



Housing Authority of the County of San Mateo

Moving to Work

Annual Report FYE 2013



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Introduction

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Overview of the Agency's ongoing MTW goals and objectives

The Moving to Work (MTW) Demonstration Program, created by Congress in 1996, establishes three overarching goals for all participating Housing Authorities:

1. Design and test various approaches for providing and administering housing assistance that reduce costs and achieve greater cost effectiveness in Federal expenditures
2. Design and implement new ways to increase participating families self-sufficiency
3. Increase the housing choices for low-income families

In May 2000, the Department of Housing and Urban Development (HUD) signed an agreement with the Housing Authority of the County of San Mateo (HACSM) granting its request for MTW Demonstration Program status. At that time, a total of 300 vouchers were designated as MTW vouchers with certain self-sufficiency features and time-limited assistance requirements built into the program design. HACSM's original MTW self-sufficiency program has continued to be refined to more accurately meet the needs of the participants. In April 2008, HACSM signed the new MTW Standard Agreement, extending HACSM's MTW contract to the year 2018, while expanding its MTW authority from the original 300 voucher self-sufficiency program to one covering the entire Housing Choice Voucher (HCV) and Public Housing Programs.

This MTW Report provides the ongoing results of HACSM's expanded MTW program during the course of FY2013. As always, the unique regulatory relief provided via the MTW program has provided HACSM with the flexibility and ability to make programmatic choices based on local circumstances thus allowing HACSM to transform the affordable housing programs into vital and effective supports for San Mateo County residents. For example,

- Utilizing HACSM's "Local Non-Traditional Use of Funds" authorization, the agency designed a new program to serve members of our local community who are either not served, or are underserved, by the voucher programs or other grant programs due to their unique circumstances. In November 2011, HACSM implemented its Provider-Based Assistance (PBA) Program. The PBA program enables local service providers to provide time-limited rental assistance, in connection with supportive services, to individuals in special needs populations.

The first PBA contract was awarded to CORA (Community Overcoming Relationship Abuse), creating a new way of meeting the housing needs of survivors of domestic violence. The subsidy under this award provides up to three years of rental assistance for 15 households. The second PBA contract was awarded to The Service League of San Mateo County and is targeted to low-level male and female offenders who have been recently released from incarceration. The subsidy under this award provides approximately 18 months rental assistance to 16 households.

Both of these programs are designed to provide a short-term bridge to households in crisis by providing them with housing and supportive services to get back on their feet. Each PBA program was designed in partnership with the supportive service providers, who have the intimate knowledge and skills to address the specific needs of their clients and further support each client's successful graduation from the program.

- Partnering with the San Mateo County Center on Homelessness and other homeless service providers, HACSM developed a pilot program, the Housing Readiness Program (HRP), to serve up to 100 homeless individuals and families with up to three years of rental subsidy while they also receive supportive services. HRP responds to critical needs identified in San Mateo County's HOPE Plan, a comprehensive 10-year plan to end homelessness, and follows the "housing first" strategy.

- Increasing program participant's self-sufficiency through rent reform. In March 2010, HACSM implemented an extensive HCV rent reform initiative, the Tiered Subsidy Table, which greatly simplifies subsidy calculations while at the same time informing families of the actual maximum dollar amount that the Housing Authority will contribute to their housing costs *at the time* they receive their voucher. With this knowledge, participants have been able to find and secure units much more quickly and make clear decisions as to their housing costs. This is a key theme of HACSM's MTW program, providing the tools needed for program participants to be informed, to practice life skills in a safe environment, and to grow in their own personal empowerment and confidence.
- To increase administrative efficiencies, HACSM instituted several key MTW activities that reduce or eliminate overly bureaucratic and costly processes. One of these activities is HACSM's ability to accept tenant-provided documents, such as paystubs and medical receipts that were clearly generated by the respective party instead of faxing and/or mailing third party verification forms to each provider. Other activities include: implementation of biennial inspections, implementation of biennial recertifications for elderly/disabled households, elimination of excluded income sources from the families adjusted income calculation, and elimination of asset income for assets valued less than \$50,000.

HACSM continued to address software conversion issues arising from the implementation of new software in FY2013. As a result of the conversion to the new software, HACSM is finding that many elements of reporting, specific to MTW, difficult to obtain. Most of the standard software reports are not relevant to MTW and have required additional software customization. We continue to work on customizing the system to retrieve the required data. As of the writing of this report, HACSM is also aligning its reporting standards with the newly published Attachment B requirements. In Section VI, HACSM provides specific detail on this reporting conversion for each MTW activity.

The mission of HACSM is to:

- Preserve and increase the availability of decent, safe, and affordable housing;
- Ensure equal opportunity in housing for all;
- Promote the self-sufficiency and asset development of families and individuals; and
- Improve community quality of life and economic viability.

The flexibilities of the MTW program have allowed HACSM to better meet this mission through program re-design and innovation. As evidenced in this report, HACSM is committed to increasing the housing choices for families, further developing administrative efficiencies, and promoting the self-sufficiency of the program participants. HACSM continues to research and review industry best practices, as well as initiatives implemented by other MTW agencies across the nation, to further support the housing needs of the families of San Mateo County.

SECTION II – General Housing Authority Operating Information

A. Housing Stock Information

1. Number of public housing units at the end of the Plan year (discuss any changes over 10%):

Development	Type	Number of Units
El Camino Village	Family	30

There were no changes over 10% during FY2013.

2. Description of any significant capital expenditures by development (>30% of the HACSM's total budgeted capital expenditures for the fiscal year):

In FY2013, HACSM installed new windows and painted the exterior of the building at El Camino Village, Development #CA014000004. The total cost of the project was approximately \$289,000.

3. Description of any new public housing units added during the year by development (specifying bedroom size, type, accessible features, if applicable):

HACSM did not add new public housing units during FY2013.

4. Number of Public Housing units removed from the inventory during the year by development specifying the justification for the removal:

HACSM did not remove Public Housing units from the inventory during FY2013.

5. Number of MTW HCV authorized at the end of the Plan year, discuss any changes over 10%:

HACSM has 4172 MTW HCV authorized units.

Program Type	Beginning FY 2013	Changes	Ending FY 2013
Housing Choice Vouchers	4172	0	4172

6. Number of non-MTW HCV authorized at the end of the Plan year, discuss any changes over 10%;

Program Type	Beginning FY 2013	Changes	Ending FY 2013
Moderate Rehabilitation	130	0	130
Family Unification	40	0	40
VASH	75	35*	110

*In June 2013, HACSM received notification from HUD that 35 new VASH vouchers were awarded to HACSM.

7. Number of HCV units project-based during the Plan year, including description of each separate project:

Of the 4172 Housing Choice Vouchers (Section 8), 694 are project-based. HACSM plans to increase the number of project-based vouchers from its allocated funding in the future.

Construction for one of the approved projects, 636 El Camino, was completed in September 2012. All 47 project-based units were occupied by the end of October 2012. This development provides desperately needed affordable housing for 47 low-income households, of which 21 households receive supportive services.

Update on projects covered by an AHAP:

- Delaware Pacific Project, formerly named 2000 S. Delaware (30 New Construction units, under construction)
 - Awarded PBV assistance through a competitive process, March 2011
 - AHAP was entered with the project owner, effective March 15, 2012
- Coastsider Senior Housing Project (39 New Construction units, under construction)
 - Awarded PBV assistance through a competitive process, March 2011
 - AHAP was entered with the project owner, effective November 1, 2012
- The Half Moon Bay Senior Campus Phase I (44 New Construction units, under construction)
 - Awarded PBV assistance through a competitive process, February 2012
 - AHAP was entered with the project owner, effective December 14, 2012

Listed below are HACSM's current project-based properties under HAP or AHAP:

Property Name	City	Total Units
Delaware Pacific	San Mateo	30
636 El Camino	South San Francisco	47
Coastsider Senior Housing	Half Moon Bay	39
Delaware Place	San Mateo	16
Edgewater Isle	San Mateo	91
Half Moon Village	Half Moon Bay	60*
Half Moon Village Phase I	Half Moon Bay	44
Hillside Terrace	Daly City	16
Hilton Street	Redwood City	6
Magnolia Plaza	South San Francisco	48
Midway Village	Daly City	150
Newell Housing	East Palo Alto	10
Pacific Oak Associates	Pacifica	50
Pine Street	Redwood City	6
Redwood Oaks	Redwood City	33
Robbin's Nest	San Carlos	6
St. Matthew	San Mateo	18
Willow Terrace	Menlo Park	11
The Woodlands	East Palo Alto	13

* Upon completion of Half Moon Village Phase I, the existing Half Moon Village Project-Based contract will be terminated in preparation for the Phase II development. Current residents at Half Moon Bay will be given a preference to relocate to Half Moon Village Phase I.

8. Overview of other housing managed by the Agency, e.g. tax credit, state-funded, market rate.

Program	Unit Authorized
Shelter Plus Care (non-MTW)	167
Supportive Housing (non-MTW)	34

B. Leasing Information - Actual

1. Total number of MTW PH units leased in Plan year: 30
2. Total number of non-MTW PH units leased in Plan year: N/A
3. Total number of MTW HCV units leased in Plan year: 4172
4. Total number of non-MTW HCV units leased in Plan year: 230 (This includes the actual lease up for the VASH, Mod Rehab and Family Unification programs.)

Program Type	Unit Authorized	Unit Leased FY 2013
Moderate Rehabilitation	130	126
Family Unification	40	36
VASH	110	68

5. Description of any issues related to leasing of PH or HCVs:

Moderate Rehabilitation

There are no issues related to leasing the Moderate Rehabilitation units. The 3% vacancy rate was due to normal turnovers.

Family Unification

There have been program completions for foster youths for whom the subsidy is limited to 18 months. HACSM continues to work closely with the San Mateo County Department of Family and Children Services to utilize all available vouchers.

VASH:

In FY2013, the referrals from the San Francisco and San Bruno VAMCs have continued to be insufficient. In order to account for attrition and leasing success rates, HACSM must receive a large number of referrals, a number that may exceed the number of available vouchers. The San Francisco and San Bruno VAMC have repeatedly not agreed to this concept. San Francisco and San Bruno VAMC limit their referral numbers based on their caseload standards for VA case managers, which includes veterans that are at the

very beginning stage of the referral process thus further delaying the utilization of these much needed housing subsidies for veterans. In practice, HACSM has also repeatedly stressed the need for the case managers to be actively involved with their clients due to the extremely challenging San Mateo County rental market.

