Amendment, FY 2012

Dear Mr. Johnson:

I am writing to share our office’s comments on the proposed Moving to Work (MTW) Annual Plan Amendment for Fiscal Year 2014. Please share these comments with VHA’s Board of Commissioners before it is asked to approve the Annual Plan.

**COMMENTS**

Our office must first preface its substantive comments by expressing our dismay that VHA has not provided adequate information about the details of its proposed activities to elicit meaningful input from its residents, RAB, and community-stakeholders. VHA is proposing twenty-one (21) MTW and non-MTW activities; except for two of these activities, VHA’s plan documents mostly contain vague descriptions that do little to assist readers in understanding the particulars and attendant impact of the activities. As we have indicated in the past, we believe that this practice falls short of VHA’s obligation to engage in a transparent and public planning process.

Given current funding constraints (e.g., federal sequestration), VHA’s diversion of MTW funds may impact its ability to maintain the number and value of existing subsidies. VHA should demonstrate that its proposed use of funds is a valid exercise of its authority and will not jeopardize housing availability or strain limited community resources.

Additionally, as best as can be gathered, VHA’s proposed Skyline Crest initiative seeks to create new conditions of occupancy, the non-compliance of which could result in the termination of housing assistance. This critical information is noticeably absent in VHA’s plan documents, as is the proposed lease revision itself. And much to our chagrin, VHA has not properly informed Skyline residents of this impending change -- had VHA



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done so, it might have given rise to Skyline residents voicing their opinions to VHA's staff and/or Board through this public process.

This is especially concerning in light of VHA's actions involving its initial Skyline Crest "Campus of Learners" initiative. When it proposed the initiative, VHA did not provide a copy of its proposed lease changes, yet committed to certain safeguards, such as permitting residents one year to opt-out of the initiative and relocate to other public housing units. Following HUD's approval of the initiative, however, VHA issued a lease that eliminated the one-year opt-out provision and contained several provisions in violation of residents' constitutionally protected rights. Equally alarming was that VHA did not abide by HUD regulation 24 CFR § 966.3 that obligates housing authorities to afford public housing residents an opportunity to review and comment on revised leases. It was only after our office intervened on behalf of a Skyline resident that VHA followed the proper protocol for revising the leases. Thus, we are troubled that VHA is again not offering the proposed lease language in advance of seeking RAB and community support and HUD approval for its proposed initiative.

Simply put, ascertaining what is at stake for residents and our community should not be a guessing game or fact-finding mission. We therefore ask that VHA amend its Annual Plan and re-distribute so as to afford residents, the RAB and community stakeholders a more meaningful opportunity to offer input.

### **1. Modified Family Self Sufficiency (FSS) Escrow Calculation**

Though we applaud VHA's FSS team's creativity in designing an escrow model that offers greater incentives than its traditional model, we believe that the proposed model reflects VHA's misunderstanding of its role in having a FSS program by improperly favoring higher-income residents over lower-income residents.

As described, VHA's proposed TTP of \$450 undoubtedly makes it harder for lower-income tenants to yield as much benefit as higher-income tenants (VHA's living wage assumes that a tenant must make at least \$14.72/hour to afford a one-bedroom unit, far more than a tenant gaining her first job or exiting TANF likely will earn). As David explained in his email of September 4, 2013, "a zero or extremely low-income family could potentially earn escrow up to \$6000 utilizing pay points alone, but a family with at least one full-time wage earner would have no specific limit and could potentially leave the program with an escrow account exceeding \$15,000." Furthermore, the proposal prohibits current FSS participants from participating in and reaping the rewards of the new model, purportedly due to administrative convenience.

VHA has not demonstrated either a compelling basis or the authority for such a disparate approach. Nor has VHA shown that such an approach will not have a discriminatory impact against persons of color, women, or families with children. It is also unclear how VHA can afford increased escrow expenditures in light of its previous claims that it cannot afford supportive services for residents impacted by its imputed minimum

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income rule. What is more, VHA's proposal seems to be driven more by narrow and cynical views of the efforts and achievements of low-income tenants than on empirical data.

