



**DELAWARE STATE HOUSING AUTHORITY**

**MOVING TO WORK**

**ANNUAL PLAN**

**FY 2017**

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# **MOVING TO WORK FY2017 ANNUAL PLAN**

## **TABLE OF CONTENTS**

### **1.0 INTRODUCTION (page 5)**

- 1.1 Programs covered in the MTW Demonstration and included in this plan**
- 1.2 Overview and goals of MTW program**
- 1.3 Status of MTW program and accomplishments to date**
- 1.4 Short-term goals for the current plan year**
- 1.5 Long-term goals for the current plan year**
- 1.6 Non-related housing authority information**
- 1.7 Resident Programs**
- 1.8 Homeownership Programs**
- 1.9 Security**
- 1.10 Hardship Policy**

### **2.0 PLAN HOUSING STOCK (page 23)**

#### **A. MTW Plan: Housing Stock Information**

- Inventory of public housing units, vouchers and MTW funded local programs
- Planned new public housing units to be added during fiscal year
- Planned public housing units to be removed during the fiscal year
- New Housing Choice Vouchers to be project-based during the fiscal year
- Other changes to the housing stock anticipated during the fiscal year
- Discussion of the capital expenditure amounts
- Capital plans
- Number of MTW Housing Choice Vouchers authorized at the beginning of FY2017

#### **B. MTW Plan: Leasing Information (page 27)**

- Anticipated number of households served at the end of the fiscal year
- Reporting compliance with statutory MTW requirements
- Vacancy information
- Description of any anticipated issues related to leasing of public housing, Housing Choice Vouchers or local, non-traditional units and possible solutions
- Anticipated number of households transitioning into self-sufficiency during the fiscal year

- Agency definition of self-sufficiency
- Anticipated total number of non-MTW public housing units leased in plan year
- Anticipated total number of MTW Housing Choice Voucher units leased in Plan year
- Number of project-based vouchers committed or in use at end of plan year

**C. MTW Plan: Wait List Information (page 29)**

- Wait list information projected for the beginning of the fiscal year
- Description of anticipated changes in waiting lists (community wide)
- Description of anticipated changes in the number of families on the waiting list during FY2017

**3.0 PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED (page 35)**

**4.0 (A.) APPROVED MTW ACTIVITIES: IMPLEMENTED ACTIVITIES – LISTED BY STATUTORY OBJECTIVE (page 36)**

- Rent reform: elimination of accounts payable checks for utilities and minimum rent for all residents
- Time-limiting housing assistance for MTW participants
- MTW Tier I – mandatory employment and/or education requirement
- MTW Tier II work requirement
- Alternative re-certification schedule for elderly and disabled residents
- MTW savings account and disbursements
- MTW case management services
- Removal of barriers to self-sufficiency
- 500 unit set-aside for MTW eligible participants
- Resident homeownership program (RHP)
- Renovation of Wexford Village using MTW Housing Choice Voucher reserves

**(B.) NOT YET IMPLEMENTED**

- Rent Simplifications and Asset/Income Verifications

**(C.) ACTIVITIES ON HOLD**

**(D.) CLOSED OUT ACTIVITIES**

**5.0 SOURCES AND USES OF FUNDING (page 55)**

- A. Planned sources and uses of MTW funds for the coming fiscal year**
- B. Local asset management plan**

**6.0 ADMINISTRATIVE (page 58)**

- Resolution signed by the Director adopting the Annual Plan Certification of Compliance
- Descriptions of any planned or on-going Agency-directed evaluations of the demonstration, as applicable
- Annual statement/performance and evaluation report

**ATTACHMENT A - Annual Statement/Performance and Evaluation Report (page 59)**

**ATTACHMENT B - General Order and Certification Statement (page 87)**

**ATTACHMENT C – Appendix/ Additional Information (page 102)**

- Moving to Work Local Asset Management Plan

**ATTACHMENT D – Appendix/ Significant RAD Amendment (page 124)**



## **1.0 INTRODUCTION**

This document serves as the Delaware State Housing Authority's (DSHA) *Moving To Work* (MTW) Annual Plan for FY2017, which starts July 1, 2016 and ends June 30, 2017. On April 8, 2008, DSHA adopted and signed an Amended and Restated MTW Agreement with the U.S. Department of Housing and Urban Development (HUD) that extended the program until June 30, 2018. On April 15, 2016, HUD extended the MTW agreements until 2028. This is a standardized agreement that HUD presented to all MTW agencies and allows DSHA to continue all current initiatives and retain the present funding allocation of the existing contract.

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

The DSHA MTW Demonstration includes the following programs:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- P. DSHA has awarded 158 educational scholarships from the MTW budget.
- Q. DSHA purchased an Adult Basic Education/GED computer program for each of its PH sites to assist residents working toward educational goals.
- R. Since MTW implementation in August 1999, 830 families have successfully completed the MTW Program. Two hundred and forty (240) have purchased homes and 590 have either begun paying the full rent at their current unit or moved to another unit and paid the full rent. Though some of those families would undoubtedly have been successful without MTW, we feel that the majority became successful by taking advantage of the counseling and social services made available through the program as well as the savings they accumulated while in the program. (See Tables 1 & 2)
- S. DSHA created a time limit safety-net feature in FY2005. This was for families who have not been able to increase their incomes to the level where 40% of their monthly adjusted income equals or exceeds the lower of their Housing Choice Voucher Program gross rent or Voucher payment standard, or the fair market rent for their PH unit, are being transferred to safety-net status. Their total tenant payment would revert to 30% and they forfeited the money in their MTW savings account. The condition for the family to retain the rental subsidy is that they must maintain employment of at least 20 hours per week, be involved in a full-time educational program or a combination of both which equals at least 20 hours.

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

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

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

**TABLE 1****Moving to Work Savings – Participants with Savings Accounts****Numbers as of January 1, 2016**

Program	Current Participants*	Total MTW Savings Accounts**	Average MTW Savings Balance	Average Monthly Contribution
Public Housing	231	202	\$3215.20	\$257.86
Housing Choice Vouchers	66	50	\$2296.01	\$208.42
<b>Total</b>	<b>297</b>	<b>252</b>	<b>\$3032.82</b>	<b>\$249.90</b>

**TABLE 2****Moving to Work Successful Move-outs****Numbers from 8/1/99 through 1/01/16**

Program	Homeownership	Unsubsidized Rental
Public Housing	151	297
Housing Choice Vouchers	99	312
<b>Total</b>	<b>250</b>	<b>609</b>
<i>Percentage</i>	<i>29.10%</i>	<i>70.90%</i>

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

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

- A. During FY2017, DSHA will be submitting a request to the U.S. Department of Housing and Urban Development (HUD) to sell the 14 public housing scattered sites homes. All of the scattered site homes are throughout Kent County including Rodney Village and Kent Acres in Dover (5 homes), Milford (1 duplex and 2 homes), Harrington (2 homes), Houston (1 home), Felton (1 home) and Smyrna (1 home). Due to increased expenses maintaining these properties, dwindling resident interest and the logistics of providing maintenance services, DSHA is requesting HUD approval to sell the properties. The proceeds from the sale of the scattered site units would be used towards renovations at the Liberty Court public housing site in Dover.

Residents currently living in the scattered site homes will be offered a choice of several relocation options. This includes a transfer to a public housing complex and apartment; being issued a Housing Choice Voucher and locating a privately owned rental unit in Kent or Sussex Counties; or the right of first refusal to buy the home (residents must be approved by a lender for a mortgage). Residents that transfer to a public housing development or opt to receive a Housing Choice Voucher will continue to be eligible for housing subsidy. All housing relocation fees and moving costs will be paid by DSHA, including moving fees and new utility deposits. If a family wishes to pack and move their own items, they will be provided with a moving stipend. No family will be asked to move until a replacement unit has been selected by the family and is available for relocation.

- B. Effective September 1, 2014, DSHA implemented the 500 unit set-aside option previously approved by HUD in the FY2011 Annual Plan. DSHA did not implement in FY2012 or FY2013 because of the integration of Safety Net families into the MTW program in FY2012. The 500 unit set-aside option allows DSHA to increase the overall number of MTW participants and create greater turnover of the waiting list. During FY2016, DSHA has monitored the effectiveness of the 500 unit set-aside to determine if it is increasing MTW participation as anticipated and ensure that it is not negatively impacting the waiting list process. DSHA has not found any negative impact on the waiting list process but the increase in MTW participation is not occurring as quickly as initially anticipated. DSHA will continue to monitor the effectiveness of this implementation during FY2017.
- C. In the FY2015 Plan, DSHA proposed to create a “Fair Market Housing Track” to compliment and expand our existing Financial Literacy requirement. Residents will be required to complete within 3 years an additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate and assist residents with credit repair as well as increase their knowledge



of what is needed to be a successful homeowner or fair market renter. During FY2016, DSHA worked with NCALL to create a Fair Housing Training and all DSHA case managers and Resident Services staff have been trained. Due to funding restrictions, DSHA is not able to contract with NCALL to provide training to residents. However, DSHA case managers are currently utilizing the training they have received to assist and train residents on a case by case basis.

- D. During FY2016, DSHA completed the substantial renovation of Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. Renovations at Wexford Village Apartments were originally scheduled to begin in May/June 2013, but were delayed after bids for the construction came in significantly higher than anticipated. DSHA revised the scope of renovations and also obtain additional funding through the HOME Program to proceed with a moderate renovation plan. The project was rebid in November 2013 and work was started in April 2014. Renovations are to be fully completed as of February 28, 2015. The project based vouchers began utilization and the project was finished per the timeline above. DSHA had 21 households on the waiting list with only 20 PBV slots available.

Since Wexford Village was renovated with the use of some Federal HOME funds, we are not allowed to charge the Project Based Voucher residents 35%. DSHA can only have these residents pay 30% of their adjusted gross income towards rent. Because of this, Wexford Village MTW residents will not be contributing to any escrow account and DSHA policies regarding escrow are not applicable to them. Since DSHA still wants these residents to have the opportunity to grow self-sufficient through the MTW program, they will still participant in the MTW case management, financial literacy, etc. They just will not be contributing to an escrow account.

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

- A. DSHA has been issued a Commitment to enter into a Housing Assistance Payments (CHAP) for the Rental Assistance Demonstration Program (RAD) on November 20, 2015. The CHAP is for five (5) public housing developments (four AMP#'s) including: Liberty Court (DE004000012); McLane Gardens (DE004000005); Peach Circle and Holly Square (DE004000019); and Mifflin Meadows (DE004000003) with a total of 260 units.

During FY2016/2017 DSHA will be splitting the CHAP into two groups, one for just Liberty Court and the second for the remaining properties including McLane Gardens, Peach Circle/Holly Square and Mifflin Meadows. Under this plan, DSHA will be applying for Low Income Housing Tax Credits (LIHTC) for Liberty Court and proceeding with renovations (if tax credits are awarded). The RAD conversion for

the remaining properties would be completed after the Liberty Court renovations are completed.

At Liberty Court, there will be a change in total rental units, from 108 units to 100 units. This will include twenty-five one bedroom units, sixty-three two bedroom units and twelve three bedroom units. Eight two bedroom units will not be replaced in the renovations. Once the RAD conversion is completed, the property will convert to Project Based Vouchers (PBV). The PBV's will be governed by the same eligibility, admission, selection and preferences that the current Housing Choice Voucher program utilizes, within the regulatory parameters allowed under the RAD PBV program. During the renovations, no residents are to be permanently displaced, but some residents may be temporarily relocated until renovations are completed. There will be no transfer of assistance at the time of conversion, and DSHA is not under any voluntary compliance agreement, consent order, decree or judgment.

DSHA certifies that the RAD conversion complies with all applicable site selection and neighborhood reviews and standards and all appropriate procedures are being followed. During the FY2017 Annual Plan, DSHA has held public hearings to notify the public of the current and future Capital Fund Program Grants Budgets will be reduced as a result of any projects converting to RAD. As part of the FY2017 Annual MTW Plan, and the need for possible subsequent significant amendments, DSHA will exclude the following items:

1. Changes to the Capital Fund Budget produced as a result of each approved RAD conversion; regardless of whether the proposed conversion will include use of additional Capital Funds;
  2. Changes to the construction and rehabilitation plan for each RAD conversion, and
  3. Changes to financing structure for each RAD Conversion.
- B. DSHA's long-term vision for the MTW Program will be to expand and evolve current activities, specifically to increase the successful completion rate for MTW participants, encourage homeownership and to utilize operating efficiencies. DSHA will be looking at the following areas:
1. Create additional incentives to encourage MTW participants to meet self-sufficiency goals, overcome self-sufficiency barriers and move from assisted housing in less than five years.

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

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

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

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

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

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

In July 2011, The Delaware State Housing Authority and its partners the Delaware Department of Health and Social Services (DHSS), and the Department of Services for Children, Youth, and their Families (DSCYF), launched a state funded voucher program called the State Rental Assistance Program (SRAP). SRAP is designed to assist low-income households who have access to continuing supportive services but require affordable housing to live safely in the community. The program will utilize SRAP vouchers administered by DSHA for households referred by DHSS and DSCYF. DHSS and DSCYF will leverage existing funds to provide supportive services to SRAP applicants during the program application, screening, and housing selection processes. After an SRAP applicant is approved and moves into the SRAP-assisted unit, DHSS, DSCYF, or an approved service provider will continue to provide supportive

services to the participant for a designated period of time, or until supportive services are no longer necessary.

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

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

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

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

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

## **1.7 RESIDENT PROGRAMS**

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

- A. Holiday Parties - Each community has appropriate holiday celebrations in which the residents take the lead on planning and organizing the event.
- B. Computer access and instruction for youth and adults – DSHA provides computers with Internet access at all sites. The computer labs are monitored by volunteers from DSHA staff, outside agencies, GED instructors or other nonprofit organizations. DSHA purchased an assortment of educational software and board games (funded by Lightspan/Discover) for its sites. The games and software target youth and adults.
- C. Student Award Program for Honor Roll, Perfect Attendance and College Acceptance – Each year DSHA hosts a Student Award Luncheon to recognize students who make the extra effort to succeed. Winners receive a backpack filled with age-appropriate school supplies and are treated to lunch with DSHA's Director and Management staff. A guest speaker is invited to address the group. This event has been very successful and a positive motivation for the students and parents at our sites.
- D. DSHA has partnered with the University of Delaware to provide 4-H programs at three (3) sites. Services include after-school homework assistance and recreation. DSHA is working with 4-H staff to develop programs for other sites based on funding availability.

- F. DSHA has awarded **158** scholarships to MTW participants and expects to continue this service from MTW Budget funds.
- G. DSHA signed a Memorandum of Understanding with James Groves Adult High School to provide Adult Basic Education and GED classes for two communities.
- H. Children and Families First - Provides pregnancy testing, family planning material, STD testing, treatment and counseling; and also organizes resources for grandparents and relatives raising someone else's children. They currently offer support groups at two sites and are planning to offer Family Enrichment programs at 2-3 additional sites in the fall.
- I. Even Start - Offers parenting classes to families with children under the age of eight. Activities involve both parent and child(ren) at two sites.
- J. Child, Inc. - Provides one-on-one case management services upon request or referral and offers parenting classes.
- K. Consumer Credit Counseling provides financial counseling and assists with budgeting and establishing credit.
- L. Rental Assistance/Other financial assistance – Peoples Place II and First State Community Action Agency, Catholic Charities, Salvation Army, Casa San Francisco, State Service Centers and local churches.
- M. First State Community Action Agency - Provides limited financial assistance, administers the Summer Food Service Program for Sussex County sites and offers employment training at a center in Georgetown.
- N. Department of Labor - Provides all aspects of employment training, including assistance preparing resumes and applications and improving interviewing skills and workplace training. DSHA serves on the Workforce Investment Board for Delaware. This board administers the state's requirements and initiatives for employment and job training.
- O. Delaware Technical and Community College, Kent County Poly-Tech, Sussex Tech, Delaware State University - All institutions have various courses available for general education as well as specific job training. They require a minimum number of participants to come to DSHA sites, but individuals can go to the schools for classes. Many courses are free of charge, based on income, or have a small fee.