6. Number of project-based vouchers committed or in use at the end of the Plan year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the plan year.)

Of the 4172 Housing Choice Vouchers (MTW), 581 are under HAP Contracts, 113 are under AHAPs, and 114 are covered by letters of commitment.

Description of project where new vouchers are placed:

Project Name	Location	Type of Housing	No. of Project-Based Units	Document Executed
636 El Camino	South San Francisco	A 108-unit new construction development for low-income families and individuals	47 PB units of which 21 are designated as supportive housing units	HAP
Delaware Pacific	San Mateo	A 60-unit new construction development for low-income families and individuals	30 PB units of which 10 are designated as supportive housing units	AHAP
Coastside Senior Housing	Half Moon Bay	A 40-unit new construction development for low-income senior households	39 PB units	AHAP
Half Moon Village, Phase I	Half Moon Bay	A 45-unit new construction development for low-income senior households	44 PB units	AHAP
Half Moon Village, Phase II	Half Moon Bay	A 115-unit new construction development for low-income senior households	114 PB units	Letter of Commitment

C. Waiting List Information

- Number and characteristics of households on the waiting lists (all housing types) at the end of the plan year (June 30, 2013)

Public Housing		
	# of families	% of total families ¹
Waiting list total	1233	
Approximate Annual turnover	3	
Elderly families	10	0.8%
Disabled families	288	23.2%
White	300	24.3%
Black/African American	362	29.4%
American Indian/Alaska native	13	1.1%
Asian	193	15.7%
Native Hawaiian/Other Pacific Islander	92	7.5%
Other	226	18.3%
Hispanic or Latino	369	29.9%
Non-Hispanic or Non-Latino ²	864	70.1%

¹ The total percentage is more than 100% because multiple characteristics apply to some families

² Includes non-Hispanic, non-Latino and unknown

Section 8 - Housing Choice Voucher		
	# of families	% of total families ¹
Waiting list total	112	
Approximate Annual turnover	240	
Elderly families	5	4.5%
Disabled families	19	17.0%
White	21	18.8%
Black/African American	76	67.9%
American Indian/Alaska native	1	0.9%
Asian	5	4.5%
Native Hawaiian/Other Pacific Islander	4	3.6%
Other	5	4.5%
Hispanic or Latino	15	13.4%
Non-Hispanic or Non-Latino ²	97	86.6%

¹ The total percentage is more than 100% because some families chose more than one race

² Includes non-Hispanic, non-Latino and unknown

Waiting List Information (continued)

Section 8 - Project-Based		
Waiting list total	7876	
Approximate Annual turnover	24	
	# of families	% of total families ¹
Elderly families	352	4.5%
Disabled families	1818	23.1%
White	2841	36.1%
Black/African American	1909	24.2%
American Indian/Alaska native	204	2.6%
Asian	1305	16.6%
Native Hawaiian/Other Pacific Islander	429	5.4%
Other	0	0%
Hispanic or Latino	2592	32.9%
Non-Hispanic or Non-Latino	3438	43.6%
Unknown	1154	14.6%

¹ The total percentage is more than 100% because some families chose more than one race

² Includes non-Hispanic, non-Latino and unknown

Moderate Rehabilitation		
Waiting list total	1312	
Approximate Annual turnover	6	
	# of families	% of total families ¹
Elderly families	19	1.4%
Disabled families	319	24.3%
White	414	31.6%
Black/African American	463	35.3%
American Indian/Alaska native	18	1.4%
Asian	127	9.7%
Native Hawaiian/Other Pacific Islander	69	5.3%
Other	211	16.9%
Hispanic or Latino	358	27.3%
Non-Hispanic or Non-Latino ²	954	72.7%

¹ The total percentage is more than 100% because some families chose more than one race

² Includes non-Hispanic, non-Latino and unknown

2. Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year.

HACSM currently maintains the following waiting lists:

- Public Housing
- Section 8 Housing Choice Voucher
- Project-Based
- Moderate Rehabilitation

Public Housing

HACSM's Public Housing Program waiting list is closed, except for its 4 bedroom units. Since all public housing units are fully occupied at this time, only turnover units required leasing activity.

Section 8 Housing Choice Voucher

The waiting list for the HCV Program was closed as of July 2008. When HACSM briefly opened the waiting list for the HCV Program in July 2008, over 23,000 applied during the one week opening period. All completed applications submitted by the deadline were put into an eligible pool. From that pool, HACSM conducted a lottery and randomly selected 3,600 applications to be placed on the waiting list. Since the HCV Program is close to 100% leased-up, only turnover vouchers required leasing activity.

HACSM plans to open its HCV waiting list in late 2013 as the current waiting is close to exhaustion.

In 2009, HACSM applied for and was awarded 40 Family Unification Program (FUP) vouchers and as of June 30, 2012, 36 families were leased up. HACSM gives preference to FUP-eligible families and FUP-eligible youths. If HACSM is unable to issue the number of FUP vouchers awarded or FUP funding provided by HUD from its current HCV waiting list, HACSM will reopen the waiting list to accept a FUP applicant family or youth who are not currently on the HACSM HCV waiting list.

In June 2010, HACSM received funding for 25 Veterans Affairs Supportive Housing (VASH) vouchers in partnership with San Francisco Veterans Administration Medical Center, San Bruno Clinic. In July 2011, HACSM received funding for 50 additional VASH vouchers and in June 2013, HACSM received notification from HUD that 35 new VASH vouchers will be awarded to HACSM.

As of June 30, 2013, 68 VASH households were leased up. HACSM does not maintain a VASH waiting list because only veterans referred by the VA are accepted into the program.

Project-Based

HACSM has a combined waiting list for all its Project-Based properties. Applicants indicate which properties they are interested in. Since all Project-Based units are fully occupied at this time, only turnover units require leasing activity. Because of the low turnover rate and high number of families on the waiting list, the Project-Based waiting list will remain closed in FY2013 except for 4 bedroom units.

Moderate Rehabilitation

HACSM's Moderate Rehabilitation Program waiting list is currently closed. Because of the low turnover rate and high number of families on the waiting list, the Mod Rehab waiting list remained closed in FY2013.

Note: Applicants for the Shelter Plus Care, Supportive Housing Program, and Housing Readiness Program (a 2008-2009 MTW initiative within the HCV program) are referred to HACSM by homeless service providers and other community partners. HACSM does not keep waiting lists for the Shelter Plus Care, Supportive Housing Program or the Housing Readiness Program.

SECTION III– Non-MTW Related Housing Authority Information

(Optional)

For information on HACSM's Non-MTW Related activities, please see HACSM's FY2014 MTW Annual Plan, HUD approved and posted at www.smchousing.org.

SECTION IV– Long-Term MTW Plan

(Optional)

For information on HACSM's Long-Term MTW Plan, please see the HACSM FY2014 MTW Annual Plan, HUD approved and posted at www.smchousing.org.

SECTION V - Proposed MTW Activities

HACSM has no proposed activities, approved by HUD prior to July 1, 2013, that have not been implemented.

SECTION VI – On-Going MTW Activities: HUD approval previously granted

Executive Summary of HACSM's MTW activities, since program inception May 2000.

On-Going Activities	Date Identified	Date Implemented
Activity #2000.1 MTW/FSS Program (in coordination with community self-sufficiency partners)	5/1997	5/1/2000
Activity #2009.2 Housing Readiness Program (in coordination with community supportive services providers)	4/15/2008	7/1/2008
Activity #2000.3 Elimination of 40% affordability cap at initial move in/lease up	5/1997	5/1/2000
Activity #2000.4 Escrow Accounts	5/1997	5/1/2000
Activity #2009.5 Expand usage of project-based vouchers at HACSM developments undergoing disposition process	4/15/2008	1/1/2011 for Midway Village *El Camino Village – HACSM may resubmit Demo/Dispo or RAD application
Activity #2010.6 Biennial re-certification schedule for elderly/disabled households	4/15/2009	7/1/2009
Activity #2010.7 Simplify Rent Calculation Process	4/15/2009	7/1/2009
Activity #2010.8 Simplify Third-Party Verification Process	4/15/2009	7/1/2009
Activity #2010.9 Tiered Subsidy Table (TST)	4/15/2009	1/1/2010
Activity #2010.10 Simplify HQS Processes	4/15/2008	7/1/2009
Activity #2010.11 Eliminate competitive process for allocation of Project-Based vouchers to former public housing units	10/6/2009	1/27/2011

On-Going Activities	Date Identified	Date Implemented
Activity #2010.12 Waive 12 month stay requirement for residents in formerly public housing units converted to project-based units	10/6/2009	5/1/2011
Activity #2010.13 Accept lower HAP for in-place Public Housing residents, at conversion to Project-Based Vouchers	10/6/2009	5/1/2011
Activity #2010.14 Establish flat or market rate policy for over income Public Housing residents at conversion of Public Housing units to Project-Based units	10/6/2009	5/1/2011
Activity #2011.15 Institute biennial inspection schedule for units under contract	4/15/2010	7/1/2010
Activity #2011.16 Expand the Section 8 Project-Based Voucher Program	4/15/2010	5/23/2011
Activity #2011.17 Revise Eligibility Standards	4/15/2010	7/1/2010
Activity #2011.18 Eliminate 100% excluded income from the income calculation process	4/15/2010	7/1/2010
Activity #2011.19 Eliminate the requirement to complete new HAP contract with utility responsibility changes	4/15/2010	7/1/2010
Activity #2011.20 Apply current payment standards at interim reexamination	4/15/2010	7/1/2010
Activity #2012.21 Change qualifications for "Full-Time Student" status	4/15/2011	7/1/2011
Activity #2012.22 Include Foster Care, KinGap, and Adoption Assistance Payments in annual income calculation	4/15/2011	7/1/2011

On-Going Activities	Date Identified	Date Implemented
Activity #2012.23 Modify head of household (HOH) changes policies	04/15/2011	7/1/2011
Activity #2012.24 Change automatic termination of HAP contract from 180 to 90 days	4/15/2011	7/1/2011
Activity #2012.25 Exclude asset income from calculations for households with assets under \$50,000	4/15/2011	7/1/2011
Activity #2012.26 Commitment of MTW Funds for leveraging in creation of additional affordable housing in San Mateo County	4/15/2011	10/26/2011
Activity #2011.27 Provider Based Programs	4/15/2011	11/15/2011
Activity #2013.28 Apply MTW Flexibilities to Public Housing	4/15/2012	7/1/2012

On-Going MTW Activity #2000.1: MTW/FSS Program (time-limited assistance in coordination with community self-sufficiency partners)

A. Activity Description

HACSM's MTW program, first implemented in May 2000, was originally developed to respond to welfare reform and thus was fashioned to focus almost exclusively on improving families' self-sufficiency in preparation for the conclusion of their welfare assistance. The core design of HACSM's original MTW program consisted of limiting Housing Choice Voucher assistance to a maximum of six years, while at the same time offering self-sufficiency services to those participants. In FY2010, HACSM changed the voucher term to a maximum of five years. To date, in order to reach the target population, HACSM has only accepted new admissions through a referral process. The referring agency may be a county welfare or social service department, drug treatment facility, and/or homeless shelter. In addition to referring eligible families for admission to the MTW program, these same referring agencies have signed agreements with HACSM to provide appropriate case management services to the family throughout the term of their subsidized housing assistance.