In creating the FSS program, Congress expressed its intent to assist families to overcome the need for welfare and public housing assistance. The primary objective of the FSS program, which remains extant, is:

[...]to reduce the dependency of low-income families on welfare assistance and on Section 8, public, or any Federal, State, or local rent or homeownership subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency....

24 CFR 984.102. In implementing this Congressional mandate, HUD determined that a proper measure of a FSS program's success will be "not only by the number of families who achieve self-sufficiency, but also by the number of FSS families who, as a result of participation in the program, have family members *who obtain their first job*, or who obtain higher paying jobs; *no longer need benefits received under one or more welfare programs*; obtain a high school diploma or higher education degree; or accomplish similar goals that will assist the family in obtaining economic independence." (emphasis added).

We believe that VHA should offer the same support and reward to all families in accord with the stated objectives of the FSS program. Accordingly, we ask that VHA devise a more equitable escrow model for existing and prospective participants.

Additionally, we ask that VHA provide certain pay points in advance to ensure the realization of a stated goal. For instance, rather than giving a pay point to a tenant for obtaining a GED, VHA could offer funding for materials or day-care services necessary for the tenant to get the GED. We also ask that VHA permit escrow withdrawals as may be necessary to meet stated goals.

## **2. Utility Allowance in HCV Program**

According to VHA's description of impact, it appears that at least 225 households will be negatively impacted by this change. Some of these households, many of who are disabled, will face a rent increase of more than one hundred dollars.

We believe that VHA should not apply this rules change to current participants until those participants *elect* to move out of their current units. It is unreasonable for VHA to permit tenants to choose units with more bedrooms than they have been approved for, provide a subsidy based on the larger unit size then, in mid-stream, change the rules so that low-income families will either have to move at their own expense or face increased housing costs that potentially place them in the excessively rent-burdened category. VHA

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has created the existing situation and should not expect low-income families to bear the costs of reversing it.

If VHA does proceed with this change as it is proposed, VHA should mitigate the inevitable harm by 1) providing relocation assistance to families who must move due to this rule change, and 2) gradually phasing in any decrease in subsidy that results in a family paying more than thirty percent (30%) of her adjusted income in rent and utilities.

Mitigation of harm is particularly important as VHA's current Voucher subsidies are inadequate to keep families from being overly rent burdened. This is due to low payment standards and a "simplified" MTW utility allowance schedule that ignores the actual costs of all utilities and that most subsidized housing families rent homes that are not energy-efficient. Thus, although VHA may be paying a slightly higher subsidy than it would under the proposed change, it is not paying more than those households should be receiving.

### **3. New Lease Requirement for Skyline Crest Residents**

VHA is proposing new conditions for occupancy at its Skyline Crest campus. We believe this is a new activity that exceeds the scope of the initial "Campus of Learners" initiative approved by HUD and thus disagree with VHA that HUD approval and public process are not necessary at this stage.

Although not evidenced in its Annual Plan, VHA has verbally made clear that it proposes to impose new conditions of occupancy that obligate residents to 1) not allow their children to miss more than ten percent (10%) of the school year (presumptively, regardless of any medical condition or other valid circumstance that may warrant such an absence), and 2) to "talk with VHA" when the first condition has not been met. Failure to comply with either condition will result in lease termination. Further, VHA is not permitting Skyline residents the opportunity to opt out of this new initiative and maintain housing assistance.

#### ***a. The Proposal is Unlawful and Unrelated to MTW Statutory Objectives.***

We ask that VHA rescind this proposal as it contravenes several federal and state laws, as well as public policy. First, this condition exceeds the scope of authority granted VHA under Housing Authorities Law, RCW 35.82, *et seq.* As a statutorily created entity, VHA's powers are limited to that conferred upon it by the Washington State Legislature. The Legislature has not specifically empowered VHA to impose such conditions of occupancy, nor could it as those conditions run afoul of a tenant's constitutional right to parent her child.