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

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

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

## **1.8 HOMEOWNERSHIP PROGRAMS**

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

DSHA implemented a Resident Homeownership Program (RHP) in 2004. This program allows qualified participants from either the Public Housing or Housing Choice Voucher program to

use a Housing Choice Voucher subsidy toward the mortgage for up to 15 years on a first home. To date, four (4) families have successfully purchased homes in the program.

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

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

The subsidy calculation is as follows:

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

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



## **1.9 SECURITY**

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

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

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

## **1.10 HARDSHIP POLICY:**

### **A. MTW PARTICIPANTS**

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

Extenuating circumstances that may be considered include:

- Health and/or medical issues;
- Job availability and/or under-employment issues;

- Past performance of participant and adherence to MTW program requirements;
- Previous participation in DSHA sponsored or referred services and programs;
- Personal initiative of participant in achieving self-sufficiency; and
- Other extenuating circumstances.

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

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

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

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

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

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

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

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

## II.1.Plan.HousingStock

### A. MTW Plan: Housing Stock Information

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

# of UFAS Units

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

Total Public Housing Units to be Added

0

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

If Other, please describe:

Description of "other" population type served

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

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
DE004000012  Liberty Court	108	DSHA submitted an application for the Rental Assistance Demonstration Program (RAD) on July 6, 2015 for five (5) public housing developments (four AMP#'s) including: Liberty Court (DE004000012); McLane Gardens (DE004000005); Peach Circle and Holly Square (DE004000019); and Mifflin Meadows (DE004000003) with a total of 268 units. The application was based on significant renovations needed at Liberty Court and minimal renovations at the other developments. HUD issued a Commitment to enter into a Housing Assistance Payments (CHAP) on November 20, 2015. DSHA is in the process of completing the required steps necessary to complete the conversion to RAD.
DE004000005 McLane Gardens	50	See Explanation Above
DE004000019 Peach Circle & Holly Square	56	See Explanation Above
DE004000003 Mifflin Meadows	54	See Explanation Above
DE004000015  Scattered Sites Rental	14	During FY2016 DSHA will be submitting a request to the U.S. Department of Housing and Urban Development (HUD) to sell the public housing scattered sites-rental homes. Due to increased expenses maintaining these properties, dwindling resident interest and the logistics of providing maintenance services, DSHA is requesting HUD approval to sell the properties. The proceeds from the sale of the scattered site units would be used towards renovations at the Liberty Court public housing site in Dover.
<b>Total Number of Units to be Removed</b>	277	

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

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project
Wexford Village	20	During FY2016, DSHA completed the substantial renovation of Wexford Village, a 60 unit Low Income Housing Tax Credit (LIHTC) property, in Laurel, Delaware. The project based vouchers began utilization and the project was finished per the timeline. DSHA had 21 households on the waiting list with only 20 PBV slots available. Since Wexford Village was renovated with the use of some Federal HOME funds, we are not allowed to charge the Project Based Voucher residents 35%. DSHA can only have these residents pay 30% of their adjust gross income towards rent. Because of this, Wexford Village MTW residents will not be contributing to any escrow account and DSHA policies regarding escrow are not applicable to them. Since DSHA still wants these residents to have the opportunity to grow self-sufficient through the MTW program, they will still participant in the MTW case management, financial literacy, etc. They just will not be contributing to an escrow account.
Mifflin Meadows	54	DSHA submitted an application for the Rental Assistance Demonstration Program (RAD) on July 6, 2015 for five (5) public housing developments (four AMP#’s) including: Liberty Court (DE004000012); McLane Gardens (DE004000005); Peach Circle and Holly Square (DE004000019); and Mifflin Meadows (DE004000003) with a total of 268 units. The application was based on significant renovations needed at Liberty Court and minimal renovations at the other developments. HUD issued a Commitment to enter into a Housing Assistance Payments (CHAP) on November 20, 2015. DSHA is in the process of completing the required steps necessary to complete the conversion to RAD.
McLane Gardens	50	See Explanation under Mifflin Meadows
Peach Circle & Holly Square	56	See Explanation under Mifflin Meadows
Liberty Court	100	Due structural damage with 8 Liberty Court Units, the application

		submitted by DSHA for RAD will include 100 units versus 108 units.
--	--	--

Anticipated Total New Vouchers to be Project-Based	280	Anticipated Total Number of Project- Based Vouchers Committed at the End of the Fiscal Year	280
		Anticipated Total Number of Project- Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year	280

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

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

DSHA does not anticipate any other changes to the Housing stock

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

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

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

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

**Descriptions of planned capital expenditures to be made during FY2017:**

See attached detailed chart and narrative of all planned Capital Fund Expenditures in the Appendix section of this Annual Plan. Burton Village HVAC Improvements: \$185,454.07 (HVAC improvement \$183,888.07 and Architect fees \$1,566.00). This entailed replacing heat pumps and hot water heaters in apartment buildings.

## II.2.Plan.Leasing

### B. MTW Plan: Leasing Information

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

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
Federal MTW Public Housing Units to be Leased	240	2880
Federal MTW Voucher (HCV) Units to be Utilized	904	10848
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	280	3360
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	0	0
<b>Total Households Projected to be Served</b>	<b>1424</b>	<b>17088</b>

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

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

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

## Reporting Compliance with Statutory MTW Requirements

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

DSHA is currently in compliance with statutory MTW requirements.

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

### Housing Program

### Description of Anticipated Leasing Issues and Possible Solutions

#### Public Housing

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

#### Housing Choice Vouchers

In March 2004, DSHA implemented an on-line rent reasonableness system which ensures objectively and accurately that HCV units are rented at rates comparable to the local markets. DSHA's Housing Choice Voucher actual units leased from July 2015 through January 2016 averaged 92%. The budget utilization for the same period averaged approximately 81%.



## II.3.Plan.WaitList

### C. MTW Plan: Wait List Information

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

Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW Public Housing Units and Federal MTW Housing Choice Voucher Program	Merged (Combined Public Housing or Voucher Wait List)	7,091	Open	N/A
Wexford Village PBV	Site-Based	21	Open	N/A
Housing Program(s)	Wait List Type	Number of Households	Open, Partially Open or Closed	Yes or No

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

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

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

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

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

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

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

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

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

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

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

If Other Wait List Type, please describe:

DSHA will create a separate waiting list for the RAD units once the conversion has been completed.

Name and Description of "other" wait list type

Name and Description of "other" wait list type

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

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

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

## A DSHA-MTW Success Story highlighted by the Milford Housing Development Corporation:



### Hammer & Home / February 2016



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#### In This Issue

**Blessing Angels - Getting it Done**

**Moving to Work & MHDC**

#### Save the Date

**MHDC**  
**2nd Annual**  
**Breakfast**

**May 4, 2016**  
**8:00am - 9:30 pm**

**Milford Senior Center**  
**111 Park Avenue**  
**Milford, DE 19963**

**Contact Michele Webb at**  
**(302) 422-8255 for more**  
**information.**



#### Blessing Angels - Getting it Done

What do four Moms in Sussex County have in common that will bring them together every Saturday, Sunday and Monday for the next year or more? These ladies, with the help of their families and friends, are building each others NEW, Energy Star homes with MHDC. They started construction on the first of four homes on January 9, 2016 but that wasn't the beginning of their journey. These ladies started working with MHDC as far back as 2013, repairing and building their credit in preparation for a mortgage loan application. "Almost everyone has had a fender bender with their credit score at some point in their lives. Our program begins with learning about your credit report and ways to improve your credit score" says Darla Dixon, Homeownership Program Specialist at MHDC.

With direction and coaching from their Construction Super-Trainer, Clark Abbott, they will contribute 65% of the labor needed to build the homes. Clark has been a Construction Super-Trainer with MHDC for over 5 years and says, "I'm



here to help our families make a dream come true. If you are willing to learn you can do this too. It's a lot of hard work, but it's worth it for the SWEAT EQUITY you will earn." "Over the last 20 years the average sweat equity earned by a home builder is close to \$30,000. That's a full-time wage for a year earned by building your house on the weekends while you are also holding down a full time job" adds Russ Huxtable, Vice President for MHDC.

### Moving to Work & MHDC



Kiera Peace first visited MHDC in August 2015 she had her heart set on homeownership, and was well on her way. She was in the process of working to purchase a home for herself and her two young children. Kiera had already worked to repair minor credit accounts on her credit report while looking for a home that would be affordable to purchase.

In the course of reviewing her income and current debt it was found that Ms. Peace would need to reduce some of her current debt in order to qualify for a loan through the USDA/RD, the lender for MHDC's Self-Help Housing Program. While Ms. Peace did have some savings there was not enough to reduce the debt by amount needed. It was then that Ms. Peace mentioned she was a member of the Delaware State Housing Authority's Moving to Work Program through her current housing complex, and thought maybe that could help. Moving to Work is a federal program administered through DSHA to enable residents of public housing in Kent and Sussex Counties to become self-sufficient, through a savings account, to either own a home or pay their own rent. There are counselors who work with the residents and help them determine what they can afford based on their income.

Kiera reached out to her Moving to Work (MTW) counselor to see if there was a way to access her funds in order to use them for this process and she sprung right into action. It was determined that Ms. Peace was in Tier I of the MTW program in the middle of August when she initially inquired on the use of the funds. She was told that she may not be eligible for her funds until October when she vacated her apartment, but decided to continue to try and access the funds anyway. Through careful consideration, it was determined that with the proper documentation she could



make a formal request for the funds to be utilized. Over the next week MHDC worked with our lender, USDA/RD, to determine the exact amount that Ms. Peace needed to ensure her loan could be approved for a sufficient amount. While at the same time, Ms. Peace worked with her MTW counselor to make sure the necessary account information was obtained to get the payments to the correct places. Once all of this information was obtained, the MTW counselor made the request for funds and checks to be mailed to her creditors, around mid-September. Finally at the end of October the news came that the monies had been applied to Ms. Peace's debt and we were ready to move forward.

All in all the process was seamless, and very helpful. The diligent work of Ms. Peace and her MTW counselor followed the checks from origination, through a glitch that had the payments sent to an incorrect site, to the time they posted onto her accounts. MHDC is very glad to have had the opportunity to utilize such a great program to assist one of our home builders realize her dream of homeownership, and hope we are able to help more individuals like Ms. Peace using the Moving to Work program to help get them mortgage ready!

MHDC, 977 E. Masten Circle, Milford, DE 19963

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

DSHA is not proposing any new MTW Activities for the upcoming FY2017 Plan year that require HUD approval.

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

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



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

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

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

#### **ACTIVITY METRICS INFORMATION**

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

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

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

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

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

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

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

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

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

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

**ACTIVITY NUMBER: A-2**

PROPOSED PLAN YEAR: FY 2012

EFFECTIVE DATE: September 1, 2012

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

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

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

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

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

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

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

port back into DSHA.

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

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

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

#### **ACTIVITY METRICS INFORMATION**

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

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

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

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

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

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

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

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

REQUIRED ELEMENTS FOR APPROVED ACTIVITIES	
<b>ACTIVITY NAME: MTW Tier I- Mandatory Employment and/or Education Requirements</b>	
<b>ACTIVITY NUMBER:A-3</b>	
PROPOSED PLAN YEAR: FY 2000	
MODIFIED IN PLAN YEARS: FY 2008 and FY 2012	
EFFECTIVE DATE: July 1, 2012	
STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)	
ACTIVITY DESCRIPTION: MTW participants are required to be employed at least 20 hours per week earning no less than minimum wage, or in a training or educational program for at least 20 hours per week. (For residents moving in on or after July 1, 2007, requirements were increased to 25 hours per week beginning with their third year in the MTW program and 30 hours per week for the fourth and any subsequent years in the MTW program.) #1. This is to stimulate an increase in resident earning potential; #2. Create a stepped requirement leading to self-sufficiency; and #3. Reduce the subsidy needed for the participant. <u>Initially implemented in FY2000 Annual Plan, revised in the FY2008 Annual Plan.</u>	
Effective July 1, 2012 (FY2013), DSHA time-limited compliant school, education or training program participation to Tier I only. Tier I participants must begin school, education or training within years 1 through 3 of MTW participation in order for the time to be considered toward hourly work compliance. For MTW Tier II participants, compliance will be based on work hours only.	
Effective July 1, 2013, DSHA further defined “employment” as working 20 hours or more weekly for a business paying federal, state and local taxes or a documented self-employed contractor providing a 1099 form.	
IMPACT: Ability to serve more people with same amount of funding. Creates increased homeownership or Fair Market rental options with the use of MTW savings. Reduces recidivism on the waiting list.	
DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.	
<b>ACTIVITY METRICS INFORMATION</b>	
The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: SS#1, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 2, Local Preferences and Admission and Continued Occupancy Policies and Procedures. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency’s Annual MTW Plan.	

<b>REQUIRED ELEMENTS FOR APPROVED ACTIVITIES</b>	
<b>ACTIVITY NAME: MTW Tier II Work Requirement</b>	
<b>ACTIVITY NUMBER: A-4</b>	
PROPOSED PLAN YEAR: FY 2012	
EFFECTIVE DATE: July 1, 2012	
STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)	
<p>ACTIVITY DESCRIPTION: Participants who do not successfully complete the MTW program within five (5) years (under MTW Tier I) will continue to be required to work at least thirty(30) hours per week, earning no less than minimum wage, for the remaining two (2) years while under the MTW Tier II. This requirement increases the earned income of MTW Tier II participants enabling them to pay more towards their rent and requiring less overall subsidy.</p> <p>Previously, the participants who did not successfully complete the MTW Program within five (5) years were eligible to continue receiving housing subsidy under a Safety-Net Program for an indefinite period. The Safety-Net has been renamed MTW Tier II and the entire program time-limited to seven years (five (5) years under MTW Tier I and two (2) years under MTW Tier II).</p> <p>Effective in FY2013, MTW Tier II participant compliance is based on work hours only. School, education or training program hours will not be counted toward the work hour compliance requirement.</p> <p>Effective July 1, 2013, DSHA further defined “employment” as working 20 hours or more weekly for a business paying federal, state and local taxes or a documented self-employed contractor providing a 1099 form.</p> <p>IMPACT: Ability to serve more people with same amount of funding. Creates increased homeownership or Fair Market rental options with the use of MTW savings. Reduces recidivism on the waiting list. By continuing the work requirement in Tier II, the resident will require fewer subsidies and will continue to work to achieve self-sufficiency.</p> <p>DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.</p>	
<b>ACTIVITY METRICS INFORMATION</b>	
The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: SS#1, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 2, Local Preferences and Admission and Continued Occupancy Policies and Procedures. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency’s Annual MTW Plan.	

<b>REQUIRED ELEMENTS FOR APPROVED ACTIVITIES</b>	
<b>ACTIVITY NAME: Alternative Re-Certification Schedule for Elderly and Disabled Residents</b>	
<b>ACTIVITY NUMBER: A-5</b>	
PROPOSED PLAN YEAR: FY 2011	
EFFECTIVE DATE: FY 2011	
STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)	
ACTIVITY DESCRIPTION: Adopt alternative re-certification schedules for elderly and disabled residents. For example, re-certifying residents on fixed incomes (fixed pensions, Social Security, SSI) every other year. For the Housing Choice Voucher Program, half of the approximately 650 elderly/disabled re-certifications would be performed during FY2011, and the remaining half would be completed during FY2012. For Public Housing, which has a significantly lower elderly/disabled population, all re-certification of these individuals would be done every other year starting FY2011.	
Hardship Policy: If a resident has a significant change in income or allowable medical expenses, they can request an interim recertification be completed during the years when an annual recertification is not scheduled.	
IMPACT: Reduce the total number of annual re-certifications processed by PH and HCV staff, thus creating administrative efficiencies (reduction in postage costs, time savings).	
DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.	
<b>ACTIVITY METRICS INFORMATION</b>	
The following “Standard HUD Metrics” will be used to quantify the changes/results expected from this activity: CE#1, CE#2 and CE#5.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 4, Initial, Annual and Interim Income Review Process, Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only, (1) Operational Policies and Procedures, Paragraph (c.). This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency’s Annual MTW Plan.	