All MTW Self-Sufficiency participants are required to participate in HACSM's Family Self-Sufficiency (FSS) program, which requires families to be gainfully employed and free of welfare assistance 12 months prior to the end of the FSS contract. Non-compliance with the FSS contract is cause for termination of housing assistance. HACSM collaborates with county and non-profit service providers to prepare MTW households to be economically self-sufficient in the very expensive San Mateo County housing market upon graduation.

B. The impact of the activity

The MTW Self-Sufficiency program incorporates a network of local service providers to assist program participants to achieve economic self-sufficiency. 264 families have entered the program since HACSM began its second round of outreach in late 2007. As of June 30, 2013 there remain 104 participating families. During this reporting period, July 1, 2012 – June 30, 2013, 24 families exited the program, six (6) of whom exited with earned income while an additional seven (7) families had increase in their overall income.

Following is the experience of one of the 24 families who exited the program during FY2013. To protect her identity, her name has been changed:

Ms. Jones joined the MTW program in June 2007. At enrollment, Ms. Jones was a 29 year old single mother with an eight year old daughter and a seven year old son. She had already completed a Certificate of Completion in Acute Care training and a Certificate of Completion as a Certified Nurse Assistant from Providence Vocational School. She was holding down two part-time jobs totaling \$33,157 per year and had very little savings.

During her participation in the program, she received case management services from both HIP Housing, one of HACSM's partners, and from the Housing Authority Self-Sufficiency Coordinators. Six years later, she is now a 34 year old single mother with a 14 year old daughter and a 13 year old son. She has accomplished so much in so little time, including the following:

- She successfully obtained her AS degree in Allied Health Science
- She obtained a better and reliable automobile by successfully completing an IDA savings program

- She learned to establish a habit of saving by participating in the IDA program and overall, she has demonstrated improved savings activities
- Although she personally experienced many of the challenges of the current workforce and economic downturn (reduction in hours, her position being eliminated, reduction in unemployment benefits, and more), she was able to use the time on the program to increase her education and securing new employment opportunities

Ms. Jones' resilience and commitment to herself and her children is why this program is so important. Since exiting the program, she has been able to remain in her home, paying the full rent of \$1,950/month! In her words, "The Moving to Work program has helped me in many ways. It gave us a place that we can call our home . . . I have faced so many trials in my life, while I was in the program. However, I am blessed because they were there to give me advice and assistance."

Baseline (established FY2009)	Benchmark	Metric	FY13 Outcome
131 (58%) out of 227 families entered the program in FY 2009 received welfare assistance	Decrease in the number of families with welfare assistance	Comparison of the number of families with welfare assistance each year of contract	83 (42%) of the 195 active families received welfare assistance in FY13. 14 (17%) of the 83 who received welfare in FY13, also received employment income FY13.
129 (57%) out of 227 families entered the program had earned income	Increase in the number of families with earned income and/or income increases	Comparison of the number of families with employment income	104 (53%) of the 195 active families were receiving earned income as of June 30, 2013.
Number of families requesting hardship review	Reduction in the number of requests for hardship review	Change in the number of hardship review requests	There were no hardship review requests during the reporting period.
Number of families in job training programs	Increase in number of families enrolled and participating in job training programs		104 families are enrolled in or have completed job training programs.
Number of families participating in financial, employment and educational workshops	Increase in number of families successfully completing financial, employment and educational workshops		45 families completed financial, employment, and educational workshops.

HACSM continues to effectively administer the time-limited MTW Self-Sufficiency program. Several factors account for the lower number of participants in the program during the reporting period:

- 1) 80 to 100 slots from the original 300 MTW vouchers were allocated to the Housing Readiness Program (HRP) in FY2012 (see Ongoing Activity #2009.2), thus when MTW vouchers turnover, they have been reassigned to homeless individuals and families entering HRP;

2) In FY2013 HACSM continued to see that participant graduations were occurring at a faster rate than the slots to be filled. HACSM worked with its partner agencies to assist in filling the vouchers in a timelier manner as they become available, as well as the allocation to HRP as discussed above.

In FY2013 the employment market in the Bay Area continued to gradually improve. As of June 30, 2013, only 14 families received unemployment benefits as their sole income source. With assistance from local financial institutions, HACSM continues to offer families under the MTW and FSS programs financial workshops to assist in credit repair, budgeting, and first time homeownership preparation. These workshops are consistently well-attended and receive positive comments from the participants.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM does not plan to change its strategy for this MTW activity in FY2014.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

Due to the fact that there have been no hardship requests for two consecutive years (FY2012 and FY2013), HACSM is proposing to remove this research element from the Annual Report. HACSM will continue to monitor any requests received and will discuss any future trends, if they arise.

With the publication of the new Attachment B, HACSM is preparing to align its current research and reporting of this activity with the new HUD requirements. The table below describes the transition that HACSM will be implementing effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>SS #1: Increase in Household Income</i>				
Average earned income of households (\$)	As established in FY10, the average earned income of households at entry was \$17,858	Expected <i>increase</i> in average earned income of \$500 annually of households affected by this policy prior to implementation.	In FY13, the average earned income of current participants was \$20,610	TBD
<i>SS #2: Increase in Household Savings</i>				
Average savings of households (\$)	FYE10, the average savings per household at program entry was \$668	Expected increase in savings per household by \$500 annually	Actual average savings per household	TBD
<i>SS #3: Increase in Positive Outcomes in Employment Status</i> (Based on Head of Household Information)				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full Time	Number of HOH employed full time	Expected number of HOH employed full time after implementation	Actual number of HOH employed full time after implementation	TBD
	Percentage of total work-able households employed full time	Expected percentage of total work-able households employed full time after implementation	Actual percentage of total work-able households employed full time after implementation	TBD
Employed Part Time	Number of HOH employed part time	Expected number of HOH employed part time after implementation	Actual number of HOH employed part time after implementation	TBD
	Percentage of total work-able households employed part time	Expected percentage of total work-able households employed part time after implementation	Actual percentage of total work-able households employed part time after implementation	TBD
Enrolled - Education Program	Number of HOH enrolled in an education program	Expected number of HOH enrolled in education program after implementation	Actual of HOH enrolled in education program after implementation	TBD
	Percentage of total work-able households enrolled in an education program	Expected percentage of total households enrolled in an education program after implementation	Actual percentage of total work-able households enrolled in an education program after implementation	TBD
Enrolled – Job Training	Number of HOH enrolled in a job training program	Expected number of HOH enrolled in job training program after implementation	Actual number of HOH enrolled in job training program after implementation	TBD
	Percentage of total work-able households enrolled in a job training program	Expected percentage of total work-able households enrolled in a job training program after implementation	Actual percentage of total work-able households enrolled in a job training program after implementation	TBD
Unemployed	Number of HOH unemployed	Expected number of HOH unemployed after implementation	Actual number of HOH unemployed after implementation	TBD
	Percentage of total work-able households who are unemployed	Expected percentage of total work-able households who are unemployed after implementation	Actual percentage of total work-able households who are unemployed full time after implementation	TBD
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Number of households receiving TANF assistance	131 families were receiving TANF at program entry	Decrease in the number of families receiving TANF by 10 families per year	Actual number of households receiving TANF after implementation. 83 families received TANF in FY13.	TBD

<i>SS #5: Households Assisted by Services that Increase Self-Sufficiency</i>				
Number of households receiving services aimed to increase self-sufficiency	In FY13, 19 families completed financial, employment, and educational workshops	HACSM expects 30 of the households receiving self-sufficiency services after implementation	Actual number of households receiving self-sufficiency services.	TBD
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Average amount of Section 8 subsidy per household (\$)	Average amount of Section 8 subsidy per household (\$)	Expected average subsidy per household after implementation	Actual average subsidy per household	TBD
<i>SS #7: Increase in Agency Rental Revenue</i>				
PHA rental revenue (\$)	PHA rental revenue prior to implementation (\$)	Expected PHA rental revenue after implementation (\$)	Actual PHA rental revenue after implementation (\$)	TBD
<i>SS #8: Households Transitioned to Self-Sufficiency *</i>				
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD
<i>CE #4: Increase in Resources Leveraged</i>				
Amount of funds leveraged (\$)	Amount leveraged prior to implementation of the activity.	Expected amount leveraged after implementation (\$)	Actual amount leveraged after implementation (\$)	TBD
<i>HC #3: Decrease in Wait List Time</i>				
Average applicant time on wait list (months)	Average applicant time on wait list prior to implementation (months)	Expected average applicant time on wait list after implementation (months)	Actual average applicant time on waitlist after implementation (months)	TBD

* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days, or
- The household has reached the end of the voucher's time limit and will be graduating from the FSS program with an escrow payout.

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

Authorizations for Time Limited Assistance

The approved activity described above, is authorized in HACSM's MTW Agreement, Attachment C, Part D, (1)(g) and (2)(d) and waives certain provisions of Section 8(o)(7), 8(o)(13)(F)-(G), and 8(r) of the US Housing Act of 1937 and 24 CFR 982 Subpart H, 24 CFR 982 Subpart L, and 24 CFR Subpart E

MTW authorization is necessary for this MTW activity because HUD regulations do not allow for the application of time limits in the HCV program.

Authorizations for Case Management

The approved activity described above, is authorized in HACSM's MTW Agreement, Attachment C, Section E and waives certain provisions of Section 23 of the US Housing Act of 1937 and 24 CFR 984

MTW authorization is necessary for this MTW activity because HUD regulations do not allow program participants to engage in self-sufficiency activities as part of the program requirement.

On-Going MTW Activity #2009.2: Housing Readiness Program (in coordination with community supportive service providers)

A. Activity Description

HACSM launched the Housing Readiness Program (HRP) in July 2008.