It is not the role of a housing authority to monitor or control the education decisions of its residents. Washington has developed an adequate framework for ensuring the proper education of children in this state, and does not need VHA to assist in this regard. For instance, Revised Code of Washington (RCW) 28A.225, *et seq.* (aka the "Becca Bill"), provides consequences for unexcused absences, including fines or juvenile detention. It also requires schools to take appropriate steps to work with families to reduce or eliminate

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absences and avoid truancy. Educational and childhood development are best left in the hands of those who are experienced in, and given funding for, such matters.

Notably, and as discussed further below, VHA's proposed conditions impinge on the rights granted to teenagers and their families by the Washington State Legislature, set forth in RCW 28A.225.010(1)(e).

Second, the conditions violate federal and state laws prohibiting unreasonable lease terms. *See* 42 USC 1437(d)(1)(2); RCW 59.18.360. The conditions have no rational relationship to the health, safety, welfare or convenience of tenants or use of dwelling units.

Third, the conditions are likely unenforceable because they are terms of adhesion and are therefore unconscionable. *See Townsend v. Quadrant Corp.*, 153 Wash. App. 870 (2009). Under Washington law, "[w]hether a contract is one of adhesion depends upon an analysis of the following factors: "(1) whether the contract is a standard form printed contract, (2) whether it was prepared by one party and submitted to the other on a take it or leave it basis, and (3) whether there was no true equality of bargaining power between the parties.'" *Id.* (citations omitted). VHA's proposal attempts to take unfair advantage of the imbalance of bargaining power in the landlord-tenant relationship. It essentially requires that low-income parents either yield constitutionally protected child-rearing authority to VHA or become homeless. Such a choice is patently unfair to low-income families who cannot afford to move but who also want to decide by and for themselves, without interference from a landlord inexperienced and unlicensed in educational or childhood development, how to best guide their children to educational success.

Fourth, the proposal represents an impermissible encroachment into the parent-child relationship and a family's right of privacy. It is axiomatic that parents have a fundamental right to direct the education and rearing of their children. *See USCA Const. Amend. 14* (Fourteenth Amendment); *Santosky v. Kramer*, 455 US 475, (1982). VHA has not offered any authority for the proposition that it may condition the provision of basic shelter upon a parent's relinquishment of control over his/her child's education and upbringing.

Fifth, the conditions have no rational relationship to VHA's MTW statutory objectives. A child's academic success may eventually lead to that child's economic independence, but it will not lead to the parents' economic independence. VHA is obligated, under its MTW agreement, to develop initiatives designed to encourage people *who are working or seeking work* gain self-sufficiency – by definition that means the adult members of a given household. VHA's proposed conditions of occupancy offer no encouragement to parents to achieve their educational and employment related goals.

VHA's position on this issue is ironic given its position on its imputed minimum income initiative. Regarding that issue, our office, along with other community stakeholders, asked VHA to provide supportive services to assist residents overcome the various barriers to economic self-sufficiency. VHA steadfastly declined these requests, asserting that its role is to provide "affordable housing", and that it is not "staffed or funded to assume the role of multi-disciplinary case managers." It is thus surprising that VHA

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deems it appropriate for its case-managers to take on the disciplines of education and childhood development. And, as for funding, it likely would have taken no more funding to assist parents further their educational and economic goals than it will for VHA to micro-manage the parenting and education of Skyline Crest children over the next several years. And, increasing administrative costs for tasks wholly unrelated to affordable housing is inconsistent with the MTW statutory objective of decreasing administrative costs.