REQUIRED ELEMENTS FOR PROPOSED ACTIVITIES	
ACTIVITY DESCRIPTION	
<b>ACTIVITY NAME: Rent Simplifications and Asset/Income Verifications</b>	
<b>ACTIVITY NUMBER: A-6</b>	
<p>A. ACTIVITY DESCRIPTION: DSHA will modify the current asset verification policy in an effort to 1) simplify rent calculations; 2) create administrative time savings and 3) significantly reduce the need for dependence of client supplied bank/financial records. The policy will not require the verification or inclusion of assets less than \$25,000. The resident/applicant will instead sign a certification form if they have assets less than \$25,000. Elimination of asset verification and inclusion in subsidy calculations will have little or no effect on subsidy for the vast majority of DSHA residents. It should also be noted the during the past five years, more financial institutions are no longer completing asset verifications or are charging resident/applicant to complete the verification forms. This initiative was approved in the FY2015 Annual Plan for implementation on January 1, 2015. Implementation was delayed due to resident notifications until July 1, 2015. Implementation was completed in FY2016.</p>	
<p>B. STATUTORY OBJECTIVE: Reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs (HCV)</p>	
<p>C. ANTICIPATED IMPACT: With the current asset verification procedure, DSHA spends approximately 432 staff hours on PH residents and 595 staff hours on HCV residents. By modifying the current asset verification procedure, DSHA anticipates reducing the amount of staff hours to 216 for PH residents and 298 for HCV residents.</p>	
<p>D. ANTICIPATED SCHEDULE: Original effective date was January 1, 2015 but implementation was completed on July 1, 2015. Asset verification will be completed at initial and recertification.</p>	
ACTIVITY METRICS INFORMATION	
<p>E. The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: CE#1, CE#2, and CE #3.</p>	
<p>F. The baseline performance levels are stated in the metric tables on the following page.</p>	
<p>G. The yearly benchmarks are stated in the metric tables on the following page.</p>	
<p>H. The final projected outcomes are stated in the metric tables on the following page.</p>	
<p>I. The Easy Housing resident software will be utilized to track and identify performance levels and funding.</p>	
NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY	
<p>Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 11. Rent Policies and Term Limits. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R 5.603,5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan. Attachment C, Section D. Authorizations Related to Housing Choice Vouchers Only, Paragraph 2(a) and 2(d). Rent Policies and Term Limits. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R 982.508,982.503 and 982.518 A as necessary to implement the Agency's Annual MTW Plan.</p>	



REQUIRED ELEMENTS FOR APPROVED ACTIVITIES	
<b>ACTIVITY NAME: MTW Savings Account and Disbursements</b>	
<b>ACTIVITY NUMBER: B-1</b>	
PROPOSED PLAN YEAR: FY2000	
MODIFIED IN PLAN YEARS: FY2011 and FY2012	
EFFECTIVE DATE: FY2000	
STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.	
<p>ACTIVITY DESCRIPTION: To make work pay, cap rent, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant. When a client reaches the end of the contract (5 years or less) if their income has increased to where 40% of their monthly gross income equals or exceeds the fair market rent for their unit they currently rent, or a non-subsidized unit they commit to lease or home ownership they will receive the balance of any monies in their savings account. If a client does not successfully complete the MTW Program, all savings account funds will be forfeited. <u>Initiated in the FY2000 Annual Plan.</u></p> <p>As of FY2011, this activity was modified to include provisions for the use of MTW saving funds. Successful MTW clients will be required to utilize at least 60% of the savings fund for homeownership/fair market rental related expenses. This includes: down payment, closing costs, security deposits, utility deposits, clearing credit issues and satisfying debt for medical bills, education and transportation. The remaining 40% of the MTW savings is distributed to the client for discretionary use. <u>Initiated in the FY2011 Plan.</u></p> <p>For FY2012, The MTW Savings Account was expanded to include individuals in years 6 and 7 of the program. For participants that successfully complete the program before or in the fifth (5<sup>th</sup>) year of the program (under MTW Tier I), they will be eligible to utilize 100% of their MTW savings account. Contributions to the MTW Savings will stop after the 5<sup>th</sup> year. For participants in their sixth (6<sup>th</sup>) and seventh (7<sup>th</sup>) year of the MTW Program (under the MTW Tier II), they will have access to only 60% of MTW Savings in year six and 40% of MTW Savings in year 7.</p>	
IMPACT: Encourage residents to work at capacity rather than least amount required. Provides participants with funds to repair credit, debt issues and/or move into homeownership upon successful completion of the MTW program.	
DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.	
<b>ACTIVITY METRICS INFORMATION</b>	
The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: CE#1, CE#2, CE#3, CE#5, SS#1, SS#2, SS#3, SS#4, SS#5, SS#6, SS#7 and SS#8.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	



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

REQUIRED ELEMENTS FOR APPROVED ACTIVITIES	
<b>ACTIVITY NAME: MTW Case Management Services</b>	
<b>ACTIVITY NUMBER: B-2</b>	
PROPOSED PLAN YEAR: FY2000	
MODIFIED IN PLAN YEARS: FY2012, FY2013 and FY2015	
EFFECTIVE DATE: FY2000	
STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.	
<p>ACTIVITY DESCRIPTION: All MTW participants (MTW Tier I and Tier II) continuously participate in case management and are offered services and/or resource referrals including job training and placement services, computer experience, financial literacy classes and transportation stipends, as funds allow. <u>Initiated in the FY 2000 Annual Plan.</u></p> <p>During FY2012, case management activities included not only the participants within their initial five (5) year period under MTW Tier I, but those participants that continue in the program for the remaining two (2) years under MTW Tier II.</p> <p>Effective July 1, 2012 (FY2013), DSHA required all MTW program participants to complete a DSHA approved Financial Literacy training course within the first two years of Tier I. If they do not complete the training, then a strike may be issued for program non-compliance. Currently, MTW program participants must take a Financial Literacy course but they can do so whenever they want. DSHA has found that in order for residents to receive the optimal benefits of credit repair and Financial Literacy then they must complete the program early in MTW participation.</p> <p>Effective January 1, 2015, DSHA created a Fair Market Housing Track to compliment and expand the current Financial Literacy requirement. Residents will be required to complete within 3 years additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate residents on credit repair as well as what is needed to be a success homeowner or fair market renter. If they do not complete the training, then a strike may be issued for program non-compliance. During FY2016, DSHA worked with NCALL to create a Fair Housing Training and all DSHA case managers and Resident Services staff have been trained. Due to funding restrictions, DSHA is not able to contract with NCALL to provide training to residents. However, DSHA case managers are utilizing the training they have received to assist and train residents on a case by case basis therefore the resident strike process is not currently in effect for non-compliance with this initiative. No changes or modifications, or any additions to Attachment C/D authorizations for the changes noted above are required.</p> <p>IMPACT: Better prepares MTW participants to succeed in finding employment and overcoming barriers to self-sufficiency as they move toward Fair Market Housing or Homeownership.</p> <p>DSHA modified this activity effective January 1, 2015 to include a Fair Market Housing Track to compliment and expand current Financial Literacy requirements. Residents will be required to complete within 3 years additional one-on-one Fair Market Housing counseling program through our partnership with NCALL. This will further educate residents on credit repair as well as what is needed to be a successful homeowner or fair market renter. If they do not complete the training, then a</p>	

strike may be issued for program non-compliance. No changes or modifications, or any additions to Attachment C/D authorizations for the changes noted above are required.

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

#### **ACTIVITY METRICS INFORMATION**

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

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

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

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

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

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

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

<b>REQUIRED ELEMENTS FOR APPROVED ACTIVITIES</b>	
<b>ACTIVITY NAME: Removal of Barriers to Self-Sufficiency</b>	
<b>ACTIVITY NUMBER: B-3</b>	
PROPOSED PLAN YEAR: FY2000	
EFFECTIVE DATE: FY2000	
STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.	
ACTIVITY DESCRIPTION: Enhance the standard of living for residents participating in MTW by assisting residents in the removal of barriers to self-sufficiency (obtain employment, driver's license, purchase vehicle, coordinate child care, obtain GED, enroll for college courses, expunge criminal record, clear credit history). <u>Initiated in the FY2000 Annual Plan.</u>	
DSHA MTW participants continue to be assisted in removing barriers to self-sufficiency in areas such as transportation, education and childcare.	
IMPACT: Better prepares MTW participants to succeed in finding employment and overcoming barriers to self-sufficiency.	
DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.	
<b>ACTIVITY METRICS INFORMATION</b>	
The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#3, SS#5 and SS#8.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
1) Attachment C, Section B. Authorizations Related to Both Public Housing and Housing Choice Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency's Annual MTW Plan.	
2) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.	

<b>REQUIRED ELEMENTS FOR APPROVED ACTIVITIES</b>	
<b>ACTIVITY NAME: 500 Unit Set-Aside for MTW Eligible Families</b>	
<b>ACTIVITY NUMBER: B-4</b>	
PROPOSED PLAN YEAR: FY2012	
EFFECTIVE DATE: September 1, 2014	
STATUTORY OBJECTIVE: MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency.	
<p>ACTIVITY DESCRIPTION: To create a 500 unit set-aside for eligible MTW participants. The set-aside will be administered for both Public Housing and the Housing Choice Voucher Programs to increase the overall number MTW participants. To reach the goal of having 500 participants enrolled in the MTW program, two of every three available units/vouchers will be offered to MTW eligible applicants. Once the set-aside is reached and maintained, public housing units and vouchers would be offered based on preference and date of application.</p> <p>DSHA had anticipated activating the 500 unit set-aside effective January 1, 2014. However due to resident notification issues, DSHA activated the previously approved 500 unit set-aside for eligible MTW participants effective on September 1, 2014. DSHA did not initiate the activity during FY2012 or FY2013 due to increases in MTW eligible participants with the re-integration of Safety- Net participants into the program with the restructuring of the time-limit feature. Since the majority of the re-integrated Safety-Net families will have completed their subsidy by January 1, 2014, the number of active MTW participants will have decreased thereby necessitating the activation of the 500 unit set-aside. During FY2016, DSHA has monitored the effectiveness of the 500 unit set-aside to determine if it is increasing MTW participation as anticipated and ensure that it is not negatively impacting the waiting list process. DSHA has not found any negative impact on the waiting list process but the increase in MTW participation is not occurring as quickly as initially anticipated. DSHA will continue to monitor the effectiveness of this implementation during FY2017.</p> <p>IMPACT: Increase the overall number of MTW participants and create greater turnover of the waiting list as successful participants complete the five (5) year MTW program.</p> <p>DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.</p>	
<b>ACTIVITY METRICS INFORMATION</b>	
The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#5.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
<p>1) Attachment C, Section C. Authorizations Related to Public Housing, Paragraph (2). This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.</p> <p>2) Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only, Section 3. Eligibility of Participants, Paragraph (4), Waiting List Policies. Use of Public Housing as an Incentive for Economic Progress. This authorization waives certain provisions of Section 8 (o)(6),8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R 982</p>	

subpart E, 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

<b>REQUIRED ELEMENTS FOR APPROVED ACTIVITIES</b>	
<b>ACTIVITY NAME: Resident Homeownership Program (RHP)</b>	
<b>ACTIVITY NUMBER: C-1</b>	
PROPOSED PLAN YEAR: FY2004	
MODIFIED IN PLAN YEAR: FY2011	
EFFECTIVE DATE: FY2004	
STATUTORY OBJECTIVE: MTW activities to improve housing choices for our residents.	
<p>ACTIVITY DESCRIPTION: A Resident Homeownership Program (RHP) was created to provide eligible DSHA Housing Choice Voucher and Public Housing residents the ability to participate in a program to own a home by utilizing Housing Choice Voucher rental assistance towards the payment of a mortgage. The flexibility of the MTW program has been used to make the program accessible to Public Housing residents and other non-MTW participants, including elderly and disabled families, in addition to Housing Choice Voucher residents.</p> <p><u>Initiated in the FY2004 Annual Plan.</u></p> <p>In FY2011, DSHA made changes to the RHP program to reduce the duration of the subsidy from the 15 year period (for non-disabled, non-elderly families), and revise the calculation formula used to determine the amount of voucher assistance. These changes provide a more realistic program for the homeowner as they will be better prepared to assume all responsibility for the mortgage at the end of the subsidy period. Families that currently participate in the RHP program will be grandfathered under the existing subsidy calculation.</p> <p>IMPACT: To be able to utilize Housing Choice Voucher to assist eligible participants to purchase a home through this program, especially elderly/disabled (non-MTW) that do not have the opportunity to participate in MTW.</p> <p>DSHA does not anticipate any changes or modifications to this activity in the upcoming Plan year.</p>	
<b>ACTIVITY METRICS INFORMATION</b>	
The following "Standard HUD Metrics" will be used to quantify the changes/results expected from this activity: SS#6, SS#7, SS#8, HC#4 and HC#5.	
The baseline performance levels are stated in the metric tables on the following page.	
The yearly benchmarks are stated in the metric tables on the following page.	
The final projected outcomes are stated in the metric tables on the following page.	
The Easy Housing resident software will be utilized to track and identify performance levels and funding.	
<b>NEED/JUSTIFICATION/AUTHORIZATIONS FOR MTW FLEXIBILITY</b>	
Attachment C, Section D. Authorizations Related to Housing Choice Voucher Only, Paragraph 8. Homeownership Program (a) and (b), This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.	

## REQUIRED ELEMENTS FOR APPROVED ACTIVITIES

### ACTIVITY NAME: WEXFORD VILLAGE PROJECT BASED VOUCHER MTW PARTICIPATION

#### ACTIVITY NUMBER: C-2

PROPOSED PLAN YEAR: FY2013

IMPLEMENTED PLAN YEAR: FY2015

EFFECTIVE DATE: April 2015

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

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

#### Wexford Village Timeline

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

Project was completed per the timeline above.

As a result of the Wexford Village construction completion in April of 2015, this activity has been modified from **RENOVATION OF WEXFORD VILLAGE USING MTW HOUSING CHOICE VOUCHER RESERVES** to **WEXFORD VILLAGE PROJECT BASED VOUCHER MTW PARTICIPATION**. The 20 project-based vouchers at Wexford Village will participate in and required to complete all of the requirements of the DSHA MTW Program. However, Wexford Village Project Based Voucher participants will pay 30% of their adjusted gross income towards rent and utilities instead of 35% like the other DSHA MTW participants. As a result, due to HOME Program requirements at Wexford Village, participants receiving assistance through the Project Based Voucher are not required or capable of contributing to an escrow account since these HOME funds do not allow rent to be calculated over the 30% level. DSHA policies regarding escrow are not applicable to them. Since DSHA still wants these residents to have the opportunity to grow self-sufficient through the MTW program, they will still participant in the MTW case management, financial literacy, etc.

IMPACT: By improving housing choices for our residents, DSHA achieved one of the statutory objectives of the MTW program. After the renovation, Wexford Village added an additional 60 units of affordable housing to DSHA's MTW portfolio, insuring that the apartment community will continue



to remain affordable and financially viable for many years to come. In addition, DSHA provides a unique opportunity for mixed-income housing in the community by project-basing 20 existing Housing Choice Vouchers and leasing the remaining 40 units to nonsubsidized families with incomes between 60% and 80% of area median income. This enabled more families to be served by DSHA's MTW program, over and above the 508 public housing units currently owned and managed by DSHA and the 955 vouchers currently administered by the agency.

DSHA finished construction and lease-up of vouchers is in process.

#### **ACTIVITY METRICS INFORMATION**

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

The baseline performance levels will be established in the FY2016 Annual Report.

The yearly benchmarks will be established in the FY2016 Annual Report.

The final projected outcomes will be established in the FY2016 Annual Report.

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

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

1) Attachment C, Authorizations Related to Section 8 Housing Choice Vouchers Only, Section 1, paragraph e. – Authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24C.F.R 983 as necessary to implement the Agency's annual MTW Plan.

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

#### **4.0 (B.) Not Yet Implemented**

DSHA does not have any previously approved activities that are “not yet implemented”.