The impetus for the program came through HACSM's partnerships with San Mateo County's Center on Homelessness and other providers of homeless services. The goal of these partnerships was to develop and implement a pilot housing program to serve up to 60 homeless individuals and families. HRP participants have the ability to receive rental subsidy for up to three years while at the same time having continued access to various support programs, and on-going case management services. HRP was designed to respond to the critical needs identified in San Mateo County's comprehensive 10-year plan to end homelessness and follows the "housing first" strategy. The program also includes a formal research component via the HUD Homeless Management Information Systems (HMIS).

The 60 vouchers for HRP were from a carve-out of the original 300 MTW voucher allocation. In the FY2012 and FY2013 MTW Plans, HACSM allocated a successive increase of 20 additional vouchers each year for the Housing Readiness Program bringing the total to 100 vouchers.

B. The impact of the activity

Since the inception of the program in early 2009, 116 homeless individuals and families have been assisted under the Housing Readiness program (HRP). These families came from a variety of places including shelters and institutions.

In FY2013, 25 families completed their three-year term of participation. Of the 25 families that were termed out, eight (8) were granted hardship exemptions and will remain in the program for an additional year.

Housing after program graduation for the remaining families is as follows:

- Two (2) households relocated
- Five (5) households stayed in the same unit
- Three (3) households moved to shared housing
- Six (6) households moved to live with family
- One (1) household left without providing information regarding their housing arrangements

Baseline (est. FY2009)	Benchmark	Metric	FY2013 Outcome
Number of families with defined goals with their supportive services providers	Increase in the number of families meeting their goals	Comparison of families defining and keeping self-sufficiency goals	76 families have defined goals with their supportive services providers.
Length of time, on average, required to lease a unit	Decrease in the length of time, on average, needed to rent a unit	Comparison of the average length of time needed to secure a unit	The average length of time needed to secure a unit was 111 days. In FY13, the SMC rental market has continued to tighten resulting in extremely difficult housing

Baseline (est. FY2009)	Benchmark	Metric	FY2013 Outcome
			search experiences for low income families in need of affordable housing and much longer search time.
Family status/income at admission to the program	Increase in household income	Comparison of family income at admission and annual recertification	As of June 30, 2013, of the 76 active HRP families, 32 experienced an increase in their family income.
Number of HRP participants able to secure and retain housing	Decrease in evictions for HRP participants	Comparison of tenancy history before and after program entry	The average number of days for current program participants to maintain stable housing has increased to 669 days in FY2013. Of the households that left the program only three (3) left prior to graduation: <ul style="list-style-type: none"> • only one (1) was terminated for non-payment of rent and subsequent eviction • two (2) left voluntarily, one simply relinquishing the voucher the other due to entry into rehab

HACSM and its community partners have been very pleased with this program to date, as it has fulfilled a very specific gap in services for San Mateo County families struggling with homelessness; however, HACSM also recognizes that some of its community partners continue to struggle with providing ongoing case management for the three year term of the program. As a result, especially after the first round of graduations, some of the participants are not at a point in which they can be determined to be self-sufficient. Many other factors may be involved in addition to the housing element, although the rental market in San Mateo County has skyrocketed during this reporting period, making it increasingly difficult for even moderate income families to afford housing in the county.

HACSM is monitoring this activity to see if the three year term of the program is sufficient, if the case management is sufficient, or if there is a combination of other factors that is making it more difficult for these families to achieve self-sufficiency. HACSM continues its conversation with the community partners to determine if adjustments to the program are needed.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM does not plan to change its strategy for this MTW activity in FY2014.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the transition that HACSM will be implementing, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>SS #1: Increase in Household Income</i>				
Average earned income of households (\$)	Average earned income of households affected by this policy FYE13 was \$19,339	Expected average earned income in households affected by this policy after implementation is \$20,500	Actual average earned income of household affected by this policy prior to implementation	TBD
<i>SS #2: Increase in Household Savings</i>				
Average savings of households (\$)	FYE10, the average savings per household at program entry was \$668	Expected increase in savings per household by \$500 annually	Actual average savings per household	TBD
<i>SS #3: Increase in Positive Outcomes in Employment Status (Based on Head of Household Information)</i>				
Employed Full Time	Number of HOH employed full time	Expected number of HOH employed full time after implementation	Actual number of HOH employed full time after implementation	TBD
	Percentage of total workable households employed full time	Expected percentage of total workable households employed full time after implementation	Actual percentage of total workable households employed full time after implementation	TBD
Employed Part Time	Number of HOH employed part time	Expected number of HOH employed part time after implementation	Actual number of HOH employed part time after implementation	TBD
	Percentage of total workable households employed part time	Expected percentage of total workable households employed part time after implementation	Actual percentage of total workable households employed part time after implementation	TBD
Enrolled - Ed Program	Number of HOH enrolled in an education program	Expected number of HOH enrolled in education program after implementation	Actual of HOH enrolled in education program after implementation	TBD

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Percentage of total work-able households enrolled in an education program	Expected percentage of total households enrolled in an education program after implementation	Actual percentage of total work-able households enrolled in an education program after implementation	TBD
Enrolled – Job Training	Number of HOH enrolled in a job training program	Expected number of HOH enrolled in job training program after implementation	Actual number of HOH enrolled in job training program after implementation	TBD
	Percentage of total work-able households enrolled in a job training program	Expected percentage of total work-able households enrolled in a job training program after implementation	Actual percentage of total work-able households enrolled in a job training program after implementation	TBD
Unemployed	Number of HOH unemployed	Expected number of HOH unemployed after implementation	Actual number of HOH unemployed after implementation	TBD
	Percentage of total work-able households who are unemployed	Expected percentage of total work-able households who are unemployed after implementation	Actual percentage of total work-able households who are unemployed full time after implementation	TBD
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Number of households receiving TANF assistance	Number of families receiving TANF at program entry	Expected average of households receiving TANF after implementation	Actual number of households receiving TANF after implementation.	
<i>SS #5: Households Assisted by Services that Increase Self-Sufficiency</i>				
Number of households receiving services aimed to increase self-sufficiency	Zero families were receiving self-sufficiency services prior to implementation of the activity	HACSM expects 80 household to receive self-sufficiency services after implementation of the activity	Actual number of households receiving self-sufficiency services.	TBD
<i>SS#6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Average amount of Section 8 subsidy per household (\$)	Average amount of Section 8 subsidy per household (\$)	Expected average subsidy per household after implementation	Actual average subsidy per household	TBD
<i>SS #7: Increase in Agency Rental Revenue</i>				
PHA rental revenue (\$)	PHA rental revenue prior to implementation (\$)	Expected PHA rental revenue after implementation (\$)	Actual PHA rental revenue after implementation (\$)	TBD
<i>SS#8: Households Transitioned to Self-Sufficiency *</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD
<i>CE #4: Increase in Resources Leveraged</i>				
Amount of funds leveraged (\$)	Amount leveraged prior to implementation of the activity.	Expected amount leveraged after implementation (\$)	Actual amount leveraged after implementation (\$)	TBD

* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days, or
- The household has reached the end of the voucher's time limit and will be graduating from the HRP program.

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity described above, is authorized in HACSM's MTW Agreement, Attachment C, Section D (1)(g), Section D (2)(a)(d), Section D (3)(b), Section D (4) and Section E and waives certain provisions of Section 8(r), 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I), 8(o)(7), 8(o)(13)(F)-(G), 8(o)(6), 8(o)(13)(J), 8(o)(16) and Section 23 of the US Housing Act of 1937 and 24 CFR 982 Subpart H, 982.508, 982.503, 982.518, 982 Subpart L, 983 Subpart E, 982.516, 982, Subpart E, 982.305, 983 Subpart F, 984

MTW authorization is necessary for this MTW activity because HUD regulations do not allow for the application of time limits in the HCV program.

On-Going MTW Activity #2000.3: Elimination of 40% affordability cap at initial move-in

A. Activity Description

The original MTW contract, executed in 2000, allowed HACSM to eliminate limits on the proportion of household income that could be spent on housing costs for its initial 300 time-limited MTW clients. In the FY2009 MTW Annual Plan, HACSM received HUD approval to expand this initiative to the entire HCV program.

This MTW activity is designed to support a family's ability to have greater housing choice, through having access to cities throughout San Mateo County. Prior to July 2009, many HCV applicants leasing up for the first time, and participants in the relocation process, were unable to secure housing outside high poverty areas due to the restrictive 40% affordability cap.

Although the hard affordability cap has been eliminated, HACSM continues to play a major role in negotiating rents on behalf of the participant when needed and has established safeguards to ensure the tenant portion of rent is affordable to the participant. Safeguards include, but are not limited to:

- Discussion of rent affordability with the participant before move-in
- Outreach to property owners to increase housing availability
- A calculation tool that shows the tenant portion of rent in relation to his/her income with the additional of excluded income sources that might mitigate the higher rent burden.
- Required supervisory approval procedures on a case-by-case basis for instances where the tenant rent burden is over 50% of their monthly adjusted income.

B. Impact of the activity

Every family on the MTW program is unique and this MTW activity assists HACSM in addressing the individual circumstances of program participants in a fair and consistent manner and specific way. By not having a fixed affordability cap, participants have access to more housing options (choices) on a case-by-case basis. And, as before implementation, HACSM continues to assist in rent negotiations to ensure that the tenant rent is both reasonable and within an appropriate level for the household.

During FY2013, 90% of all MTW households paid less than 40% of their monthly adjusted income (MAI) towards their rent at initial move-in.

Baseline (established FY09)	Benchmark	Metric	FY2013 Outcome
Approximately 48 new move-ins were denied a unit based on the 40% affordability cap. HACSM received approximately 1079 Requests for Tenancy (RTA). Based on the above, approximately 4% of the RTA's were denied due to tenant affordability.	Reduce number of denials by 25% due to affordability	Comparison of the number of denials due to affordability before and after implementation.	In FY13 there were 542 new move-ins. Of the 542 new move-ins, 53 families, or 10% elected to spend more than 40% of their monthly adjusted income towards their rent portion. In FY13, HACSM received approximately 687 RTAs, of which 13 were denied due to affordability. This represents less than 2% of all new or relocating households and continues to exceed HACSM's benchmark of 25%.