Furthermore, during the Advisory Committee meeting of August 1, 2013, VHA management mistakenly asserted that Tacoma Housing Authority (THA) has undertaken a similar initiative. THA's Education Project is markedly different. First, its project is voluntary; it was not imposed on public housing tenants who have little choice but to accept a housing authority's intrusion on their right to parent their children if they wish to keep their housing. Second, THA has made abundantly clear that the children are not responsible for the family's shelter. Third, THA's initiative applies only to children in elementary school because THA recognizes that there are more complex considerations to be made when developing an appropriate model for teenagers. VHA's model does not account for the difficulties that parents may encounter, despite their best efforts, in keeping teenagers on a path of academic success. And, VHA's proposal requires more than Washington's truancy laws require, in violation of RCW 28A.225.010(1)(e). VHA has not demonstrated any authority for imposing a greater standard on low-income parents than state law imposes on all parents.

For the above stated reasons, VHA should abandon its coercive social engineering model and focus instead on developing an incentive based model, such as Tacoma Housing Authority's Scholars Incentive Program. Under this model, eighth grade students are enrolled in a college bound program; in exchange, THA provides, among other things, an IDA. Encouraging children through a reward system is far more likely to yield positive results than coercing children and their parents to comply with misguided and subjective standards to avoid the threat of homelessness.

***b. As Described, the Proposed Change Is Otherwise Flawed.***

This proposed initiative poses many unanswered questions. What will happen to tenants who are hailed into VHA's office for a "talk"? Will VHA staff unilaterally and subjectively decide that one parent's efforts are good enough, another parent's efforts are not? Will, for instance, VHA staff insist that a child facing daily bullying at school attend school regardless to avoid violating its arbitrary 10% rule? Will VHA do as it is doing now, coerce parents into "voluntary" plans to address attendance issues based on its subjective determinations of what steps are appropriate. What if that plan fails? How will VHA ensure that its efforts comport with educational and anti-discrimination laws?

Finally, how does VHA anticipate handling the complexities of shared custody arrangements? If a Skyline resident is unable to control whether a co-parent (particularly a perpetrator of domestic violence) who does not reside at Skyline assist their child in complying with VHA's attendance rule, will a family lose its housing as a result?

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**4. Limited Utility Allowance Payments.**

VHA’s written description of its Utility Allowance Payments (UAPs) proposal is:

“Limited Utility Allowance Payments – Ending in Section 8 and in Public Housing once converted under RAD.”

In response to our office’s inquiry seeking clarification of this proposal, David indicated that VHA is proposing to discontinue its practice of requiring households to join its Family Self-Sufficiency (FSS) program to keep receiving UAPs after six months. Further, VHA intends to make the change to the Section 8 Voucher (S8V) program effective October 1, 2013, but will continue its current practice in the Public Housing (PH) program. If this is what VHA is proposing, it should revise its Annual Plan to make this clear.

VHA has not explained why PH families must continue to join its FSS program (which Congress has made clear must be a *voluntary* program) until RAD conversions are complete. We ask that VHA make the change to the PH program effective October 1.

**5. Local Blended Subsidy Program**

Our office has not been provided with sufficient information to offer educated comments about this proposal. Of obvious concern, however, is 1) how the proposal will meet MTW statutory objectives, 2) why VHA is seeking to engage in an activity that it acknowledges will mean that wait-list applicants will remain longer on a multi-year wait-list, and 3) how and why VHA determined that newly developed public housing units will be offered to a “target population” rather than wait-list applicants or current public housing residents who are being forced to accept vouchers that provide less than a “one-for-one” subsidy replacement (as had been promised under VHA’s public housing disposition and conversion proposal documents). We ask that VHA fully consider these questions before embarking on any new public housing development with Voucher funds.