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

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

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

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

## Annual MTW Plan

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

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

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

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

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$747,850
70600	HUD PHA Operating Grants	\$10,521,990
70610	Capital Grants	\$555,420
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$990
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$469,250
70000	Total Revenue	\$12,295,500

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

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

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$1,673,690

91300+91310+92000	Management Fee Expense	\$0
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$38,060
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$420,010
93500+93700	Labor	\$503,120
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$1,087,310
95000 (95100+95200+95300+95500)	Total Protective Services	\$0
96100 (96110+96120+96130+96140)	Total insurance Premiums	\$201,220
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$1,048,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	Housing Assistance Payments + HAP Portability-In	\$5,793,470
97400	Depreciation Expense	\$0
97500+97600+97700+97800	All Other Expenses - Capital Grant Expenses	\$555,420
90000	Total Expenses	\$11,320,300

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

The following list explains DSHA plans to use the \$1 million variance between the sources and uses of funds:

1. To assist with RAD conversion and Low Income Housing Tax Credit Application expenses for Liberty Court, McLane Gardens, Peach Circle/Holly Square & Mifflin Meadows;
2. To assist in the replacement and updating of existing security cameras at Mifflin Meadows, Burton Village, McLane Gardens and Clarks Corner;
3. To assist in the funding for police patrols at Hickory Tree;
4. With other capital needs in supplement to the Capital fund.

## V.2.Plan.Local Asset Management Plan

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

Is the PHA allocating costs within statute?

	o	N
	r	O

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

Ye	o	
s	r	

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

Ye	o	
s	r	

No Changes for FY2017.

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

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

#### Reserve Account

#### Reserve Balance

MTW Reserve Account @ 7/1/15	870,597
Estimated Addition/Reduction to Reserve FY16 - PH	622,270
Estimated Addition/Reduction to Reserve FY16 - HCV	357,310
Estimated MTW Reserve Account @ 7/1/16	1,850,177
Scattered Sites Homeownership @ 7/1/16	128,660
<b>Total Reserve Balance Amount:</b>	<b>1,978,837</b>

## 6.0 ADMINISTRATIVE

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

See Attachment B for General Order and Certification

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

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

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

See Attachment A for Annual Statement and Evaluation Report

## **Attachment A**

### **Annual Statement/Performance And Evaluation Report**



U.S. Department of Housing and Urban Development

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

April 13, 2015

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

Dear Mr. Addi:

Enclosed is a fully executed original of the ACC for the Authority's FY 2015 Capital Fund Program funding, Grant #DE26P00450115 in the amount of \$694,913.00.

You are reminded that the Authority cannot begin to undertake, obligate or expend capital funds on physical activities or other choice-limiting actions until the Environmental Review Requirements have been met. Once this has been completed, you may begin to obligate FY 2015 Capital Funds.

Once again, particular attention must be given to expediting the obligation and expenditure of capital funds. This office has approved an implementation schedule for your authority not to exceed April 12, 2017 for the obligation and April 12, 2019 for expenditure of these funds.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Monica A. Hawkins", is written over a horizontal line.

Monica A. Hawkins, MBA  
Director  
Office of Public Housing

Enclosure

[www.hud.gov](http://www.hud.gov)

[espanol.hud.gov](http://espanol.hud.gov)



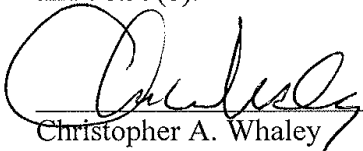


PHONE (302) 739-7416

HOUSING MANAGEMENT OFFICE  
26 THE GREEN  
DOVER, DELAWARE 19901  
TOLL FREE: (888) 363-8808

(302) 739-7423 FAX  
(302) 739-4264 TDD

I, Christopher A. Whaley, I hereby certify that the proposed FY2015 CFP activities meet the environmental review requirements of 24 CFR Part 58, as previously defined in our Continuing Project Determination included in the FY2015 CFP submission, and are categorically excluded and not subject to 24 CFR Part 58.34(a) and 58.35(b).

  
\_\_\_\_\_  
Christopher A. Whaley  
Director, of Housing Management

3-31-15  
DATE

# 2015 Capital Fund

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

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

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

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

\$ \$694,913.00 for Fiscal Year 2015 to be referred to under Capital Fund Grant Number DE26P00450115  
PHA Tax Identification Number (TIN): On File DUNS Number: On File

Whereas, HUD and the PHA are entering into the CFP Amendment Number 53

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

1. The ACC(s) is (are) amended to provide CFP assistance in the amount specified above for development, capital and management activities of PHA projects. This CFP Amendment is a part of the ACC(s).

2. The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) published at 78 Fed. Reg. 63748 (October 24, 2013), as well as other applicable HUD requirements, except that the limitation in section 9(g)(1) of the Act is increased such that of the amount of CFP assistance provided for under this CFP amendment only, the PHA may use no more than 25 percent for activities that are eligible under section 9(e) of the Act only if the PHA's HUD-approved Five Year Action Plan provides for such use; however, if the PHA owns or operates less than 250 public housing dwelling units, such PHA may continue to use the full flexibility in section 9(g)(2) of the Act.

3. The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five Year Action Plan where the PHA proposes a Significant Amendment to the Capital Fund Five Year Action Plan.

4. For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee within 3 days of the due date.

5. Unless otherwise provided, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.

6. Subject to the provisions of the ACC(s) and paragraph 3, and to assist in development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.

7. The PHA shall continue to operate each public housing project as low-income housing in compliance with the ACC(s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP

assistance for development activities for each public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project. However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.

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

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

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

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

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

The parties have executed this CFP Amendment, and it will be effective on 4/13/2015. This is the date on which CFP assistance becomes available to the PHA for obligation.

U.S. Department of Housing and Urban Development

By [Signature] Date: APR 13 2015  
Title

**Director, Office of Public Housing**  
Previous versions obsolete

PHA (Executive Director or authorized agent)

By [Signature] Date: 2/25/15  
Title Anas Ben Addi, Director

form HUD-52840-A 03/04/2003

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

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

<b>Part I: Summary</b>		<b>Grant Type and Number</b>		<b>FFY of Grant: FY2015</b>	
<b>PHA Name:</b>		<b>Capital Fund Program Grant No: DE26P00450115</b>		<b>FFY of Grant Approval: FY2015</b>	
<b>Delaware State Housing Authority</b>		<b>Replacement Housing Factor Grant No:</b>			
<b>Date of CFFP:</b>					

Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no: )		Total Actual Cost <sup>1</sup>	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report <input type="checkbox"/> Revised <sup>2</sup>		<input type="checkbox"/> Obligated <input type="checkbox"/> Expended	
Line	Summary by Development Account	Original	Revised <sup>2</sup>	Obligated	Expended		
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>						
3	1408 Management Improvements						
4	1410 Administration (may not exceed 10% of line 21)						
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition						
15	1492 Moving to Work Demonstration	694,913.00					
16	1495.1 Relocation Costs						
17	1499 Development Activities <sup>4</sup>						

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

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

<b>Part I: Summary</b>		FFY of Grant: FY2015 FFY of Grant Approval: FY2015	
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450115 Replacement Housing Factor Grant No: Date of CFFP:		
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:			
Type of Grant		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup> Obligated Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)		
20	Amount of Annual Grant: (sum of lines 2 - 19)	694,913.00	
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director: <i>Anna Ben Adams</i>		Date 2/25/15	Signature of Public Housing Director: <i>[Signature]</i> Date APR 1 2015

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

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

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.



<sup>1</sup> Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.





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

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

Part I: Summary		Grant Type and Number		FFY of Grant: FY2015 FFY of Grant Approval: FY2014	
PHA Name: Delaware State Housing Authority		Capital Fund Program Grant No: DE26P00450114 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2015 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Original	Total Estimated Cost Revised <sup>2</sup>	Obligated	Total Actual Cost <sup>1</sup> Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	679,753		352,594	343,230
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

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

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

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

<b>Part I: Summary</b>				FFY of Grant: FY2015 FFY of Grant Approval: FY2014	
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450114 Replacement Housing Factor Grant No: Date of CFFP:				
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2015		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Final Performance and Evaluation Report		<input type="checkbox"/> Revised Annual Statement (revision no: )	
Line	Summary by Development Account	Total Estimated Cost Original	Revised <sup>2</sup>	Obligated	Total Actual Cost <sup>1</sup> Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	679,753		352,594	343,230
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Signature of Public Housing Director		Date	

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
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<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
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<sup>i</sup> Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.



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

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

<b>Part I: Summary</b>		<b>PHA Name:</b> Delaware State Housing Authority		<b>Grant Type and Number</b> Capital Fund Program Grant No: DE26P00450115 Replacement Housing Factor Grant No: Date of CFFP:		<b>FFY of Grant: FY 2015</b> <b>FFY of Grant Approval: FY 2015</b>	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2015		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no: )			
<b>Line</b>	<b>Summary by Development Account</b>	<b>Original</b>	<b>Total Estimated Cost Revised<sup>2</sup></b>	<b>Obligated</b>	<b>Total Actual Cost<sup>1</sup></b>		
1	Total non-CFF Funds				Expended		
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>						
3	1408 Management Improvements						
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14	1485 Demolition						
15	1492 Moving to Work Demonstration	694,913					
16	1495.1 Relocation Costs						
17	1499 Development Activities <sup>4</sup>						

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
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**Annual Statement/Performance and Evaluation Report**  
**Capital Fund Program, Capital Fund Program Replacement Housing Factor and**  
**Capital Fund Financing Program**

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

<b>Part I: Summary</b>				FFY of Grant: FY2015 FFY of Grant Approval: FY2015	
PHA Name: Delaware State Housing Authority		Grant Type and Number Capital Fund Program Grant No: DE26P00450115 Replacement Housing Factor Grant No: Date of CFFP:			
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2015		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Final Performance and Evaluation Report			
<b>Type of Grant</b>		<b>Summary by Development Account</b>		<b>Total Estimated Cost</b>	
				<b>Original</b>	
				<b>Revised <sup>2</sup></b>	
				<b>Obligated</b>	
				<b>Total Actual Cost <sup>1</sup></b>	
<b>Line</b>		<b>Summary by Development Account</b>		<b>Total Estimated Cost</b>	
				<b>Original</b>	
				<b>Revised <sup>2</sup></b>	
				<b>Obligated</b>	
				<b>Total Actual Cost <sup>1</sup></b>	
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)			694,913	
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
<b>Signature of Executive Director</b>		<b>Signature of Public Housing Director</b>		<b>Date</b>	
				<b>Date</b>	

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







<sup>†</sup> Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.



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

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

<b>Part I: Summary</b>		<b>Grant Type and Number</b> Capital Fund Program Grant No: DE26P00450116 Replacement Housing Factor Grant No: Date of CFFP:		<b>FFY of Grant: FY2016</b> <b>FFY of Grant Approval: FY2016</b>	
<b>PHA Name:</b> Delaware State Housing Authority					
<b>Type of Grant</b> <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
<b>Line</b>	<b>Summary by Development Account</b>	<b>Original</b>	<b>Total Estimated Cost Revised<sup>2</sup></b>	<b>Obligated</b>	<b>Total Actual Cost<sup>1</sup> Expended</b>
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	694,913			
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.  
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Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

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

<b>Part I: Summary</b>		FFY of Grant: FY2016 FFY of Grant Approval: FY2016	
PHA Name: Delaware State Housing Authority	Grant Type and Number Capital Fund Program Grant No: DE26P00450116 Replacement Housing Factor Grant No: Date of CFFP:		
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
<b>Type of Grant</b>	<b>Summary by Development Account</b>	<b>Total Estimated Cost</b>	<b>Total Actual Cost<sup>1</sup></b>
		Original	Obligated
Line		Revised <sup>2</sup>	Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
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<b>Signature of Executive Director</b>		<b>Signature of Public Housing Director</b>	
<b>Date</b>		<b>Date</b>	

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

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>2</sup> To be completed for the Performance and Evaluation Report.





<sup>1</sup> Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.



## **Attachment B**

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

**GENERAL ORDER NO. 636**

**GENERAL ORDER ADOPTING  
THE MOVING TO WORK  
ANNUAL PLAN FOR FY2017**

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

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

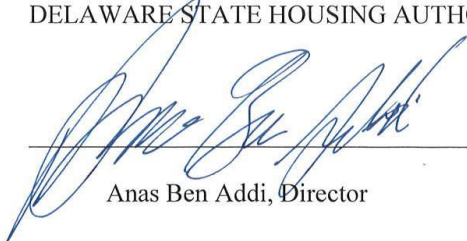
**WHEREAS,** The Moving to Work Restated and Amended Agreement requires certification that a public hearing was held regarding the Moving to Work Plan; and

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

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

1. The Director has reviewed and approved the Moving To Work Annual Plan for FY2017.
2. The Delaware State Housing Authority certifies that it held public hearings on March 16, 2016 and March 17, 2016 in accordance with the requirements of the Moving to Work Restated and Amended Agreement regarding the Moving to Work Annual Plan for FY2016.

DELAWARE STATE HOUSING AUTHORITY

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

4-11-16  
\_\_\_\_\_  
Date

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

Attachment B

**Certifications of Compliance**

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

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

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

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

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

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

**Delaware State Housing Authority**

DE004/DE901

PHA Name

PHA Number/HA Code

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

**Anas Ben Addi**

**Director**

Name of Authorized Official

Title

Signature

Date

4-11-16

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



## PUBLIC HEARING NOTICE ON THE FY2017 MOVING TO WORK ANNUAL PLAN

Notice is given that the Delaware State Housing Authority (DSHA) will conduct two Public Hearings concerning the submission of their Moving To Work Annual Plan for FY2017 to the U.S. Department of Housing and Urban Development (HUD). This Plan outlines the activities of the Moving To Work Program as well as the sources and uses of funding that DSHA will implement during the sixteenth year of the Moving To Work Demonstration.

DSHA is not proposing any new MTW initiatives in the FY2017 Annual Plan. DSHA will be submitting a request to the U.S. Department of Housing and Urban Development (HUD) to sell the 14 public housing scattered sites homes. All of the scattered site homes are throughout Kent County including Rodney Village and Kent Acres in Dover (5 homes), Milford (1 duplex and 2 homes), Harrington (2 homes), Houston (1 home), Felton (1 home) and Smyrna (1 home). Due to increased expenses maintaining these properties, dwindling resident interest and the logistics of providing maintenance services, DSHA is requesting HUD approval to sell the properties.

A copy of the Draft Plan will be available for inspection and review at DSHA's offices during normal business hours, Monday through Friday, at 18 The Green, Dover and each Public Housing development beginning February 15, 2016. The Plan will also be available on the DSHA website, [www.destatehousing.com](http://www.destatehousing.com) beginning February 15, 2016. After the end of the comment period on April 4, 2016, the Plan will be finalized and submitted to HUD for final approval.

The first hearing will be held in the Community Building of the Liberty Court complex at 5:30 P.M., Wednesday, March 16, 2016. Liberty Court is located at 1289 W. Walker Road, Dover, DE 19904. The Community Building is handicapped accessible.

The second hearing will be held in the Community Building of the Burton Village complex at 5:30 P.M., Thursday, March 17, 2016. Burton Village is located at 37511 Burton Village Avenue, Rehoboth Beach, DE 19971. The Community Building is handicapped accessible.

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

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



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MAR 23 2016

**INDEPENDENT NEWSMEDIA INC. USA**

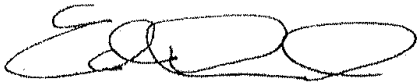
110 Galaxy Drive • Dover, DE • 19901 • 1-800-282-8586

State of Delaware:

County of Kent:

Before me, a Notary Public, for the County and State aforesaid, Edward Dulin, known to me to be such, who being sworn according to law deposes and says that he is President of Independent Newsmedia Inc. USA, the publisher of the **Delaware State News**, a daily newspaper published at Dover, County of Kent, and State of Delaware, and that the notice, a copy of which is hereto attached, as published in the **Delaware State News** in its issue of February 16 & 25, 2016

March 7, 12, 14, 2016



President  
Independent Newsmedia Inc. USA

Sworn to and subscribed before me this 14th

Day of March A.D. 2016



Janet Levy  
Notary Public





**PUBLIC HEARING NOTICE  
ON THE FY2017 MOVING TO WORK ANNUAL PLAN**

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TDD (302) 739-4264  
Equal Opportunity Employer  
Equal Housing Opportunity

97823 2/16,25;3/2,7,12,14/2016



# GATEHOUSE MEDIA DELAWARE HOLDINGS, INC

**Office:**

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

**Mailing Address:**

PO Box 664  
Dover, DE 19903

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

This is to certify that the following legal advertisement:

**Public Notice: Moving to Work Annual Plan for FY2017**

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

**February 17<sup>th</sup> & 24<sup>th</sup>, 2016**

A copy of that advertisement is attached.