Percentage of households located within each city in San Mateo County.	5% increase in new move-ins to cities with lower poverty concentration	Comparison of localities (including those of low poverty), with HAP contracts before and after implementation	See Table 2 below.
443 households are currently paying more than 40% of their annual adjusted income (AAI) towards their housing cost.	Minimal change to the percentage of participants paying more than 40% of their AAI towards their housing costs.	Comparison of the number of households paying more than 40% of their AAI towards their housing costs.	In FY13, there were 448 households paying more than 40% of their monthly adjusted income towards their rent. These 448 households represent approximately 10% of all program participants. A 3% decrease from FY12.
In FY2009, the average number of days from voucher issuance to lease up was 60 days	Decrease in the length of time to find and secure a unit	Comparison of the length of time required to secure a unit, before and after implementation	In FY13, the average number of days from voucher issuance to lease up was 67 days. The minimum number of days from voucher lease up was 9 days and the maximum was 253 days.

According to the recently published 2013 National Low Income Housing Coalition report, San Mateo County, along with San Francisco and Marin Counties, are tied as the third highest cost housing market in the nation. This indicator is not good news for low income residents of San Mateo County. In order to afford a two bedroom rental unit in the County, one must earn at least \$34.52 per hour – or \$72,802 per year. By comparison, in FY13, the average earned income of program participants was \$19,523, not even 30% of what is required in San Mateo County. Meanwhile, according to Cassidy Turley Real Estate Service's first quarter report for 2013:

"As of the close of Q1 2013, the vacancy rate for San Mateo County's multifamily market stood at just 3.9%. This is down from a reading of 4.1% just three months ago and reflects the third consecutive quarter of declining vacancy. This is despite the fact that new deliveries [of new homes] increased this quarter. The region continues to deal with a shortage of housing and pent up demand."

With low vacancy rates and extremely high demand for housing, many landlords are becoming even more reluctant to participate in the voucher program.

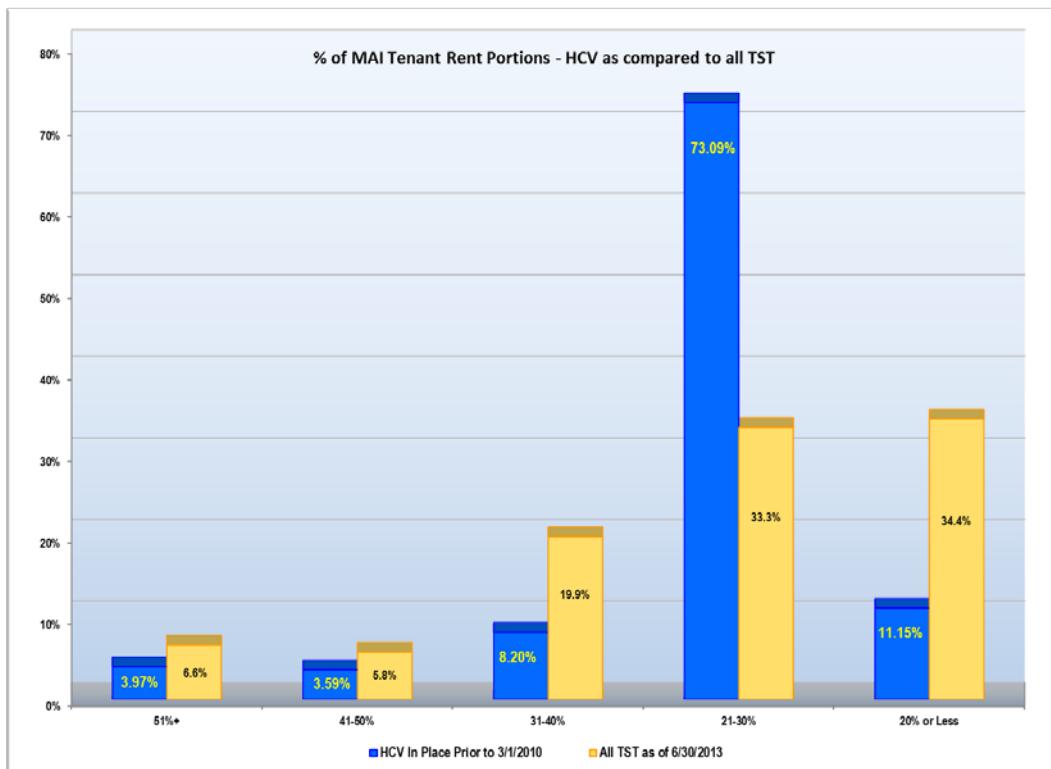
HACSM is well aware of these challenges along with the following factors that continue to affect rental affordability in San Mateo: 1) The mixed family pro-ration; 2) Property owners who refuse to negotiate the Contract Rent (Rent to Owner); 3) The rent reasonableness of the unit; and 4) the Tenant Rent portion being greater than 50% of a family's Annual Adjusted Income.

As described above, the rental trend of today is similar to the upswing in rents during the 'dot-com' era approximately ten years ago. The reigniting of the technology boom, the emerging bio-tech industry, and a shortage of affordable housing are unfortunately all converging into a "perfect storm" for low income families in San Mateo County.

The overall result of these trends in FY2013 was an increase in the average number of days from voucher issuance to lease up and a *slight* increase in the number of families paying more than 40% of their monthly adjusted income towards rent due to the higher rents in the area (see Table 1 below). It is important to note that while there has been an increase in the families paying more than 40% of their monthly income towards their rent, overall the majority of participants continue to pay less than 40%.

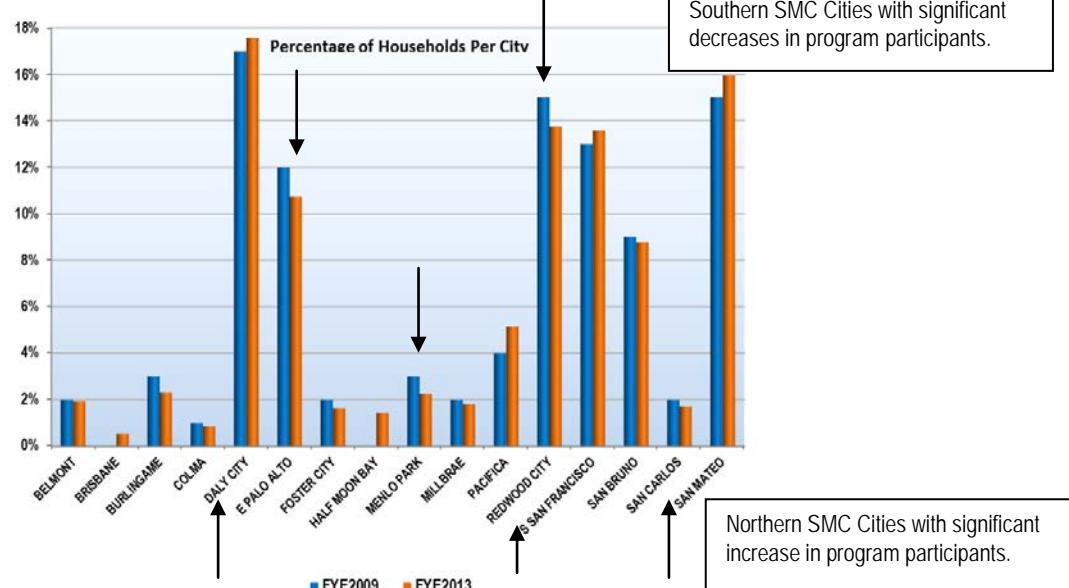
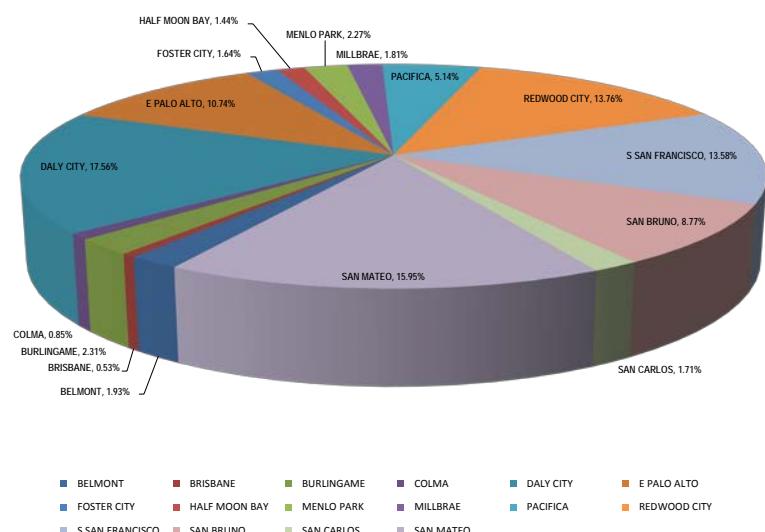
Taking into consideration all of the above, HACSM has seen this activity continue to be helpful in increasing participants housing choice and their ability to find and secure affordable units. HACSM will continue to monitor this activity to ensure its effectiveness and determine if any adjustments need to be made in the future. Generally, this activity is reviewed in tandem with the Tiered Subsidy Table activity which determines the amount of subsidy provided to families.

Table 1 below charts the tenant rent portions for participants who were housed prior to March 1, 2010, and those housed under the program as of June 30, 2013.



HACSM continues to monitor the main cities in which participants are choosing to lease up. In FY2013, HACSM has seen a slight shift in the lease up trends. The majority of HACSM's participants are choosing to lease up in the central and northern cities within the County. These cities include: Daly City, San Mateo, and South San Francisco. Based on HACSM staff experience, historically and in general, landlords in East Palo Alto and Redwood City (both in the southern region of the county) have been more open to renting to program participants, so this is a significant change in San Mateo County. HACSM will continue to monitor this trend to see if it continues, and if so, may develop a system to determine the reasons as HACSM intended that this activity (along with the TST, MTW Activity #2010.9) would afford participants the tools needed to exercise more personal responsibility and have greater housing choice.

Percentage of participants residing in each city within San Mateo County



- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM does not plan to change its strategy for this MTW activity in FY2014.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will be implementing for FY2014:

Unit of Measurement	Baseline (est. FY2014)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric – HC #5: Increase in Resident Mobility</i>				
Number of households able to move to a better units and/or neighborhood of opportunity as a result of the activity (increase).	Zero (0) families.	Expected number of households able to move to a better unit and/or neighborhood of opportunity after implementation.	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation.	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity described above, is authorized in HACSM's MTW Agreement, Attachment C Part D(2)(a) and waives certain provisions of Section 8 (o)(10) and 8(o)(3) of the US Housing Act of 1937 and 24 CFR 982.503 and 982.518.

MTW authorization is required for this activity because HUD regulations require a 40% affordability test prior to approval of a rental unit at initial occupancy.