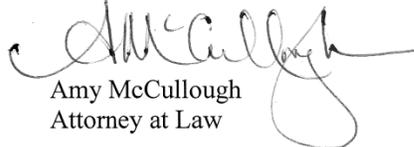
**6. Minimum Income Rent Reform**

We cannot support VHA’s proposal to increase the scope of impact on low-income families. VHA has not demonstrated a rational basis for increasing the definition of “workable” from age 62 to 65, nor has it demonstrated how this will meet MTW statutory objectives. We do not believe that requiring an elderly tenant to increase his/her income to overcome an arbitrary income threshold will result in sustained economic independence and movement off the subsidized housing program.

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Thank you for your consideration of our comments.

Sincerely,



Amy McCullough  
Attorney at Law

cc: cl



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Kevin L. Gillette

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  - Washington State Housing Finance Commission
  - Wells Fargo Home Mortgage

September 3, 2013

To: Roy Johnson  
Executive Director  
Vancouver Housing Authority

Re: Letter of Support – 2014 MTW Plan

Dear Roy,

Please be advised that the Community Housing Resource Center is in full support of Vancouver Housing Authority's 2014 MTW Plan. We look forward to working in partnership with you to ensure the plan and, most importantly, your client's success in moving forward.

Sincerely,

Kevin L. Gillette  
Executive Director

*Our mission is to provide quality financial education and counseling services to our community to ensure financial security, homeownership and housing stability.*



P.O. Box 1209  
Vancouver, WA 98666  
(360) 695-7658  
[www.sharevancouver.org](http://www.sharevancouver.org)

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September 4, 2013

To Whom It May Concern:

This letter is written in support of the Vancouver Housing Authorities (VHA) proposed Moving to Work Activities for 2014. Share has been a long time partner with VHA and we continue to be impressed by their innovation and willingness to try new ideas to aid families and individuals in escaping poverty.

Share, is a private non-profit serving the hungry and the homeless in Clark County. We operate shelters, a supported housing program, street outreach and a variety of programs in response to hunger free of charge to people in need. We are proud of our continued commitment to collaborate with other agencies. For the past several years Share has worked in partnership with VHA to enhance the services that we are able to provide to our clients. Together we strive to end homelessness and poverty in our community.

We are especially excited about the local roommate matching program that VHA is proposing. The idea that a person struggling with being able to support themselves on their own could be matched with either a person on a fixed income or another individual who could not afford the rent by themselves is one that VHA has been exploring for a while. We are thrilled to see this program moved from the contemplative stage to a pilot project. This program seems like viable solution to avoid or escape homelessness.

As an active member of the community we embrace opportunities that truly strive to meet the needs of people living in poverty. We recognize that together our agencies can do more to bring about positive, healthy changes. We hope that the proposed activities will strengthen the Vancouver Housing Authorities ability to serve the community.

Sincerely,

A handwritten signature in blue ink that reads "Diane McWithey". The signature is fluid and cursive, with the first name "Diane" being larger and more prominent than the last name "McWithey".

Diane McWithey, Executive Director

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The mission of Share is to lead the hungry and homeless to self-sufficiency by providing food, shelter, housing, education and compassion through the strength of our community.

## APPENDIX C ADVISORY COMMITTEES

### RESIDENT ADVISORY BOARD

Joy Howard, Chair	Housing Choice Voucher Participant
John Glenn, Vice Chair	Public Housing Resident
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Maudie Jordan	Housing Choice Voucher Participant
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Susan Odenbach	Project-Based Voucher Participant
Stacey Paggett	Housing Choice Voucher Participant
Chris Pazen	Public Housing Resident
Billie Reed	Housing Choice Voucher Participant
Michael Yancy	Housing Choice Voucher Participant

### MOVING TO WORK ADVISORY COMMITTEE

Jennifer Blechschmidt	Vancouver School District
Armetta Burney	Clark College
Debby Dover	Second Step Housing
Karen Evans	Clark County
Kevin Gillette	Community Housing Resource Center
Jeanne Harris	City of Vancouver Councilmember
Kirby Juhola	Washington State Dept. of Social and Health Services
Amy McCullough	Northwest Justice Project
Bridget McLeman	Children's Home Society of Washington
Pete Munroe	Clark County
Amy Reynolds	Share
Peggy Sheehan	City of Vancouver
Andy Silver	Council for the Homeless