Amy Schensen  
For The Dover Post

Sworn to and subscribed before me this 24<sup>th</sup>  
Day of February, 2016.

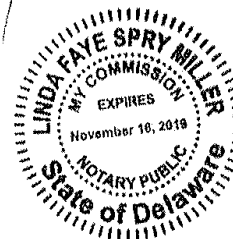
Linda Faye Spry Miller

Notary Public

INVOICE:

TOTAL DUE: \$233.20

Thank You.





**PUBLIC HEARING NOTICE  
ON THE FY2017 MOVING TO WORK ANNUAL PLAN**

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Equal Opportunity Employer  
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**The News Journal**  
**Media Group**

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P.O. Box 15505  
Wilmington, DE 19850

Legal Desk:  
(302) 324-2676  
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302 324-2249

SD STATE HOUSING AUTHORITY  
18 THE GRN

DOVER, DE 19901

DE STATE HOUSING AUTHORITY  
ATTN: MABEL JEAN HAYES  
18 THE GREEN  
DOVERDE, 19901

### AFFIDAVIT OF PUBLICATION

**State of Delaware**  
**New Castle County**

Personally appeared **The News Journal**

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

02/16/16, 02/25/16, 03/02/16, 03/07/16, 03/12/16,  
03/14/16 A D 2016

Linda Barber

Ad Number: 0001055293

Sherry Ann Salvia  
Sworn and subscribed before me, this 14 day of March,  
2016



Legal notification printed at larger size for affidavit.



**PUBLIC HEARING NOTICE  
ON THE FY2017 MOVING TO WORK  
ANNUAL PLAN**

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Equal Opportunity Employer  
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2/16, 25: 3/2, 7, 12, 14-NJ

0001055293-01

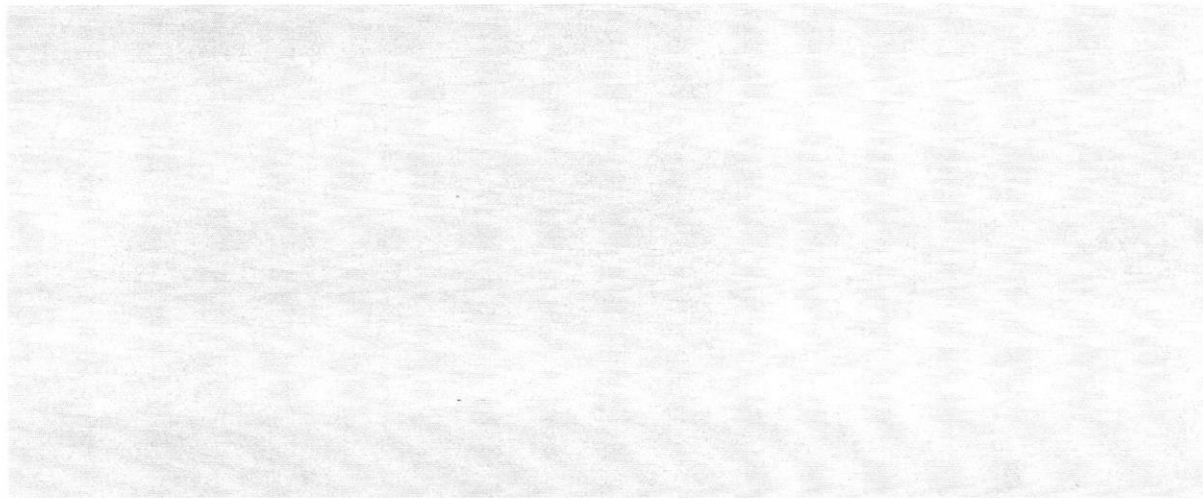
# Cape Gazette

Office: 17585 Nassau Commons Blvd, , Lewes, DE 19971 • Mailing: P.O. Box 213, Lewes, DE 19958  
Telephone: 302-645-7700 • Fax: 302-645-1664

## AFFIDAVIT

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

**This is to certify that the advertisement who's content is shown below (minus the formatting)**



**Was published in the Cape Gazette on the following dates:**

Friday, February 19, 2016

Friday, March 4, 2016

Tuesday, February 23, 2016

Friday, March 11, 2016

Tuesday, March 1, 2016

Tuesday, March 15, 2016

*[Signature]*  
For the Cape Gazette

*[Signature]*  
Sandra J. Barr



**MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY  
PUBLIC HEARING ON THE  
MOVING TO WORK FY2016 ANNUAL PLAN  
March 16, 2016**

The hearing was called to order at 5:31 p.m.

There were no attendees other than Delaware State Housing Authority staff and therefore no discussion.

It should be noted that notices of the hearing were advertised in local publications and sent to all residents.

The meeting was adjourned at 5:55 p.m.



**MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY  
PUBLIC HEARING ON THE  
MOVING TO WORK FY2016 ANNUAL PLAN  
March 17, 2016**

The hearing was called to order at 5:31 p.m.

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## **Attachment C**

### **Section II:**

## **General Housing Authority Operating Information**

**HOUSING STOCK,**

**CAPITAL FUND EXPLANATION/EXPENDITURES,**

**WAIT LIST EXPLANATIONS/ HISTORICAL TABLES,**

**SOURCES AND USES OF FUNDS NARRATIVE**

## 2.0 (A) Plan Housing Stock

- **NUMBER OF PUBLIC HOUSING UNITS AT THE BEGINNING OF FY2017**

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

**Table 3**

**Number of Public Housing Units as of July 1, 2016**

Public Housing						
	Total Units	Bedroom Size				
		1 BR	2 BR	3 BR	4 BR	5 + BR
Burton Village	51	-	14	28	9	-
Clarks Corner	70	4	26	26	12	2
Hickory Tree	55	-	26	26	3	
Holly Square	24	24	-	-	-	-
Laverty Lane	50	-	40	10	-	-
Liberty Court	100**	25	63**	12	-	-
McLane Gardens	29	12	6	6	4	1
McLane Gardens Annex	21	-	12	6	3	-
Mifflin Meadows	54	6	8	24	12	4
Peach Circle	32	32	-	-	-	-
Scattered Sites-Rental	9	-	-	9	-	-
Scattered Sites-Owner	5*	-	-	5*	-	-
<b>TOTAL</b>	<b>508</b>	<b>103</b>	<b>203</b>	<b>152</b>	<b>43</b>	<b>7</b>

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

\*\*DSHA has to remove 8 two-bedroom units from our anticipated Liberty Court housing stock due to structural damage. The units are uninhabitable. Units are expected to remain vacant for one to two years.

- **SIGNIFICANT CAPITAL EXPENDITURES BY DEVELOPMENT- FY2014**

This section compares FY2014 budgeted capital work with the actual FY2015 Capital Expenditures by property.

**Table 4**

<b>ACTIVITY</b>	<b>COMMUNITIES</b>	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>EXPENDED</b>
Bathroom Exhaust Fans	McLane Gardens	2,521.96	2,521.96	\$2,521.96
Culvert Entrance Improvements	Mifflin Meadows	22,966.00	41,576.99	\$41,576.99
Architect Fees- HVAC Improvements	Burton Village	1,566.00	1,566.00	\$1,566.00
HVAC Inspection Fees	Burton Village	1,906.95	1,906.95	\$1,906.95
HVAC Renovations	Burton Village	183,888.07	183,888.07	\$183,888.07
Daycare Electrical Inspection	Laverty Lane	60.00	60.00	\$60.00
Architect Fees - HVAC Renovations to the Community Building	Laverty Lane	1,170.00	1,170.00	\$1,297.52
HVAC Renovations to the Community Building	Laverty Lane	73,124.48	73,124.48	\$73,124.48
Architect Fees- Re-Roofing	Hickory Tree	21,250.00	21,250.00	\$3,001.00
Architect Fees- Re-Roofing	Holly Square	11,500.00	11,546.74	\$11,546.74
Re-Roofing all Buildings and Community Center	Holly Square	176,000.00	254,110.94	\$253,110.94
Administrative Costs	Authority Wide	65,901.99	65,907.99	\$65,901.99
Management Improvements- Printing and Bid Advertising	Various Sites	8,000.00	869.60	\$869.60
<b>Capital Program Totals</b>		<b>\$569,855.45</b>	<b>\$659,499.72</b>	<b>\$640,372.24</b>

## **DISCUSSION OF THE CAPITAL EXPENDITURE AMOUNTS:**

The following are descriptions of the expenditures made during FY2015 that exceeded 30% of the agency's total budgeted capital expenditures for the fiscal year. Total Planned Expenditures for FY2015 were \$569,855.45.

Burton Village HVAC Improvements: \$185,454.07 (HVAC improvements \$183,888.07 and Architect fees \$1,566.00). This entailed replacing heat pumps and hot water heaters in apartment buildings.

## **CAPITAL PLANS:**

### **A. STATEMENT OF EXISTING NEEDS**

The total amount of DSHA existing capital needs is approximately \$9,349,495 which is \$ 19,198.15 per unit. These funds will be used over a five-year period to modernize and update our developments, some of which are 30 years old.

DSHA has received on average \$645,922 annually for the past five years. The FY2015 Capital Fund Program was funded at \$694,913.

### **B. PLANNED CAPITAL EXPENDITURES**

The five-year capital plan for DSHA is broken down by fiscal year. The plan reflects Capital Fund Program funds equal to the amount that will be awarded for FY2017, which is \$694,913. The appropriate planning process and public hearings were held to get input from our residents and the public.

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

**TABLE 5****Five Year Capital Plan**

	FY2017	FY2018	FY2019	FY2020	FY2021
Physical Improvements	\$555,422	\$567,422	\$567,422	\$567,422	\$567,422
Administration	69,491	69,491	69,491	69,491	69,491
Management Improvements	8,000	8,000	8,000	8,000	8,000
Fees & Costs	62,000	50,000	50,000	50,000	50,000
<b>TOTAL</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>	<b>\$694,913</b>

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

**Table 6****Capital Expenditures Planned for FY2017**

Capital Project (list by Name)	Total Planned Expenditure in Current Year (specify year)	
Clarks Corner	\$ 175,000	2017
Clarks Corner Annex	\$ 0	2017
McLane Gardens	\$ 0	2017
Peach Circle	\$ 0	2017
Mifflin Meadows	\$ 0	2017
Burton Village	\$ 23,422	2017
McLane Gardens Annex	\$ 0	2017
Laverty Lane	\$ 273,000	2017
Hickory Tree	\$ 84,000	2017
Scattered Sites – Phase I	\$ 0	2017
Liberty Court I	\$ 0	2017
Liberty Court II	\$ 0	2017
Hickory Tree – Phase II	\$ 0	2017
Holly Square	\$ 0	2017
Scattered Sites – Phase II	\$ 0	2017
<b>Total</b>	<b>\$ 555,422</b>	

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

		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>CLARKS CORNER</b>	<b>COST</b>					
Siding Replacement	85,000					
Entry, Storage and Storm Doors	240,000		240,000			
Bathroom Rehabilitation	500,000					
Replace Shutters	35,000					
Security Cameras Upgrades	125,000	125,000				
Replace Flooring	250,000					
Kitchen Renovations	200,000					
Handicap Unit Rehabilitation	50,000	50,000				
Maintenance Shop Addition	80,000					
Playground Equipment	50,000					
Bicycle Path	18,422				18,422	
<b>TOTAL</b>	<b>1,633,422</b>	<b>175,000</b>	<b>240,000</b>	<b>0</b>	<b>18,422</b>	<b>0</b>

<b>CLARKS CORNER ANNEX</b>	<b>COST</b>					
Entry, Storage and Storm Doors	91,874			91,874		
Replace Furnaces	60,000					60,000
Replace Shutters	15,000					
Kitchen Rehabilitation	80,000					
<b>TOTAL</b>	<b>246,874</b>	<b>0</b>	<b>0</b>	<b>91,874</b>	<b>0</b>	<b>60,000</b>

<b>MCLANE GARDENS</b>	<b>COST</b>					
Reinforce Stairways	15,000					



Replace Furnaces	188,500					
Maintenance Shop Furnace	5,000					
Kitchen Rehabilitation	116,000					
Bathroom Rehabilitation	290,000					
Repave Parking Lot/Drive	50,000					
<b>TOTAL</b>	<b>664,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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

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

		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>BURTON VILLAGE</b>	<b>COST</b>					
Maintenance Building Siding	25,000					
Window Replacements	125,000					
Siding 4 BR Replacement	25,000					
Replace Interior Lights	10,672	10,672				
Bathroom Renovations	500,000					
Replace Bathroom Exhaust Fans	12,750	12,750				
Handicap Unit Rehabilitation	50,000				50,000	
Playground Equipment	50,000			50,000		
Border Fence	185,000					
Paving	125,000		125,000			
Kitchen Rehabilitation	204,000				204,000	
<b>TOTAL</b>	<b>1,312,422</b>	<b>23,422</b>	<b>125,000</b>	<b>50,000</b>	<b>254,000</b>	<b>0</b>

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

<b>LAVERTY LANE</b>	<b>COST</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Parking Lot Paving	150,000	73,000				77,000
Kitchen Rehabilitation	200,000	200,000				
Entrance, Storage & Screen Doors	240,000			120,000	120,000	
Security Cameras	115,422					115,422
Replace Siding Community Bldg.	30,000					
Replace Community Bldg. Windows	50,000					
Community Bldg. Sanitary Repairs	50,000					
Bathroom Rehabilitation	500,000		198,422	301,578		
Perimeter Fence	150,000					
<b>TOTAL</b>	<b>1,485,422</b>	<b>273,000</b>	<b>198,422</b>	<b>421,578</b>	<b>120,000</b>	<b>192,422</b>

<b>HICKORY TREE</b>	<b>COST</b>					
Playground Equipment Comm. Building	45,000					
Perimeter Fence	150,000					
Replace Storage & Utility Room Doors	80,000	80,000				
Security Cameras	120,000					
Kitchen Renovations	140,000					140,000
Comm. Building Heat Pump	11,970	4,000	4,000	3,970		
Repaving Parking Lot/Driveway	70,000					
Bathroom Rehabilitation	350,000				175,000	175,000
Siding Replacements	95,000					
<b>TOTAL</b>	<b>1,066,970</b>	<b>84,000</b>	<b>4,000</b>	<b>3,970</b>	<b>175,000</b>	<b>315,000</b>

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

		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>SCATTERED SITES-1; 010</b>	<b>COST</b>					
Replace Sidewalk and Steps	3,500					
Storage Shed	5,000					
Driveway Paving	6,000					
Kitchen Rehabilitations	7,150					
HVAC Upgrade	6,000					
<b>TOTAL</b>	<b>27,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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

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

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

<b>HICKORY TREE II</b>	<b>COST</b>					
Bathroom Rehabilitation	200,000					
Siding Replacements	60,000					
<b>TOTAL</b>	<b>260,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 7 (cont)**

**Physical Needs Assessment**

		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>HOLLY SQUARE</b>	<b>COST</b>					
Concrete Pads/Sidewalks	6,895					
Site Lighting Upgrades	40,000					
Perimeter Fencing	55,000					
<b>TOTAL</b>	<b>101,895</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Administration</b>		69,491	69,491	69,491	69,491	69,491
<b>Management Improvements</b>		8,000	8,000	8,000	8,000	8,000
<b>Fees</b>		62,000	50,000	50,000	50,000	50,000

\* **9,349,495**

<b>TOTAL</b>		<b>694,913</b>	<b>694,913</b>	<b>694,913</b>	<b>694,913</b>	<b>694,913</b>
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\* Total excludes soft costs such as management, administration and fees.

- **NUMBER OF MTW HOUSING CHOICE VOUCHERS AUTHORIZED AT THE BEGINNING OF FY2017**

Fifty (50) Family Unification Program (FUP) voucher were awarded to DSHA in October 2009. These vouchers are to be used for 1) Families for whom the lack of adequate housing is a primary factor in the imminent placement in foster care, or delaying the return of the children from foster care, 2) Youth 18 to 21 years of age exiting foster care. DSHA does not plan any further changes to the number of MTW or non-MTW vouchers authorized for use by DSHA as of July 1, 2016. DSHA began project basing 20 Housing Choice Vouchers in coordination with renovations at Wexford Village.