On-Going MTW Activity #2000.4: Simplify Family Self Sufficiency (FSS) Escrow Calculation

A. Activity Description

Effective July 1, 2009, HACSM expanded the method by which escrow is calculated for the FSS program participants. Instead of using a calculation that only looks at increases in earned income, HACSM designed a calculation method that looks at several activities that support a family's path to self-sufficiency.

The calculation methodology is as follow:

1. \$1,000.00 per family that has increased a minimum of \$1,200 annually in earned income at graduation.
2. \$100.00 for each completed educational goal such as a GED, a degree from an accredited school/college, a vocational certificate, etc. The maximum escrow credit for achieving educational goals will be \$300.00 per family.
3. \$100.00 per family for completing a HACSM-approved budget class.
4. \$1,500.00 per family for increasing savings by an additional \$1,500.00 or more at graduation.
5. \$1.00 for each credit score point improved. The escrow credit for improving credit score is limited to one adult family member per family.

As stated above, to support the full spectrum of self-sufficiency activities needed for a participant to become self-sufficient, HACSM has designed an escrow calculation method in which families may qualify for one, or more, of the escrow credits stated above. Escrow is calculated and credited at the end of the FSS Contract term and only if the family provides credible and verifiable documentation showing they qualify for each the escrow credit type. The maximum escrow credit and pay out at graduation will be \$3,000.00 per family. Because escrows are calculated and credited at the end of the FSS Contract term, interim withdrawals were eliminated.

B. Impact of the activity

HACSM achieved cost effectiveness with this MTW activity by reducing the time spent in calculating escrow credit and servicing escrow accounts. At the same time, HACSM provided greater opportunities for families to receive escrow pay outs upon graduation.

Due to time saved from the new escrow calculation method, HACSM has been able to allocate additional time to the participants themselves – designing and facilitating workshops and activities to support their increasing self-sufficiency.

The number of traditional escrow accounts continues to decrease as families who had cumulated escrow before this MTW initiative complete the program and receive the balance from their traditional account. Due the new calculation method, escrow will only be calculated upon graduation, at which time the family will be eligible for up to \$3,000 based on their participation in self-sufficiency activities and increases in income and savings. Since the implementation of this initiative, HACSM has been keeping records of families' achievements and potential escrow pay outs.

In all areas, HACSM is closely monitoring the FSS program and re-designing the self-sufficiency activities to more effectively meet the needs of the current participants.

Baseline (est. FY2009)	Benchmark	Metric	FY13 Outcome
Average time needed to calculate and post each FSS program participant's escrow savings is 10 minutes per file or approximately 60 hours per month	Decrease in the average time needed to calculate and post FSS program participant's escrow accounts by 50%	Comparison of time needed for calculation and posting before and after implementation for FSS participants	In FY13, HACSM continued realize a 100% savings on this activity.
Number of escrow accounts is 98	Increase in the number of escrow accounts by 10%	Comparison of number of escrow accounts before and after implementation for FSS participants	As of 6/30/2013, there were 183 escrow accounts, including those that were established prior to implementation of this MTW initiative.
Out of 384 families, 217 (57%) had earned income	Increase in the number of FSS families with earned income by 5%	Comparison of the number of FSS families with earned income before and after implementation	Out 286 families, 155 had earned income or business income as of 6/30/2013.
Out of 384 families, 7 (2%) had savings of \$300 or more.	Increase in the number of FSS families with savings of \$300 or more by 20%	Comparison of the number of FSS families with savings of \$300 or more before and after implementation	60 FSS families had savings of \$300 or more as of 6/30/13.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective;

HACSM does not plan to change its strategy for this MTW activity in FY2014.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases)

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>SS #1: Increase in Household Income</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households (\$)	Average earned income of households affected by this policy prior to implementation of this activity was \$20,610	HACSM expects the average earned income of households affected by this policy after implementation of the activity to increase by \$2,000, annually	Actual average earned income of households affected by this policy after implementation (in dollars)	TBD
<i>SS #2: Increase in Household Savings</i>				
Average savings of households (\$)	Average savings of households affected by this policy prior to implementation of the activity was \$668	HACSM expects an average savings/escrow amount of households affected by this policy to increase by \$500, annually	Actual average savings/escrow amount of households affected by this policy after implementation of the activity	TBD
<i>SS #3: Increase in Positive Outcomes in Employment Status (Based on Head of Household Information)</i>				
Employed Full Time	Number of HOH employed full time	Expected number of HOH employed full time after implementation	Actual number of HOH employed full time after implementation	TBD
	Percentage of total work-able households employed full time	Expected percentage of total work-able households employed full time after implementation	Actual percentage of total work-able households employed full time after implementation	TBD
Employed Part Time	Number of HOH employed part time	Expected number of HOH employed part time after implementation	Actual number of HOH employed part time after implementation	TBD
	Percentage of total work-able households employed part time	Expected percentage of total work-able households employed part time after implementation	Actual percentage of total work-able households employed part time after implementation	TBD
Enrolled - Education Program	Number of HOH enrolled in an education program	Expected number of HOH enrolled in education program after implementation	Actual of HOH enrolled in education program after implementation	TBD
	Percentage of total work-able households enrolled in an education program	Expected percentage of total households enrolled in an education program after implementation	Actual percentage of total work-able households enrolled in an education program after implementation	TBD
Enrolled – Job Training	Number of HOH enrolled in a job training program	Expected number of HOH enrolled in job training program after implementation	Actual number of HOH enrolled in job training program after implementation	TBD

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Percentage of total work-able households enrolled in a job training program	Expected percentage of total work-able households enrolled in a job training program after implementation	Actual percentage of total work-able households enrolled in a job training program after implementation	TBD
Unemployed	Number of HOH unemployed	Expected number of HOH unemployed after implementation	Actual number of HOH unemployed after implementation	TBD
	Percentage of total work-able households who are unemployed	Expected percentage of total work-able households who are unemployed after implementation	Actual percentage of total work-able households who are unemployed full time after implementation	TBD
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Number of households receiving TANF assistance	131 families were receiving TANF at program entry	Decrease in the number of families receiving TANF by 10 families per year	Actual number of households receiving TANF after implementation. 83 families received TANF in FY13.	TBD
SS #5: Households Assisted by Services that Increase Self-Sufficiency				
Number of households receiving services aimed to increase self-sufficiency	In FY13, 19 families completed financial, employment, and educational workshops	HACSM expects 30 of the households receiving self-sufficiency services after implementation	Actual number of households receiving self-sufficiency services.	TBD
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Average amount of Section 8 subsidy per household (\$)	Average amount of Section 8 subsidy per household (\$)	Expected average subsidy per household after implementation	Actual average subsidy per household	TBD
SS #7: Increase in Agency Rental Revenue				
PHA rental revenue (\$)	PHA rental revenue prior to implementation (\$)	Expected PHA rental revenue after implementation (\$)	Actual PHA rental revenue after implementation (\$)	TBD
SS #8: Households Transitioned to Self-Sufficiency *				
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD
CE #4: Increase in Resources Leveraged				
Amount of funds leveraged (\$)	Amount leveraged prior to implementation of the activity.	Expected amount leveraged after implementation (\$)	Actual amount leveraged after implementation (\$)	TBD
HC #3: Decrease in Wait List Time				
Average applicant time on wait list (months)	Average applicant time on wait list prior to implementation (months)	Expected average applicant time on wait list after implementation	Actual average applicant time on wait list after implementation	TBD

	(months)	(months)	
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* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days, or
- The household has reached the end of the voucher's time limit and will be graduating from the FSS program with an escrow payout.

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected;

HACSM does not foresee any changes to the data collection methodology.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary, and

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Part E and waives certain provisions of Section 23 of the US Housing Act of 1937 and 24 CFR 984

MTW authorization is required for this activity because HACSM's escrow calculation method deviates from HUD's regulations.

On-Going MTW Activity #2009.5: Expand usage of project-based vouchers at HACSM developments undergoing disposition process

A. Activity Description

In HACSM's FY2009 Supplemental MTW Annual Plan, HACSM received approval to project-base up to 100% of the replacement vouchers at public housing units undergoing the demo/dispo process. HACSM submitted two demo/dispo applications in June 2010. The application for Midway Village was approved by HUD in January 2011 and vouchers were issued to all eligible households in May 2011. All 150 units at Midway Village are now under a Project-Based HAP contract. The application for El Camino Village was not approved by HUD and HACSM may update it for resubmission in FY2014.

B. Impact of the activity

As reported in the FY2012 Annual Report, HACSM has achieved its benchmark for this activity at Midway Village. Please see the FY2012 Report for more information on the impact of this activity at Midway Village. For El Camino Village, this activity continues to remain on hold until HACSM analyzes the options available to transition the property out of public housing such as the following - re-submission of the dispo application or to apply for the new RAD program.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective;

HACSM does not plan to change its strategy for this MTW activity in FY2014.

D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases)

HACSM is not making any revisions to the benchmarks or metrics of this MTW activity at this time. As stated above, the benchmark was achieved for this activity at Midway Village due to its successful conversion from Public Housing to Project-Based Vouchers.

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome
<i>HC#4: Displacement Prevented</i>			
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type	Households losing assistance/moving prior to implementation	Expected households losing assistance/moving after implementation	Actual number of households losing assistance/moving after implementation

Unit of Measurement	Baseline	Benchmark	Outcome
here			

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected;

HACSM does not foresee any changes to the data collection methodology.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary, and

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity described above, is authorized in HACSM's MTW Standard Agreement, Attachment C, Section D (1)(e), that waives certain provisions of Section 8(o)(13) of the US Housing Act of 1937 and 24 CFR 983 and Attachment C, Section D(7)(a)(b)(c)(d) that waives:

- (a) Certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 CFR 982.1, 982.102 and 24 CFR Part 983
- (b) Certain provisions of 24 CFR 983.51;
- (c) Certain provisions of 24 CFR 983.57;
- (d) Certain provisions of Section 8(o)(8) of the 1937 Act and 24 CFR 982 Subpart I.

MTW authorization is required for this activity because HUD regulations cap the number of Project-Based Voucher units in each project at 25% (unless there are excepted units with qualifying families).

On-Going MTW Activity #2010.6: Biennial re-certification schedule for elderly/disabled households

A. Activity Description

July 1, 2009, HACSM implemented a biennial recertification schedule for all HCV households designated as elderly or disabled.