## APPENDIX D

### PROPOSED CHANGES TO HARDSHIP POLICY

#### 6-III.B. FINANCIAL HARDSHIPS DUE TO MINIMUM RENT OR RENT REFORM

##### POLICIES UNDER THE MOVING TO WORK DEMONSTRATION

##### [24 CFR 5.630 AND THE AMENDED AND RESTATED MTW AGREEMENT]

#### Overview

If a PHA establishes a minimum rent greater than zero, HUD requires the PHA to grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption from the minimum rent. If the PHA determines that a hardship exists, the TTP is the highest of the remaining components of the family's calculated TTP.

For a PHA in the Moving to Work demonstration, HUD requires the agency to adopt a policy for addressing hardship cases caused by agency established rent reform initiatives.

#### Minimum Rent Financial Hardships

For a financial hardship exemption from minimum rent, HUD defines financial hardship to include the following situations:

1. The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program.
2. The family would be evicted because it is unable to pay the minimum rent.
3. Family income has decreased because of changed family circumstances, including the loss of employment.
4. A death has occurred in the family.

#### VHA Policy

A hardship will be considered to exist under HUD definition number 1 only if the loss of eligibility has an impact on the family's ability to pay minimum rent. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following the implementation of assistance, if approved, or the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

For a family to qualify under HUD definition number 2, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

In order to qualify under HUD definition number 4, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

VHA has not established any additional minimum rent hardship criteria.

## **MTW Rent Reform Financial Hardships**

### VHA Policy

VHA has implemented the following MTW rent reform initiatives and established examples of criteria for a hardship to exist under each initiative:

1. Single Utility Allowance Schedule:
  - The family is facing eviction and/or utility shutoff due to increased housing cost due to the single utility allowance policy.
2. Elimination of deduction for medical expenses:
  - The family is facing eviction and/or utility shutoff due to an increase in tenant rent because of the elimination of the medical expense deduction.
3. Minimum income rent reform:
  - The family is facing eviction and/or utility shutoff due to an increase in tenant rent due to the minimum income.
4. Utility Allowance Lesser of Units size or Voucher Size
  - The family is facing eviction and/or utility shutoff due to increased housing cost due to the lesser of utility allowance policy.

Note that this activity includes a six-month exemption period that the family may choose to use as a transition or due to financial hardship. To use this exemption the family must request it, using the VHA form for that purpose, at least two weeks prior to the period they are requesting that their rent assistance be paid without factoring in the minimum income. Families that are seeking a longer term exemption, or who have exhausted their six-month exemption, may still seek VHA approval of another hardship exemption under the terms in this section. The VHA recognizes that participating families may experience financial hardship outside of the examples provided above. However, hardship exemptions will generally only be approved for financial hardships directly caused by VHA policy initiatives under the MTW demonstration.

## **Hardship Exemption Requests**

### VHA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing using the appropriate VHA form. The request must explain the nature of the hardship and which VHA policy/s the family is requesting to be exempt

from. Persons with disabilities, limited English proficiency, or who do not possess basic literacy skills may request assistance from VHA staff with preparing their request.

Requests will be reviewed to see if the family has actually been impacted by the minimum rent or a MTW rent reform policy. If not, the request will not be accepted and the family will be notified in writing within 5 business days from the receipt of the request.

After acceptance of the exemption request, unless requested not to by the family, the VHA will suspend the minimum rent requirement or relevant MTW policy beginning the first of the month following the family's request. When the minimum rent is suspended, the Total Tenant Payment (TTP) reverts to the highest of the remaining components of the calculated TTP. When a MTW policy is suspended the rent calculation reverts to the calculation without the policy.