**Table 8**

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

## LEASING INFORMATION-ACTUAL AS OF JUNE 30, 2015

- WORK ORDER RESPONSE TIMES**

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

### FY14 Actual Response Time

Emergency      Non-Emergency

2 hrs

4 days

**TABLE 9**

### **Public Housing Vacancy and Occupancy - 7/1/11 - 1/1/16\***

Development	Total Units	Units Vacated			Occupancy 1/01/16	Planned FY17	Anticipated Total Number Leased
		FY13	FY14	FY15			
Burton Village	51	12	6	10	97%	98%	50
Clarks Corner	70	17	12	17	94%	98%	69
Hickory Tree	55	11	16	10	97%	98%	54
Holly Square	24	4	2	2	94%	98%	24
Laverty Lane	50	3	11	3	96%	98%	49
Liberty Court	108	25	25	17	90%**	98%	106
McLane Gardens	29	7	6	3	93%	98%	28
McLane Gardens Annex	21	6	2	5	99%	98%	21
Mifflin Meadows	54	9	14	9	100%	98%	53
Peach Circle	32	4	9	3	99%	98%	31
Scattered-site rentals	9	2	1	1	100%	98%	9
<b>Total</b>	<b>503</b>	<b>100</b>	<b>104</b>	<b>80</b>	<b>96%</b>	<b>98%</b>	<b>494</b>

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



\*\* The occupancy rate for Liberty Court is due to 8 units that have structural damage and are uninhabitable. DSHA has applied for RAD funding and units are expected to remain vacant for at least one to two years.

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

All Public Housing units leased are under the MTW Program.

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

**Table 10**

**Anticipated Total Number of MTW and Non-MTW units leased during FY2016**

Program	August 1999	Beginning of FY-2015	End of FY-2016 (Planned)
MTW	803	903	904
Non-MTW (Conversion)	-0-	2	1
Non-MTW (Family Unification Program)	-0-	23	50
Total	803	928	955

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

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

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

Wexford Village

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

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

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

The waiting list is a combined list for Housing Choice Voucher Program Vouchers and Public Housing. MTW applicants are provided the type of housing that is available when their name comes to the top of the list. The waiting list has been open since 1991, and DSHA anticipates that it will remain open. There is significant change in the number of applicants since last year. Prior to the commencement of MTW, the wait for housing ranged from about 8 months for some bedroom sizes in Public Housing, to about 22 months for a Housing Choice Voucher. Currently, the wait for those with an MTW preference and the elderly/disabled is approximately eighteen months for Public Housing and 42 months for the Housing Choice Voucher Program. DSHA eliminated the subsidy choice between Public Housing and Housing Choice Vouchers for elderly and disabled families during FY2012. With this change, all applicants (MTW participants and exempt elderly/disabled applicants) are required to accept the form of subsidy offered (Public Housing or HCV). If the applicant desires a form of subsidy other than what is offered (Public Housing or HCV), their name will be placed on the bottom of the waiting list based on the date of refusal. During FY2017, DSHA will continue to monitor the effectiveness of the 500 unit set-aside to determine if it is increasing MTW participation as anticipated and that it is not negatively impacting the waiting list process. During FY2016, DSHA found that the 500 unit set-aside did not increase MTW participation as anticipated but it also did not negatively impact the waiting list.

- **DESCRIPTION OF ANTICIPATED CHANGES IN THE NUMBER OF FAMILIES ON THE WAITING LIST DURING FY2017**

Based on the number of applications received in the past six months, we anticipate that the total number of applicants on the waiting list will remain stable during FY2017. The waiting list has 7,091 families actively waiting for housing.

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

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

**Table 11**

**Number of Households on the Waiting List by Bedroom Size on January 1, 2016**

<b>Combined Public Housing and Housing Choice Voucher Waiting List</b>							
	Total Households		January 2016				
	JAN 2015	JAN 2016	1 BR	2 BR	3 BR	4 BR	5 + BR
Family	4,955	4,664	1,228	1,774	1,241	342	79
Elderly/Disabled	2,352	2,427	1,587	497	249	80	14
Total	<b>7,307</b>	<b>7,091</b>	<b>2,815</b>	<b>2,271</b>	<b>1,490</b>	<b>422</b>	<b>93</b>

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

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

#### **ESTIMATED SOURCES OF MTW FUNDING FOR THE FISCAL YEAR**

The Agency's MTW Planned Sources of MTW funds for FY17 consist of Total Tenant Revenue, HUD PHA Operating Grants, Capital Grants, Interest Income and Other Income. These funding streams, each with their own funding methodologies, are described below.

- **Total Tenant Revenue.** The estimated Public Housing tenant revenue was determined by an analysis of October, November, and December 2015 rent roll (dwelling rent less MTW escrow savings) by site, FY15 actuals and FY16 year-to-date (YTD) income. The FY17 dwelling rental income is estimated at \$747,850. Each site's number of units was multiplied by their average PUM for the 3 months and then multiplied by 12 months. This amount is higher than FY15 actuals of \$654,275 and the FY16 budgeted amount of \$699,600 due to higher PUM revenue.
- **HUD PHA Operating Grants.** The HUD PHA Operating Grant consists of Public Housing Operating Grant and Housing Choice Voucher.

The agency receives an Operating Grant for its Public Housing units that are calculated in two parts: utility and non-utility. The amount of non-utility subsidy is determined by the per unit non-utility subsidy that the agency received in the prior year. This figure is then adjusted annually for inflation. The agency receives a subsidy equal to the utility consumption, on a three year rolling base, that was in place for the MTW base year (FY99) and is then adjusted by current utility rates. HUD has not approved the CY16 Subsidy. The FY17 Subsidy Revenue has been calculated using 95% of the CY15 requested amount resulting in a budgeted amount of \$3,296,600.

The Housing Choice Voucher funding that the agency received in prior years was a function of the average monthly subsidy paid for each Section 8 Existing and/or Voucher unit in the year before MTW. This figure was then adjusted annually from MTW year two forward, for inflation and multiplied by the number of Section 8 Vouchers (under MTW, all contracts are called vouchers) units per original ACC contracts (903 units), and again by 12 months, to determine the annual Section 8 Block Grant. However, starting in January 2005, Housing Choice Voucher funding is being awarded by calendar year. The CY16 approved funding is estimated to be \$7,563,170. This amount was calculated by annualizing the approved January 2016 amount times 97% proration. The FY17 budgeted amount of \$7,528,200 was calculated by adding 1% to the budgeted HAP expenses plus \$100,000/month for administrative expenses.

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

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

In accordance with new guidelines under GAAP, the income reported as budgeted to be received from the Public Housing Capital Grant is the expense amount that the agency actually anticipates incurring in all prior-year funds, not necessarily the amount that the agency anticipates being awarded in new funds in FY17, which often takes up to three years to expend. Please see Capital Fund "Awarded Budget" as shown in Section 2.0 of this Plan.

- Interest Income. Interest Income has reduced substantially. Effective 1/1/2012, money markets accounts were changed to checking accounts. The checking accounts are non-interest bearing accounts. The MTW Reserve Account is a money market account so it earns minimal interest. FY17 interest on this account is estimated at \$990.
- Other Income. Daycare centers in the community buildings of Laverty Lane and Hickory Tree generate monthly income in the amount of \$700 and \$750 respectively as well as the community building at Holly Square generating \$1,400 a month in income. Public Housing laundry machines are supplied by a vendor and the Authority receives 50% of the revenue generated. DSHA also receives a small percentage of telephone receipts. Also included in other income are maintenance charges, court fees, late fees received from residents and MTW savings forfeitures. Savings forfeitures for the period July 2015 through December 2015 were \$44,839.

Section 8 Housing Choice Vouchers receives other income from reimbursable portable vouchers, fraud recovery payments, and forfeitures of MTW Escrow savings. Savings forfeitures for the period July 2015 through December 2015 were \$49,279. The forecast for other income was derived from FY16 YTD annualized receipts.

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

The Agency's planned uses of MTW funds for FY17 consists of Total Operating – Administrative, Total Tenant Services, Total Utility, Labor, Total Ordinary Maintenance, Total Insurance Premiums, Total Other General Expenses, and HCV Housing Assistance Payments. Expenses are calculated after reviewing prior year expense levels plus an inflation factor and adding any new contractual obligations. A broad overview by Program is listed below.

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

- **Total Utility.** The expense for lighting, heating and providing water and sewer to all sites was based on FY15 Actual and estimated FY16 expenses.
- **Labor.** Labor includes maintenance salaries of public housing site personnel, which does not include a salary increase for FY17.
- **Total Ordinary Maintenance.** Total ordinary maintenance expenses includes building materials, supplies, and contractual costs including trash pickup, grass cutting, snow removal, exterminating and routine painting of empty units at all sites.
- **Total Insurance Premiums.** Total Insurance Premiums includes insurance coverage costs for Public Housing and Housing Choice Voucher personnel and properties. The increase in this year's budget represents an increase in workman's compensation insurance.
- **Total Other General Expenses.** Total Other General Expenses includes payments in lieu of taxes to counties and school districts, benefit contributions for administrative and maintenance employees and any loss on collections.
- **Housing Assistance Payments.** The Housing Assistance payments include payments to landlords which for FY17 are budgeted at \$5,793,470. This amount reflects an increase over the FY16 budgeted amount. Effective 1/1/2013, residents no longer receive utility allowance checks. Payments for four Resident Home ownership Program Participants are also included in this amount. This program's first expenditures were recognized in FY07.
- **Capital Grant Expenses.** Capital Grant expenses are expenses for general equipment, air conditioning/heating upgrades, land improvements and building/ground improvements at Public Housing sites in excess of the capitalization threshold of \$100,000. In FY17, planned Capital Grant expenses in the amount of \$555,420 include security camera upgrades and handicap unit rehab at Clarks Corner, replace interior lights and bathroom exhaust fans at Burton Village, parking lot and kitchen rehab at Laverty Lane, and replace storage and utility room doors and community building heat pump at Hickory Tree.

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

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

While the amount of funding is calculated separately, the agency can use the above funds flexibly. DSHA has no planned uses of MTW Single-Fund Flexibility for FY2017.

#### **LOCAL ASSET MANAGEMENT PLAN**

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

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

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

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

Financial Management: With respect to financial management, DSHA’s cost accounting and financial reporting methods are in conformance with the OMB Omni-Circular and Generally Accepted Accounting Principles (GAAP). These are no exceptions to HUD guidance. The cost approach for each of the three federal funding sources under MTW are noted below for FY16 and FY17:

	<u>FY16</u>	<u>FY17</u>
Public Housing	Direct charge	Direct charge
Sec. 8 Voucher	Direct charge	Direct charge
Capital Fund	Direct charge	Direct charge

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

## **Attachment D**

### **RAD Significant Amendment**



## **Rental Assistance Demonstration (RAD) Significant Amendment**

### **FY2017 MOVING TO WORK ANNUAL PLAN**

The Delaware State Housing Authority (DSHA) is amending its annual MTW Plan because it was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, DSHA will be converting to Project Based Vouchers under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices.

Upon conversion to Project Based Vouchers the Authority will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.6 of PIH Notice 2012-32, REV-2; and Joint Housing PIH Notice H-2014-09/PIH-2014-17; These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, DSHA certifies that it is currently compliant with all fair housing and civil rights requirements,

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing DSHA with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, the Authority's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that DSHA may also borrow funds to address their capital needs.

Below, please find specific information related to the Public Housing Development(s) selected for RAD:

#### Development #1

<b>NAME:</b> Liberty Court	<b>PIC #</b> DE004000012	<b>Conversion Type::</b> PBV	No Transfer of Assistance
<b>UNIT COUNT:</b> 108 Units	<b>Unit Type-Pre RAD:</b> Family Housing	<b>Unit Type-Post RAD</b> Family Housing	<b>Cap. Fund:</b> \$153,698
<b>Bedrooms Types:</b>	<b># Units Pre Conv.</b> 108	<b># Units Post Conv.</b> 100	<b>Change in # Units:</b> 8 (2BR) units to be removed due to condition of units and economic cost to renovate and restore 8 units
<b>One Bedroom</b>	25	25	
<b>Two Bedroom</b>	71	63	
<b>Three Bedroom</b>	12	12	

Development #2

<b>NAME:</b> McLane Gardens	<b>PIC #</b> DE004000005	<b>Conversion Type::</b> PBV	No Transfer of Assistance
<b>UNIT COUNT:</b> 50 Units	<b>Unit Type-Pre RAD:</b> Family Housing	<b>Unit Type-Post RAD</b> Family Housing	<b>Cap. Fund:</b> \$71,156
<b>Bedrooms Types:</b>	<b># Units Pre Conv.</b> 50	<b># Units Post Conv.</b> 50	<b>Change in # Units:</b> N/A
<b>One Bedroom</b>	12	12	
<b>Two Bedroom</b>	18	18	
<b>Three Bedroom</b>	12	12	
<b>Four Bedroom</b>	7	7	
<b>Five Bedroom</b>	1	1	

Development #3

<b>NAME:</b> Mifflin Meadows	<b>PIC #</b> DE004000003	<b>Conversion Type::</b> PBV	No Transfer of Assistance
<b>UNIT COUNT:</b> 54 Units	<b>Unit Type-Pre RAD:</b> Family Housing	<b>Unit Type-Post RAD</b> Family Housing	<b>Cap. Fund:</b> \$76,,849
<b>Bedrooms Types:</b>	<b># Units Pre Conv.</b> 54	<b># Units Post Conv.</b> 54	<b>Change in # Units:</b> N/A
<b>One Bedroom</b>	6	6	
<b>Two Bedroom</b>	8	8	
<b>Three Bedroom</b>	24	24	
<b>Four Bedroom</b>	12	12	
<b>Five Bedroom</b>	4	4	

Development #4

<b>NAME:</b> Peach Circle/Holly Square	<b>PIC #</b> DE004000019	<b>Conversion Type::</b> PBV	No Transfer of Assistance
<b>UNIT COUNT:</b> 56 Units	<b>Unit Type-Pre RAD:</b> Senior/Disabled	<b>Unit Type-Post RAD</b> Senior/Disabled	<b>Cap. Fund:</b> \$79,695
<b>Bedrooms Types:</b> 1 BR Units	<b># Units Pre Conv.</b> 56	<b># Units Post Conv.</b> 56	<b>Change in # Units:</b> N/A
<b>One Bedroom</b>	56	56	

**Changes in Policies that Govern eligibility, admissions, resident selection and occupancy of units:**

When conversion is completed for the developments noted above, all residents will have project based vouchers (PBV) and their continued eligibility will be based on the Housing Choice Voucher guidelines and requirements currently in use at DSHA.

1. **Admission:** The waiting lists will be based on a centrally located list maintained by our existing Waiting List Office. Currently both the Public Housing and Housing Choice Vouchers lists are combined and centrally administered. As each development is converted, a separate list will be maintained for these properties. DSHA applications will be revised to indicate the availability to apply for a project based voucher. The Waiting List Office shall also screen applicants for criminal history, landlord references, debts owed to HUD programs and income/family eligibility. Home Visits will be conducted by the Management Staff from each development.
2. **Occupancy of Units:** As noted above, applications for units will be processed and screened by the Waiting List Office. Once a client has been screen and accepted, their file will be referred to the development where the client is eligible for housing and there is a vacancy. Management Staff from each development will conduct home visits, and schedule move-in's with the applicants.
3. **Annual Inspections/Re-certifications:** The existing DSHA Housing Choice Voucher Office will conduct annual inspections for all units and perform annual re-certifications for residents. Elderly & Disabled residents will be re-certified biennially.
4. **Resident Rights:** Converted developments will be managed in accordance with state law under the Delaware Landlord-Tenant Code. In reference to their Project Based Voucher, they will receive the same rights and obligations as any other Housing Choice Voucher participant, including termination of assistance criteria and hearings.

**Resident Rights, Participation, Waiting List and Grievance Procedures  
If converting to PBV:**

**PIH Notice 2012-32, REV-2 Section 1.6.C & Section 1.6.D**

**1.6 C-PBV Resident Rights and Participation.**

**1. No Re-screening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households.<sup>24</sup> Once that remaining household moves out, the unit must be leased to an eligible family. MTW agencies may not alter this requirement.