B. Impact of the activity

In the FY2010 MTW Annual Plan, HACSM proposed that this activity would meet HUD's goal of substantially reducing administrative costs and thereby supporting greater cost effectiveness in the voucher program. Unfortunately, due to increase in administrative costs, coupled with sequestration and the decrease in administrative funds to operate the program, HACSM has not realized cost savings as result of this initiative.

On the other hand, this MTW activity has been very effective in maintaining the administrative effectiveness for the program. Participants also appreciate the benefit of not having an appointment scheduled every year, especially since their Social Security and SSI payments have not increased in any significant amount in FY2013.

Baseline (established FY2009)	Benchmark	Metric	FY13 Outcome
Of 4023 reexamination appointments processed annually, approximately 48% of the households qualify as Elderly/Disabled households.	HACSM expects to see a 24% reduction in the total number of annual reexaminations. HACSM expects to recertify approximately 965 fewer households, annually.	Comparison of the number of annual reexaminations before and after new program implementation.	Of the 4162 active vouchers, 2106 are elderly/disabled households. As a result of this activity, HACSM completed 1053 fewer (a 50% reduction) recertification appointments for elderly/disabled households.
On average, HACSM staff spend 84 minutes per file (at a cost of \$80/file) to complete reexamination appointments and applicable paperwork. Each HACSM staff member responsible for reexaminations spends 513 hours on annual reexamination processes.	HACSM expects to save 122 hours (965 households at 84 minutes per file) per staff member annually. HACSM expects an \$80,504 cost savings as a result of this initiative.	Comparison of the number of recertifications avoided and associated costs as a result of this activity	Based on the reduction of 1053 households not seen due to the biennial schedule, each HACSM staff member realized an annual time savings of 117 hours

In FY2013, HACSM did not receive any hardship requests from households as a result of this activity.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective;

Due to the success of this MTW activity, HACSM is not planning to change its strategy at this time.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases)

HACSM will continue to monitor this activity for its effectiveness in FY2014. However, with the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY2009)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric – CE #1: Staff Time Savings</i>				
Total time to complete the task in staff hours	513 hours of staff time were dedicated to the task prior to implementation of the activity	HACSM expects that this task will require 117 hours of total staff time dedicated to the task after implementation of the activity	Actual amount of total staff time dedicated to the task after implementation (in hours)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected;

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary, and

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

This approved MTW activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D (1)(c) and waives certain provisions of Section 8(o)(5) of the US Housing Act of 1937 and 24 CFR 982.516

This MTW authorization is necessary because HUD regulations require annual reexaminations for all participants to determine ongoing program eligibility.

On-Going MTW Activity #2010.7: Simplify Rent Calculation Process

A. Activity Description

In July 2009, HACSM implemented several MTW activities related to the rent calculation policies and procedures. It was HACSM's intent that implementing the new activities would create a more transparent process for participants, a streamlined and more efficient practice for HACSM, and overall improvement in the accuracy of the calculations. In July 2011, HACSM expanded the activities resulting in the following:

- *Asset Calculations*
 - HACSM established a minimum threshold of \$50,000 in assets before any interest would be included or calculated when determining the household's annual adjusted income
 - If the household met, or exceeded the \$50,000 threshold, HACSM will include the *actual* interest earned in determining the household's annual adjusted income
- *Eliminate the Earned Income Disallowance (EID)*
 - In conjunction with the establishment of the biennial recertification schedule, HACSM eliminated the calculation of the EID, as it was no longer effective in supporting disabled family's ability to increase their savings. The biennial recertification schedule and HACSM's interim policy provided greater benefit to the family overall.

B. Impact of the activity

As a result of this MTW activity, both applicants and participants have experienced a significant reduction in the length of time required for on-going eligibility determination. Due to the interconnectedness of the MTW program design overall, many of the MTW activities support each other and therefore the end result is significant time savings for the participant.

In the case of the elimination of EID, HACSM received no hardship requests in FY2013.

Baseline (established 1/1/09 – 6/30/2009)	Benchmark	Metric	FY13 Outcome
Less than 1% of HACSM households are receiving the benefits of EID	HACSM expects that an increase of 20% of participant households will realize cost savings due to the new initiatives and interim policy, in place of the EID calculation.	HACSM will compare the household savings due to income increases before and after implementation.	HACSM is unable to report back on the results of this activity via this method due to the agency's software conversion. However, there were no hardship requests made during FY13.

Impact of the Rent Reform Initiative

Due to the fact that eliminating EID changes the way in which a participant's rent portion is determined, this activity does meet HUD's definition of a rent reform initiative.

As discussed above, there were no hardship requests from this activity in FY2013. Due to HACSM's generous interim policy, participants are not required to report most income increase changes between their regularly scheduled recertification appointments. Therefore, for households designated as elderly/disabled, the increased income will be available to the family throughout their recertification term – leading to the potential for increased savings, credit repair, additional education – all determined by the family.

HACSM will continue with this MTW activity in FY2014, and will continue to monitor its effectiveness and any potential hardship for eligible participants

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

Due to the success of this MTW activity, HACSM is not planning to change its strategy at this time.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

HACSM will continue to monitor this activity for its effectiveness in FY2014. However, with the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost of task (\$)	Cost of task prior to implementation (\$)	Expected cost of task after implementation (\$)	Actual cost of task after implementation (\$)	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours)	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours)	Actual amount of total staff time dedicated to the task after implementation (in hours)	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task (%)	Average error rate of task prior to implementation (%)	Expected average error rate of task after implementation (%)	Actual average error rate after implementation (%)	TBD
<i>CE #5: Increase in Agency Rental Revenue</i>				
Rental revenue in dollars	Rental revenue prior to implementation	Expected rental revenue after implementation	Actual rental revenue after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing its methodology for this activity.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D (1) (a) and D (2) (a) and waives certain provisions of Section 8(o)(l), 8(o)2, 8(o)3, 8 (o)(7), 8(o)10 and 8(o)(13)(H)-(l) of the US Housing Act of 1937 and 24CFR 982.162, 982.508, 982.503 and 982.518

The MTW authorization is required for this activity because HUD regulations require that all assets over \$5,000 be subject to a threshold test with HUD's "passbook rate." Also, HUD regulations require that all individuals who qualify, be given an earned income disallowance (EID).

On-Going MTW Activity #2010.8: Simplify Third-Party Verification Process

A. Activity Description

In FY2010, HACSM received HUD approval to simplify the third-party verification process associated with earned income, asset income, and medical and child care expenses, in an effort to relieve administrative burdens, increase productivity, reduce calculation errors and ease the intrusive nature of the process for HCV applicants and participants. HACSM continues to use the Enterprise Income Verification (EIV) system for verification of participant identity, wage and assistance benefits.

- Increase asset values requiring third-party verification

Effective July 1, 2009, HACSM increased the threshold at which assets require third-party verification from \$5,000 to \$50,000 for the HCV programs. In place of third-party verification, the family is required to provide a current statement from the financial institution(s) showing the balance of the asset account(s).

All assets valued over \$50,000 continue to require third-party verification.

- Streamline verification of eligible medical expenses

Effective July 1, 2009 HACSM instituted a streamlined verification process for eligible medical expenses in the HCV programs to ease both the administrative burden for the Housing Authority and the challenges to the participants. HACSM instituted a policy in which eligible families, who claim medical expenses, are required to sign a self-certification and provide supporting documents from credible and established sources, such as receipts from medical care providers or pharmacy statements as proof of the claimed expenses.

- Streamline the verification process for eligible child care expenses

Effective July 1, 2009 HACSM instituted a streamlined verification process for eligible child care expenses in the HCV programs to ease both the administrative burden for the housing authority and the challenges to the participants. To reduce the challenges in verifying claimed child care expenses, eligible families who claim child care expenses are now required to sign a self-certification and provide supporting documents from credible and established sources, such as day care invoices, receipts or written statements from the child care provider as proof of the claimed expense. Expenses incurred from an adult member of the household who provides child care or the absent parent who does not reside in the subsidized unit, are not acceptable.

- Extend the verification timeline to 120 days

Effective July 1, 2009, HACSM received HUD approval and implemented a revised timeline for verification documentation to 120 days for HCV applicants and participants.

This new timeline reduces duplication of work and accelerates an applicant's admission to the program and a participant's recertification for continuing program eligibility.

B. Impact of the activity

Baseline (established FY2009)	Benchmark	Metric	FY13 Outcome
On average, HACSM staff spend 738 hours annually to process third-party verifications for reexamination	HACSM expects a 50%+ reduction in staff time required to process third-party verifications	Comparison of staff time before and after new systems are in place	HACSM continues to realize a reduction in staff time as a result of this activity. In FY13, HACSM staff spent approximately 312 hours (annually), processing third party verifications. This represented a 58% reduction from the 2009 baseline.
On average, HACSM spends \$29,285 annually on staffing costs (\$7.30 per file) to process third party verifications	HACSM expects to realize a \$15,000 savings in costs to process third-party verifications	Comparison of the costs of third party verifications before and after implementation of this activity.	In FY13, the 58% reduction in staff time, correlated to a potential \$16,985 savings for the agency. Those cost savings, however, were more than absorbed by increases in operating expenses such as postage, paper, and printing services.

As discussed in previous MTW Reports, this activity has been successful for HACSM due to a combination of many factors such as the use of HUD's EIV system, the collection of tenant-provided documents, and fewer asset verifications being processed as a result of MTW activity #2012.25.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.**

This activity continues to be very effective for meeting HACSM's goal of increasing administrative efficiencies.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).**

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost of task (\$)	Cost of task prior to implementation (\$)	Expected cost of task after implementation (\$)	Actual cost of task after implementation (\$)	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to	On average (FY09),	HACSM expects an	In FY13, HACSM	Benchmark

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost of task (\$)	Cost of task prior to implementation (\$)	Expected cost of task after implementation (\$)	Actual cost of task after implementation (\$)	TBD
complete the task in staff hours	HACSM staff spent 738 hours annually to process third-party verifications	average of no more than 369 hours per year for staff to process third-party verifications	spent an average of 312 hours to process third-party verifications	Achieved
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task (%)	Average error rate of task prior to implementation (%)	Expected average error rate of task after implementation (%)	Actual average error rate after implementation (%)	TBD
<i>CE #5: Increase in Agency Rental Revenue</i>				
Rental revenue in dollars	Rental revenue prior to implementation	Expected rental revenue after implementation	Actual rental revenue after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D (3) (b) and waives certain provisions of 24CFR 982.516 and 982 Subpart E

MTW authorization is necessary for this activity because HUD regulations require PHAs to verify all information that is used to establish the family's eligibility and level of assistance. In general, HUD requires PHAs to use the most reliable form of verification that is available and to document the reasons when the lesser form of verification is used.