## **Determination of Hardship**

### VHA Policy

Hardship requests will be considered by a panel consisting of the VHA Executive Director and two other persons designated by the Executive Director. The panel will make a determination within 30 days of receipt of the request. The family will be given the option to meet with the panel in person if they wish.

The panel may require the family to meet with the panel or with other VHA staff to provide additional information or may require the family to provide additional verification of any factors used in making a determination, such as the family's loss of income, unpaid expenses, notices, etc.

The panel may set conditions the family must meet in order to have the hardship request approved. Conditions may include requiring the family to apply for benefits they may be eligible for, and/or participate in a self-sufficiency program or educational classes offered by the VHA or a partnering agency.

The Panel will determine if a financial hardship exists, whether the hardship is temporary (expected to last 90 days or less) or long-term (expected to last more than 90 days), and the appropriate implementation of a hardship exemption.

## **Implementation of Hardship Exemption Determinations**

### ***No Financial Hardship***

If the VHA determines that no financial hardship exists on a minimum rent exemption request HUD requires that the VHA reinstate the minimum rent effective the date of any

suspension and to require the family to repay any rent owed under the terms and conditions established by the VHA.

#### VHA Policy

If the VHA panel determines there is no financial hardship on an exemption request regarding a MTW initiative, VHA will reinstate any suspended initiative effective back to the date suspended and require the family to repay any amounts owed by the family.

The VHA will require the family to repay any amounts owed under a suspension within 30 calendar days of the notice that a hardship exemption has not been granted.

As the VHA panel is comprised of members from the highest level of the VHA, a decision by the panel regarding a hardship exemption from an MTW initiative is final.

#### ***Temporary Hardship***

If the VHA determines that a qualifying financial hardship is temporary on a minimum rent exemption request, HUD requires the VHA to not impose the minimum rent during the 90-day period beginning the month following the date of the family's request for a hardship exemption. At the end of the 90-day suspension period, HUD requires the VHA to reinstate the minimum rent from the beginning of the suspension. HUD requires the VHA to offer a reasonable repayment agreement, on terms and conditions established by the VHA for the amount of back rent owed by the family.

#### VHA Policy

If the VHA panel determines that a temporary hardship exists on an exemption request regarding a MTW initiative, the panel may determine that no exemption be granted or that a temporary exemption be granted depending on the severity of the hardship and the expected recovery from the hardship.

A temporary exemption may include a decision to suspend a rent increase for a specific period of time, phase in a rent increase over a specific period of time, extend the period of time a family can receive a Utility Allowance Payment, or to provide additional time before a family is required to move to a less expensive rental.

The VHA will enter into a repayment agreement in accordance with the VHA's repayment agreement policy (see Chapter 16) for any amounts determined to be

owed by the family from a suspension made prior to a determination of temporary hardship.

As the VHA panel is comprised of members from the highest level of the VHA, a decision by the panel regarding a hardship exemption from an MTW initiative is final.

### ***Long-Term Hardship***

If the VHA determines that the financial hardship is long-term on a minimum rent exemption request, HUD requires the VHA to exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

#### VHA Policy

If the VHA panel determines that a long-term hardship exists on an exemption request regarding a MTW initiative, the panel will determine that an exemption be granted as long as the hardship continues. Exemptions may include, but are not limited to, requiring VHA staff to calculate the family's rent and assistance according to HUD regulations without one or more MTW rent reform initiatives, requiring that the family's rent be capped at a ceiling amount determined by the panel to be affordable for the family, or an exemption to the relocation requirement under the maximum family share policy be granted.

The hardship period ends when any of the following circumstances apply:

1. At an interim or regular reexamination, the family's income has increased so that the calculated TTP is greater than the minimum rent or adequate to offset the effect of the exempted MTW policy.
2. For hardship conditions based upon hardship-related expenses, the hardship period ends if the family no longer has the expenses.
3. The family's excess rent burden is determined to no longer be offset by the anticipated cost of moving.