**2. Right to Return.** See section 1.4.A.4(b) regarding a resident's right to return.

**3. Renewal of Lease.** Since publication of the PIH Notice 2012-32 Rev 1, the regulations under 24 CFR § 983.257(b)(3) have been amended requiring Project Owners to renew all leases upon lease expiration, unless cause exists. MTW agencies may not alter this requirement.

**4. Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is specifying alternative requirements for section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase in period at three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

The method described below explains the set percentage-based phase-in a Project Owner must follow according to the phase-in period established. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058. If a family in a project converting from Public Housing to PBV was paying a flat rent immediately prior to conversion, the PHA should use the flat rent amount to calculate the phase-in amount for Year 1, as illustrated below.

**Three Year Phase-in:**

**Year 1:** Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the standard TTP

**Year 2:** Year 2 Annual Recertification (AR) and any Interim Re-certification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP

**Year 3:** Year 3 AR and all subsequent re-certifications

**Full standard TTP Five Year Phase in:**

**Year 1:** Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the standard TTP

**Year 2:** Year 2 AR and any IR prior to Year 3 AR – 40% of difference between most recently paid TTP and the standard TTP

**Year 3:** Year 3 AR and any IR prior to Year 4 AR – 60% of difference between most recently paid TTP and the standard TTP

**Year 4:** Year 4 AR and any IR prior to Year 5 AR – 80% of difference between most recently paid TTP and the standard TTP

**Year 5 AR** and all subsequent recertifications – Full standard TTP

*Please Note:* In either the three year phase-in or the five-year phase-in, once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward. MTW agencies may not alter this requirement.

## **5. Family Self Sufficiency (FSS) and Resident Opportunities and Self Sufficiency**

**Service Coordinator (ROSS-SC) programs:** Not Applicable

**6. Resident Participation and Funding.** In accordance with Attachment 1B, residents of Covered Projects with converted PBV assistance will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

**7. Resident Procedural Rights.** The following items must be incorporated into both the Section 8 Administrative Plan and the Project Owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.

i. **Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction (which MTW agencies may not alter) the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:

- a. A reasonable period of time, but not to exceed 30 days:
- i. If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or ii. In the event of any drug-related or violent criminal activity or any felony conviction;
- b. 14 days in the case of nonpayment of rent; and
- c. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

ii. **Grievance Process.** Pursuant to requirements in the RAD Statute, HUD is establishing additional procedural rights to comply with section 6 of the Act. For issues related to tenancy and termination of assistance, PBV program rules require the Project Owner to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will specify alternative requirements for 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, to require that:

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
- i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
- ii. For any additional hearings required under RAD, the Project Owner will perform the hearing.
- b. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.

- c. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- d. The Project Owner provides opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

**8. Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time. Under the Housing Choice Voucher program, the EID exclusion is limited only to persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to disabled persons is waived. The waiver, and resulting alternative requirement, apply only to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion e.g., due to loss of employment; tenants that move into the property following conversion, etc.) is covered by this waiver.

**9. Jobs Plus.** Jobs Plus grantees awarded FY14 and future funds that convert the Jobs Plus target project(s) under RAD will be able to finish out their Jobs Plus period of performance at that site unless significant re-location and/or change in building occupancy is planned. If either is planned at the Jobs Plus target project(s), HUD may allow for a modification of the Jobs Plus work plan or may, at the Secretary's discretion, choose to end the Jobs Plus program at that project.

**10. When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may only select an occupied unit to be included under the PBV HAP contract if unit's occupants are eligible for housing assistance payments (24 CFR §983.53(d)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR §983.258). Since the rent limitation under this Section of the Notice may often result in a family's TTP equaling or exceeding the gross rent for the unit, for current residents (i.e residents living in the public housing property prior to conversion), HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP contract when TTP equals or exceeds than the Gross Rent. Further, HUD is establishing the alternative requirement that the rent to owner for the unit equal the family's TTP until such time that the family is eligible for a housing assistance payment.

HUD is waiving as necessary to implement this alternative provision, the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR 983.301 as modified by Section 1.6.B.5 of this Notice.<sup>27</sup> In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident.

Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP contract. Assistance may subsequently be reinstated if the tenant becomes eligible for assistance. The PHA is required to process these individuals through the Form- 50058 sub-module in PIC.

Following conversion, 24 CFR §983.53(d) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that the PHA must reinstate the unit after the family has vacated the property; and, if the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where "floating" units have been permitted, Section 1.6.B.10 of this Notice.

**11. Under-Occupied Unit.** If a family is in an under-occupied unit under 24 CFR 983.259 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the Covered Project. When an appropriate sized unit becomes available in the Covered Project, the family living in the under occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the Covered Project, 24 CFR 983.259 is waived. MTW agencies may not modify this requirement.

#### **1.6-D. PBV: Other Miscellaneous Provisions**

**1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.

**2. Additional Monitoring Requirement.** The PHA's Board must approve the operating budget for the Covered Project annually in accordance with HUD requirements.

**3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** This section has been moved to 1.4.A.13 and 1.4.A.14.

**4. Establishment of Waiting List.** 24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions will apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list

policies. The PHA shall consider the best means to transition applicants from the current public housing waiting list, including:

i. Transferring an existing site-based waiting list to a new site-based waiting list.

If the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

ii. Informing applicants on the site-based waiting list on how to apply for a PBV program-wide or HCV program-wide waiting list.

iii. Informing applicants on a public housing community-wide waiting list on how to apply for a voucher-wide, PBV program-wide, or site-based waiting list. If using a site-based waiting list, PHAs shall establish a waiting list in accordance with 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's public housing community-wide waiting list have been offered placement on the converted project's initial waiting list.

In all cases, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list given the number of applicants, PHA resources, and admissions requirements of the projects being converted under RAD. A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's public housing community-wide waiting list who wish to be placed onto the newly-established site-based waiting list must be done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and with the obligation to provide meaningful access for persons with limited English proficiency (LEP).

A PHA must maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies.

To implement this provision, HUD is specifying alternative requirements for 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR § 983.251(c).

**5. Mandatory Insurance Coverage.** The Covered Project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.



**6. Agreement Waiver.** This section has been moved to 1.6.(B)(7).

**7. Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of permanent debt during the HAP contract term, to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)

**8. Administrative Fees for Public Housing Conversions during Transition Period.**

For the remainder of the Calendar Year in which the HAP Contract is effective (i.e. “transition period”), RAD PBV projects will be funded with public housing funds. For example, if the project’s assistance converts effective July 1, 2015, the public housing Annual Contributions Contract (ACC) between the PHA and HUD will be amended to reflect the number of units under HAP contract, but will be for zero dollars, and the RAD PBV contract will be funded with public housing money for July through December 2015. Since TBRA is not the source of funds, PHAs should not report leasing and expenses into VMS during this period, and PHAs will not receive section 8 administrative fee funding for converted units during this time.

For fiscal years 2014 and 2015, PHAs operating HCV program received administrative fees for units under a HAP contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Responsibility Act of 1998" and 24 CFR § 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive section 8 ongoing administrative fees for PBV RAD units. After this transition period, the section 8 ACC will be amended to include section 8 funding that corresponds to the units covered by the section 8 ACC. At that time, the regular section 8 administrative fee funding provisions will apply.

**9. Choice-Mobility.** One of the key features of the PBV program is the mobility component, which provides that if the family has elected to terminate the assisted lease at any time after the first year of occupancy in accordance with program requirements, the PHA must offer the family the opportunity for continued tenant based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance. If as a result of participation in RAD a significant percentage of the PHA’s HCV program becomes PBV assistance, it is possible for most or all of a PHA’s turnover vouchers to be used to assist those RAD PBV families who wish to exercise mobility. While HUD is committed to ensuring mobility remains a cornerstone of RAD policy, HUD recognizes that it remains important for the PHA to still be able to use tenant based vouchers to address the specific housing needs and priorities of the community.

Therefore, HUD is establishing an alternative requirement for PHAs where, as a result of RAD, the total number of PBV units (including RAD PBV units) under HAP contract administered by the PHA exceeds 20 percent of the PHA’s authorized units under its HCV ACC with HUD.

The alternative mobility policy provides that an eligible voucher agency would not be required to provide more than three-quarters of its turnover vouchers in any single year to the residents of

Covered Projects. While a voucher agency is not required to establish a voucher inventory turnover cap, if such a cap is implemented, the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received. In order to adopt this provision, this alternative mobility policy must be included in an eligible PHA's administrative plan. To effectuate this provision, HUD is providing an alternative requirement to Section 8(o)(13)(E) and 24 CFR part 983.261(c). Please note that this alternative requirement does not apply to PBVs entered into outside of the context of RAD. MTW agencies may not alter this requirement.

**10. Reserve for Replacement.** The Project Owner shall establish and maintain a replacement reserve in an interest-bearing account to aid in funding extraordinary maintenance and repair and replacement of capital items in accordance with applicable regulations. The reserve must be built up to and maintained at a level determined by HUD to be sufficient to meet projected requirements. For FHA transactions, Replacement Reserves shall be maintained in accordance with the FHA Regulatory Agreement.

For all other transactions, Replacement Reserves shall be maintained in a bank account covered under a General Depository Agreement (HUD-51999) or similar instrument, as approved by HUD, where funds will be held by the Project Owner or mortgagee and may be drawn from the reserve account and used subject to HUD guidelines and as directed by HUD.

### **Joint Housing/PIH Notice H-2014-09/ PIH-2014-17**

#### **Subject: Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component**

##### **1. Purpose**

This Notice provides public housing agencies (PHAs)<sup>1</sup> and their partners with information and resources on applicable program and relocation assistance requirements when planning for or implementing resident moves as a result of a **Rental Assistance Demonstration (RAD)** conversion<sup>2</sup> under the first component of the demonstration.<sup>3</sup> This Notice provides guidance on RAD relocation requirements and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA), as they relate to the public housing conversion process under the first component.

1. This Notice always uses the term "PHA" to refer to the owner of the project prior to and after the RAD conversion, even though, in some cases, the owner of the converted RAD project may be another public entity, a non-profit organization, or other owner (e.g., low-income housing tax credit owner). In addition, this Notice uses "PHA" to refer to the "displacing agency," a URA term that means the agency or person that carries out a program or project, which will cause a resident to become a displaced person. Projects vary and, for any specific task described in this Notice, may require substituting in a reference to a party that is more appropriate for a specific project.

2. The content of this Notice should not be relied upon in carrying out any other activities funded under any other HUD program, except where specifically directed by HUD.

3. The “first component” of RAD allows public housing and Moderate Rehabilitation properties to convert assistance; the “second component” refers to conversion of Rent Supplement, Rental Assistance Payment, and Moderate Rehabilitation properties upon contract expiration or termination.

4. Relocation concerns and URA requirements apply to both components of RAD. This notice provides guidance only as to the first component.

Relocation assistance provided pursuant to public housing and RAD requirements is broader than URA relocation assistance requirements. Not all specific situations requiring relocation under RAD may trigger URA assistance requirements. In addition, whereas all qualifying residents<sup>5</sup> of a converting public housing project are eligible for relocation assistance under RAD, some residents or household members may not meet the statutory and regulatory requirements for eligibility under URA.

This Notice supersedes PIH Notice 2012-32 (HA), REV-1, with respect to relocation matters. This Notice also specifically addresses when relocation may begin (see Section 9 below). As necessary, the Department will issue additional guidance on relocation issues and requirements as they relate to RAD.

<sup>5</sup> The term “resident” as used in this Notice refers to eligible resident families of public housing residing in a property applying for participation in RAD or a property that undergoes a conversion of assistance through RAD.

## **2. Background**

RAD allows public housing properties to convert assistance to long-term project-based Section 8 contracts. In many cases, a RAD project may require relocation of residents when properties undergo repairs, are demolished and rebuilt, or when the assistance is transferred to another site. PIH Notice 2012-32 REV-1 (see also FR Notice 5630-N-05, 78 FR 39759-39763 (July 2, 2013)) details RAD program requirements.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) is a federal law that establishes minimum standards for federally-funded programs and projects that include the acquisition of real property (real estate) and/or displace persons from their homes, businesses, or farms as a result of acquisition, rehabilitation, or demolition of real property.<sup>6</sup> The URA will apply to acquisitions of real property and relocation of persons from real property that occurs as a direct result of acquisition, rehabilitation, or demolition for a project that involves conversion of assistance to Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA) programs under RAD.

Additionally, all relocation conducted as part of a RAD conversion and all relocation assistance provided under URA must be consistent with applicable fair housing and civil rights laws, including,

but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973.

Because each RAD proposal varies in its scope, this Notice may not address each PHA’s specific circumstances. RAD PHAs and participants should carefully review the regulations, notices, and guidance material referenced in this Notice. Any questions related to the applicability of these requirements should be referred to the RAD Transaction Managers (TM) or may be emailed to [rad@hud.gov](mailto:rad@hud.gov).

**3. Applicable Legal Authorities**

RAD: Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011), with the implementing PIH Notice 2012-32, REV-1

- ☐ URA statute and implementing regulations: 49 CFR part 24
- ☐ FHEO: Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act
- ☐ Section 104(d) of the Housing and Community Development Act of 1974, statute and implementing regulations (if CDBG and/or HOME funds are used): 24 CFR part 42, subpart C

**4. Relocation Planning**

If there is a possibility that residents will be relocated as a result of acquisition, demolition, or rehabilitation for a project converting under RAD, PHAs must undertake a planning process in conformance with URA in order to minimize the adverse impact of relocation (49 CFR 24.205(a)). While a written Relocation Plan is not a requirement under RAD or URA, the Department strongly encourages PHAs to prepare a written Relocation Plan, both to establish their relocation process and to communicate this process consistently and effectively to all relevant stakeholders. Appendix 1 contains recommended elements of a Relocation Plan.

The following presents a general sequencing of relocation planning activities within the RAD milestones:

<b><u>Stage</u></b>	<b><u>Activities</u></b>
1. Prior to submission of RAD application	<ul style="list-style-type: none"><li><input type="checkbox"/> Determine potential need for relocation</li><li><input type="checkbox"/> Meet with residents to discuss plans, communicate right to return, and solicit feedback</li><li><input type="checkbox"/> Provide <i>General Information Notice</i> (GIN) to residents</li><li><input type="checkbox"/> Survey residents to prepare Relocation Plan and relocation process cost estimate</li></ul>
2. After receipt of the Commitment to Enter into a HAP Contract (CHAP) Award	<ul style="list-style-type: none"><li><input type="checkbox"/> Prepare Significant Amendment to PHA Plan</li><li><input type="checkbox"/> Assess and refine need for relocation</li></ul>

- ☐ Develop a Relocation Plan (See Appendix 1 for recommended content)
 ☐ Identify relocation housing options
  
- 3. Preparing Financing Plan (due to RAD Transaction Manager no later than 180 days following Chap award).
  - ☐ Budget for relocation expenses
  - ☐ Submit FHEO Accessibility & Relocation checklist (PHAs may submit Relocation Plan along with checklist).
  
- 4. Receipt of RAD Conversion Commitment (RCC)
  - ☐ The date of issuance of the HUD RCC marks the date of “Initiation of Negotiations” (ION), as defined in the URA (49 CFR 24.2(a)(15))
  - ☐ Provide residents with appropriate notice informing them if they will be relocated and any associated relocation assistance
  - ☐ Meet with residents to describe approved conversion plans and discuss required relocation
  
- 5. Closing/RAD conversion
  - ☐ Generally, resident relocation should not begin until after the date of closing/conversion of assistance under RAD
  - ☐ PHAs must adhere to notification requirements (described in Paragraph 8 of this Notice): generally, a minimum of 30 days for residents to be temporarily relocated for up to a year, and 90 days for permanent relocation
  - ☐ PHAs seeking to move residents prior to closing must receive prior approval from HUD as described in Paragraph 9 of this Notice.

## **5. Resident Right to Return**

RAD program rules prohibit the permanent involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed and is in decent, safe, and sanitary conditions. The period during which residents may need to be temporarily relocated is determined by the period of rehabilitation or construction, which will be specific to each project.

Where If proposed plans for a project would preclude a resident from returning to the RAD project, the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the PHA must alter the project plans to accommodate the resident in the converted project. If a resident agrees to such plans, the PHA must secure informed, written consent

from the resident to receive permanent relocation assistance and payments consistent with URA and acknowledge that acceptance of such assistance terminates the resident's right to return to the project. In obtaining this consent, PHAs must inform residents of their right to return, potential relocation, and temporary and permanent housing options at least 30 days before residents must make a decision. The PHA cannot employ any tactics to pressure residents into relinquishing their right to return or accepting permanent relocation assistance and payments.<sup>8</sup> A PHA may not terminate a resident's lease if it fails to obtain this consent.

PHAs must keep documentation of such information provided to residents and such consent by residents. While HUD does not require PHAs to submit documentation of obtaining this consent, PHAs and participants must properly brief residents on their housing and relocation options and must keep auditable written records of such consultation and decisions. HUD may request this documentation during a review of the FHEO Relocation and Accessibility Checklist or if relocation concerns arise.

Examples of project plans that may preclude a resident from returning to the converted RAD project include, but are not limited to:

- ☐ Changes in bedroom distribution (i.e. when larger units will be replaced with smaller units such that current residents would become under-housed or when smaller units will be replaced with larger units such that current residents would become over-housed);
- ☐ Where a PHA is reducing the number of assisted units at a property by a de minimis amount<sup>9</sup>, but those units are occupied by assisted residents; or
- ☐ The reconfiguration of efficiency apartments, or the repurposing of dwelling units in order to facilitate social service delivery.

In all scenarios where residents voluntarily accept permanent relocation to accommodate project plans, these residents are eligible for permanent relocation assistance and payments under URA. If a resident accepts permanent relocation assistance, the resident surrenders his or her right to return to the completed project.

## **6. Relocation Assistance**

Under RAD, relocation assistance may vary depending on the length of time relocation is required.

a. In instances when the PHA anticipates that a resident will be relocated for more than a year, the PHA must offer the resident the choice of:

- ☐ Permanent relocation assistance and payments at URA levels; or
- ☐ Temporary relocation assistance, including temporary housing, while the resident retains his or her right to return and reimbursement for all reasonable out-of-pocket expenses associated with the temporary relocation.

The PHA must give the resident no less than 30 days to decide between permanent and temporary relocation assistance. If the resident elects to permanently relocate with assistance at URA levels, the PHA must inform the resident that his or her acceptance of permanent relocation assistance terminates the resident's right to return to the completed RAD project.

b. In instances when a resident elects temporary relocation assistance and reoccupies a unit in the completed project within one year, the resident need not be offered permanent relocation assistance pursuant to URA. Great care must be exercised to ensure that residents are treated fairly and equitably. If a resident is required to relocate temporarily in connection with the project, his or her temporarily occupied housing must be decent, safe, and sanitary and the resident must be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation.

These expenses include, but are not limited to, moving expenses and increased housing costs during the temporary relocation.

c. In the event that a resident elects to receive temporary relocation assistance and the temporary relocation exceeds one year, the resident becomes eligible for all permanent relocation assistance and payments under URA. (This assistance would be in addition to any assistance the person has already received for temporary relocation, and may not be reduced by the amount of any temporary relocation assistance.) In such event, the PHA shall give the resident the opportunity to choose to remain temporarily relocated for an agreed-to period (based on new information about when they can return to the completed RAD unit), or choose to permanently relocate with URA assistance.

PHAs may not propose or request that a displaced person waive rights or entitlements to relocation assistance under the URA. If the resident elects to permanently relocate with URA assistance, the PHA must inform the person that the person's acceptance of URA relocation assistance to permanently relocate will terminate the person's right to return to the completed RAD project. Conversely, unless and until the resident elects to be permanently relocated, the resident may remain temporarily relocated with a right to return to the completed project.

## **7. Initiation of Negotiations (ION) Date**

Eligibility for URA relocation assistance is generally effective on the date of initiation of negotiations (ION) (49 CFR 24.2(a)(15)). For RAD projects, the ION date is the date of the issuance of the RAD Conversion Commitment (RCC).

## **8. Resident Notification**

When a project converting under RAD will include relocation of residents, notice must be provided to those resident households. For each notice listed below, one notice shall be given to each resident household. The purpose of these notifications is to ensure that residents are informed of their potential rights and the relocation assistance available to them. During initial meetings with residents about RAD and in subsequent communications with residents related to relocation, the PHA should inform residents that if they choose to move after receiving a written GIN, but prior to receiving a RAD Notice of Relocation, they may jeopardize their eligibility for relocation assistance. However, PHAs should note that a resident move undertaken as a direct result of the project may still require relocation assistance and the resident may be eligible to receive permanent relocation assistance under the URA even though the PHA has not yet issued notices.

**a. General Information Notice (49 CFR 24.203(a) & Handbook 1378, Paragraph 2-3(B))**

As soon as feasible in the planning process, the PHA must provide each resident with a written GIN (see sample in Appendix 2) to provide a general description of the project, the activities planned, and the relocation assistance that may become available. URA regulations state that the GIN should be provided *as soon as feasible*.

Under RAD, PHAs must provide GINs during the initial RAD resident meetings, before submitting a RAD application. GINs must do at least the following:

- ☐ Inform the resident that he or she may be displaced for the project and generally describe the relocation payment(s) for which the resident may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);
- ☐ Inform the resident that he or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the resident successfully relocate;
- ☐ Inform the resident that, if he or she qualifies for relocation assistance as a displaced person under the URA, he or she will not be required to move without at least 90 days advance written notice, and inform any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available;
- ☐ Inform the resident that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child (see 49 CFR 24.208(h) for additional information); and
- ☐ Describe the resident's right to appeal the PHA's determination as to a person's eligibility for URA assistance.

**b. RAD Notice of Relocation**

If a resident will be relocated to facilitate the RAD conversion, the PHA shall provide notice of such relocation (RAD Notice of Relocation). The PHA shall issue this notice upon the PHA's receipt of the RCC from HUD, which is the ION date.

If residents will not be relocated, notice of relocation is not required, but the PHA should notify them that they are not being relocated.

The RAD Notice of Relocation must conform to the following requirements:

- ☐ The notice must state the anticipated duration of the resident's relocation.
- ☐ PHAs must provide this notice a minimum of 30 days prior to relocation to residents who will be temporarily relocated.<sup>12</sup> Longer notice may be appropriate for persons who will be relocated for an extended period of time (over 6 months), or if necessary due to personal needs or circumstances.
- ☐ Residents whose temporary relocation is anticipated to exceed one year must be informed that they will have no less than 30 days to elect temporary or permanent relocation as described in Section 6 of this Notice. When timing is critical for project completion, the 30-day decision period can run concurrently with the 30-day notice period for temporary relocation and with the 90-day period for permanent relocation if the PHA makes available comparable replacement dwellings consistent with 24.204(a).



- ☐ Residents who will be permanently relocated must receive written notice a minimum of 90 days prior to relocation. This 90-day time period may only begin once the PHA has made available at least one comparable replacement dwelling consistent with 49 CFR 24.204(a).<sup>13</sup>
- ☐ The notice must describe the available relocation assistance, the estimated amount of assistance based on the individual circumstances and needs, and the procedures for obtaining the assistance. The notice must be specific to the resident and his or her situation so that the resident will have a clear understanding of the type and amount of payments and/or other assistance the resident household may be entitled to claim.
- ☐ The notice must explain the reasonable terms and conditions under which the resident may continue to lease and occupy a unit in the completed project.
- ☐ The notice must state that the PHA will reimburse the resident for all reasonable out-of-pocket expenses incurred in connection with any temporary move. These expenses include, but are not limited to, moving expenses and increased housing costs (rent, utilities, etc.).

**c. *Notice of Intent to Acquire* (49 CFR 24.203(d))**

For RAD projects involving acquisition, residents may be provided with a notice of intent to acquire ("*Notice of Intent to Acquire*") prior to the ION date with HUD's prior approval. Once the Notice of Intent to Acquire is provided, a resident's eligibility for relocation assistance and payments is established. Therefore, the RAD Notice of Relocation must be provided in conjunction with or after the Notice of Intent to Acquire. A RAD Notice of Relocation would not otherwise be sent prior to the ION date.

Since residents who accept permanent relocation must receive 90 days advanced written notice prior to being required to move, providing residents the Notice of Intent to Acquire and RAD Notice of Relocation prior to the ION date may be necessary to provide sufficient notice of relocation to a resident in instances where there may not be 90 days between the issuance of the RCC (ION date) and the anticipated closing date. This allows the PHA to issue the notice earlier so that relocation may begin upon closing. This allows program participants to conduct orderly relocation upon closing, minimize adverse impacts on displaced persons, and to expedite project advancement and completion.

**d. *URA Notice of Relocation Eligibility – for residents whose temporary relocation exceeds one year* (49 CFR 24.203(b) & Handbook 1378, Paragraph 2-3(C))**

After a resident has been temporarily relocated for one year, the PHA must provide a notice of relocation eligibility in accordance with URA requirements ("*Notice of Relocation Eligibility*"). This notice is not required if the resident has already accepted permanent relocation assistance. The Notice of Relocation Eligibility must conform to URA requirements as set forth in 49 CFR Part 24, to HUD Handbook 1378 and to the following requirements:

- ☐ The PHA must provide updated information as to when it is anticipated that the resident will be able to return to the completed project.
- ☐ The resident may choose to remain temporarily relocated based upon such updated information or may choose to accept permanent URA relocation assistance in lieu of exercising the right to return.

□ If the resident chooses to accept permanent URA relocation assistance and such assistance requires that the resident move, the URA requires such resident to receive 90 days advance written notice of the earliest date they will be required to move (i.e., 90-Day Notice, 49 CFR 24.203(c)). The PHA should be mindful that the 90-day time period may only begin once the PHA has made available at least one “comparable replacement dwellings” as set forth in 49 CFR 24.204(a).

## **9. Initiation of Relocation**

Unless otherwise approved by HUD, relocation may not begin until the date of closing of the RAD transaction and recordation of the RAD Use Agreement. PHAs must provide residents being temporarily relocated at least 30 days advance written notice of the required move. PHAs must give residents being permanently relocated at least 90 days advance written notice of the required move. This means PHAs are advised to plan carefully to account for this 30-day or 90-day notice period to ensure the closing is not delayed.

However, HUD is aware that, in rare cases, some project plans necessitate relocation prior to closing. With prior HUD approval, for projects involving acquisition, PHAs may relocate residents prior to the closing date subject to public housing requirements (see 24 CFR part 5 and 24 CFR 966). PHAs must contact their assigned RAD transaction manager (TM) to discuss plans as early as possible in the process to ensure compliance with all RAD and URA requirements.

If relocation prior to closing is desired, PHAs should submit to the TM the following information, as early as possible in the process:

□ **A written request for relocation prior to closing.** The request must include justification of why the early relocation is necessary for the viability of the RAD transaction. Justification may include the presence of outside financing, such as Low Income Housing Tax Credit (LIHTC) awards, if the PHA can show that early relocation is necessary to meet critical LIHTC deadlines.

□ **FHEO Accessibility and Relocation Checklist.**

□ **Evidence of intent to comply with public housing requirements, as applicable.** Generally, public housing regulations require public housing residents to receive 30 days’ notice prior to relocation and that such notice either be published in the PHA’s admissions and continued occupancy policies (ACOP) or published elsewhere at least 30 days prior to receipt of such notice (24 CFR parts 5 and 966).

When seeking to relocate residents prior to closing, submission of this request as early as possible is preferred, prior to the 180-day Financing Plan milestone if possible (with Financing Plan submission following the request).

HUD reserves the right to request additional follow-up information, including a Relocation Plan and related budget, prior to approving such requests. PHAs must receive written HUD approval before beginning relocation of residents prior to closing.

Early planning and submission of the Financing Plan and FHEO checklist to HUD will ensure the PHA has built in the 30- or 90-day notice period prior to initiating relocation.

## **10. Fair Housing and Civil Rights Requirements**

PHAs must comply with all applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973, when conducting relocation planning and providing relocation assistance.

Further, communication must be provided in a manner that is effective for persons with disabilities (24 CFR 8.6) and for person who are Limited English Proficient (see 72 FR 2732). This section discusses some of the PHA's obligations under these laws and regulations.

However, the applicability of civil rights laws is not limited to the activities discussed in this section. PHAs conducting relocation activities should familiarize themselves with applicable civil rights statutes, regulations, and guidance, including but not limited to, those listed at the end of this section.

□ **Effective Communication for Persons with Disabilities:** Communications and materials must be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6), and as applicable, the Americans with Disabilities Act; and for persons who are limited English proficient (see 72 Fed Reg 2732). This includes ensuring that training materials are in appropriate alternative formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters.

□ **Accessible Meeting Facilities for Persons with Disabilities:** When holding public meetings, PHAs must give priority to methods that provide physical access to individuals with disabilities, i.e., holding the meetings, workshops, and briefings or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. All programs and activities must be held in accessible locations unless doing so would result in an undue financial and administrative burden, in which case the PHA must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., briefings at an alternate accessible, in-home briefing. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs.

The most integrated setting appropriate to the needs of qualified individuals with disabilities is a setting that enables individuals with disabilities to interact with nondisabled person to the fullest extent possible (28 CFR part 35, appendix B).

□ **Meaningful Access for Persons with Limited English Proficiency (LEP):** PHAs must provide meaningful access to programs and activities for persons who have a limited ability to read, speak, or understand English. Any person with LEP who will be temporarily relocated or permanently displaced must have meaningful access to any public meetings regarding the project. In addition, any information provided to residents including, but not limited to, any notices required under the URA, should be provided in the appropriate language to persons with LEP. Generally, PHAs will be responsible for providing oral interpreters at meetings, including ensuring their competence, and covering any associated translation and interpretation costs.

□ **URA requires** that PHAs provide persons who are unable to read or understand the notices, such as persons with disabilities or persons with LEP, with appropriate translation and counseling to ensure that they understand their rights and responsibilities and the assistance available to them (49 CFR 24.5). URA also requires that each notice indicate the name and telephone number of a person to contact with questions or for other needed help (49 CFR 24.5). This notice should include the number for the telecommunication device for the deaf (TDD) or other appropriate communication device, if applicable (24 CFR 8.6(a)(2)).

□ **Comparable Housing for Persons with Disabilities:** PHAs should identify the accessibility needs of residents to be relocated by consulting existing information (e.g., tenant characteristics forms, including identification of the need for accessible unit features; records of approved reasonable accommodations, and records of the presence of accessible unit features). For guidance on providing relocation assistance to persons with disabilities, see Exhibit 3-1 in HUD Handbook 1378.

□ **Advisory Services:** PHAs should determine the advisory services that will be necessary to ensure a successful relocation program consistent with 49 CFR 24.205(c). Such advisory services may include housing counseling that should be facilitated to ensure that residents affected by the project understand their rights and responsibilities and the assistance available to them (49 CFR 24.205(c)). Advisory counseling must also inform residents of their fair housing rights and be carried out in a manner that satisfies the requirements of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Executive Order 11063 (49 CFR 24.205(c)(1)). In addition, PHAs should inform residents that if they believe they have experienced unlawful discrimination, they may contact HUD at 1-800-669-9777 (Voice) or 1-800-927-9275 (TDD) or at <http://www.hud.gov>.

#### Fair Housing References:

- Section 504 of the Rehabilitation Act of 1973
- Regulations: 24 CFR part 8
- Fair Housing Act Regulations: 24 CFR part 100
- Title VI of the Civil Rights Act of 1964
- Regulations: 24 CFR part 1
- Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) (72 FR 2732)
- Exhibit 3-1 Compliance with Section 504 of the Rehabilitation Act in HUD Handbook 1378 (Tenant Assistance Relocation and Real Property Acquisition)

## **11. Other Requirements**

### **a. Public Housing Program Compliance**

PHAs should note that public housing resident provisions related to occupancy and termination, including grievances and related hearings, will remain in effect until the execution of the new PBV or PBRA Housing Assistance Payment (HAP) contract.

**b. Evictions for Cause**

If the PHA determines that a resident was evicted in accordance with applicable state and local law for serious or repeated violation of material terms of the lease, and the eviction was not undertaken for the purpose of evading the obligation to make available URA payments and other assistance, the resident is not entitled to relocation payments and assistance under the URA (49 CFR 24.206).

**SIGNIFICANT AMENDMENT DEFINITION**

As part of the Rental Assistance Demonstration (RAD), (insert PHA name here) is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items:

- a. The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance;
- b. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- c. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
- d. Changes to the financing structure for each approved RAD conversion.