On-Going MTW Activity #2010.9: Tiered Subsidy Table (TST)

A. Activity Description

In late 2009, HACSM received HUD approval to implement the TST. On March 1, 2010, HACSM implemented the pilot phase of the TST for all HCV applicants, Project-Based participants, and the original 300 MTW program participants, based on their voucher bedroom size and annual adjusted income. As a result of the success of this pilot phase, HACSM expanded the TST to all participants as they are seen for recertification, relocation or new move in, effective March 1, 2011.

The TST, a subsidy table representing the first of its kind in the nation, gives HACSM the ability to inform the participant of the maximum dollar amount that HACSM will contribute to their housing costs *at the time of voucher issuance*. This is a 180° change from the current HCV rules that cannot determine the participant's subsidy portion until after a potential unit is secured and the contract rent and utility responsibilities are negotiated with the landlord/owner.

While other housing authorities have established rent tables that inform a participant of their rent portion based on eligible bedroom size, HACSM's TST gives participants the ability to search for available units with the knowledge of exactly how much HACSM will contribute to their housing costs throughout San Mateo County, make personal decisions as to how much of their income they are comfortable contributing towards their housing costs, and practice in negotiating with owners through the leasing process. HACSM's intention through this program change is to empower the participants to take personal responsibility for their lives, starting with their housing decisions.

In FY2011 and FY2012, HACSM was the recipient of a San Mateo County Star Award for program innovation due to the Tiered Subsidy initiative.

B. Impact of the activity

Upon implementation of the TST, new applicants in San Mateo County found and moved into rental units, both apartments and single family homes, in a significantly shorter timeframe. Original tracking showed an approximately four (4) week decrease in the time needed to find and secure a unit. In FY2010 alone, participants and applicants experienced a 20 day decrease in the time needed to find and secure a rental unit and a 2 week decrease in the length of time to determine initial eligibility. For a family in need of housing, a month (34 days) is a *significant* decrease. In FY2011, these indicators remained consistent. In FY2012, HACSM has seen the average number of days increase slightly to find and secure a unit; however, HACSM sees the increase as a result of the tighter housing market as opposed to the TST initiative.

HACSM is very pleased with the results of this activity as it has resulted in greater flexibility for families and a simpler rent calculation method for staff. As discussed in previous activities, HACSM is monitoring the effect of the higher rents in the area and the subsidies provided by the TST activity. In FY2013 HACSM increased the subsidy amounts of the TST to reflect the current, extremely competitive rental market in San Mateo County.

Baseline (established FY2009)	Benchmark	Metric	FY13 Outcome
On average, HACSM requires 56 days from initial eligibility appointment to voucher issuance	HACSM expects a 40% reduction (approximately 23 less days) in the number of days required to determine initial eligibility and voucher issuance	Comparison of the average number of days needed for the initial eligibility determination and voucher issuance before and after implementation	In FY13, on average, it required 49 days from initial eligibility appointment to voucher issuance.
On average, HACSM requires 60 days for a new Tenant Based voucher holders to complete the activities from voucher issuance to lease up (this does not include new Project Based participants)	HACSM expects a 15% reduction (approximately 9 days) in the number of days required for a new Tenant Based Voucher participant to complete the lease up process (note: this does not include new Project Based participants)	Comparison of the average number of days required for Tenant Based Voucher participants to find and secure a rental unit	In FY13, new participants spent approximately 67 days, on average, from voucher issuance to lease up.

Impact of the Rent Reform Initiative

Due to the fact that HACSM's TST significantly changes the way in which a tenant's rent portion is determined, the TST meets HUD's standard of a rent reform initiative.

As of June 30, 2013, approximately 88% (3527 of the 4012 currently leased up vouchers) of HACSM voucher holders eligible for this activity are participating in the TST program. Due to the biennial recertification schedule, HACSM expects all families to be transitioned to TST no later than March 2014.

Initially, in order to be eligible for hardship relief as a result of TST, a participant must have been housed prior to 3/1/2010 and not have relocated to a new unit since that date. The other qualifications for hardship relief from the TST depend upon whether or not the new TST calculation results in the tenant's rent portion being more than \$25 higher. If that is the case, then the household is eligible for the hardship calculation and HACSM will calculate their portion according to the traditional HCV method for an additional recertification period. At that time, the household will automatically convert to TST and they are no longer eligible for a hardship review for the TST.

HACSM received a total of 26 hardship requests in FY2013, all of which were approved and represent less than 1% of all TST participants. HACSM developed a spreadsheet to complete the calculation and inform the staff whether or not the household is eligible for the hardship calculation. HACSM continues to review any and all hardship requests and monitor whether or not adjustments to the TST are required.

For additional information on HACSM's Hardship Policy, please see Appendix One of this report.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

Due to the success of this MTW activity, HACSM is not planning to change its strategy at this time.

- D. If benchmarks or metrics have been revised, identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will be implementing effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost to complete the task	Cost of task prior to implementation	Expected cost of task after implementation	Actual cost to complete the task after implementation	TBD
<i>CE#2: Staff Time Savings</i>				
Total time to complete task in staff hours	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours)	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours)	Actual amount of time to complete the task after implementation	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task as a percentage	Average error rate of task prior to implementation	Expected average error rate of task after implementation	Actual average error rate after implementation	TBD
<i>CE #5: Increase in Agency Rental Revenue</i>				
Rental revenue in dollars	Rental revenue prior to implementation	Expected rental revenue after implementation	Actual rental revenue after implementation	TBD
<i>SS #1: Increase in Household Income</i>				
Average earned income of households (\$)	Average earned income of households affected by this policy	Expected average earned income in households affected by this policy after implementation	Actual average earned income of household affected by this policy	TBD
<i>SS #3: Increase in Positive Outcomes in Employment Status (Based on Head of Household Information)</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Other: Employment	Number of HOH employed	Expected number of HOH employed after implementation	Actual number of HOH employed after implementation	TBD
	Percentage of total workable households employed	Expected percentage of total workable households employed after implementation	Actual percentage of total workable households employed after implementation	TBD
Unemployed	Number of HOH unemployed	Expected number of HOH unemployed after implementation	Actual number of HOH unemployed after implementation	TBD
	Percentage of total workable households who are unemployed	Expected percentage of total workable households who are unemployed after implementation	Actual percentage of total workable households who are unemployed full time after implementation	TBD
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Number of households receiving TANF assistance	Number of families receiving TANF at program entry	Expected average of households receiving TANF after implementation	Actual number of households receiving TANF after implementation.	TBD
SS#8: Households Transitioned to Self-Sufficiency *				
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD

* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days, or
- The household has reached the end of the voucher's time limit and will be graduating from the FSS program, with escrow payout.

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D (1)(a) and D(2)(a) and waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(7), 8(o)(10), and 8(o)(13)(H)-(I) of the US Housing Act of 1937 and 24 CFR 982.162, 982.508, 982.503, and 982.518

MTW authorization for this activity is required because HUD regulations specifically address how a tenant's rent portion is calculated and HAP portion determined.

On-Going MTW Activity #2010.10: Simplify HQS Processes

A. Activity Description

In an effort to increase administrative efficiencies and cost savings, HACSM received HUD approval, July 1, 2009, to simplify the annual HQS inspection process by allowing HACSM the ability to inspect HACSM-owned or affiliated properties for HQS compliance.

B. Impact of the activity

See below information on the key aspects of this activity.

Baseline (established FY2009)	Benchmark	Metric	FY13 Outcome
Annually, HACSM has had a direct cost of \$1,500 to hire outside consultants to inspect HACSM-owned properties	HACSM expects to realize a cost savings of \$1,110 for the inspections of HACSM-owned properties.	Comparison of cost savings for HACSM-owned properties before and after implementation	<p>In FY13, HACSM conducted 28 HQS inspections at Half Moon Village, a HACSM-owned property.</p> <p>Due to the disposition of Midway Village to Project-based status, HACSM conducted 75 inspections at Midway Village.</p> <p>The cost savings for these inspections was approximately \$2575. (Need to increase this number due to Midway Village)</p>

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective in achieving administrative efficiencies and will continue to monitor in FY2014.

D. If benchmarks or metrics have been revised' identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will be implementing for FY2014:

Unit of Measurement	Baseline (est. FY2009)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric CE #1: Agency Cost Savings</i>				
Total cost of task in dollars	Annually, HACSM had a direct cost of \$1,500 to hire outside consultants to inspect HACSM-owned properties	HACSM expects that this task will cost no more than \$750 after implementation	In FY13, HACSM spent \$700 to complete this activity	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time to complete the task prior to implementation	Expected amount of total staff time to complete the task after implementation	Actual cost of staff time to complete the task after implementation	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Part D (5) and waives of certain provisions of Section 8(o)(8) of the US Housing Act of 1937 and 24 CFR 982, Subpart I and Subpart K

MTW authorization is required for this activity is necessary because HUD regulations require that all subsidized units are inspected annually for HQS compliance.

On-Going MTW Activity #2010.11: Eliminate competitive process for allocation of Project Based vouchers to formerly public housing units

A. Activity Description

In FY2011, HACSM received HUD approval to allocate project-based vouchers to its former public housing units without the use of a competitive process. This activity was designed to complement the On-Going MTW Activity 2009.5, "Expand Usage of Project-Based Vouchers at HACSM Developments Undergoing Disposition Process," as discussed previously in this report.

Midway Village, a 150 unit complex located in Daly City, was approved for disposition from Public Housing status in January 2011. Newly received replacement vouchers were issued to all eligible families in May 2011 and HACSM entered into a Project-Based HAP contract for 150 vouchers. The flexibility afforded through this MTW activity allowed HACSM to streamline the demo/dispo process at Midway Village and shorten the transition period for families to decide whether to remain in place or exercise their ability to move with voucher assistance.

Increased fiscal responsibility has also been achieved, as this activity has been critical in enabling HACSM to create a stable and reliable financial outlook for these units, providing more timely maintenance and upgrades and in the preservation of affordable housing units in San Mateo County.

HACSM also operates a public housing development known as El Camino Village, a 30 unit complex located in Colma. For El Camino Village, this activity continues to remain on hold until HACSM analyzes the options available to transition the property out of public housing such as the following: Re-submission of the dispo application or to apply for the new RAD program.

B. Impact of the activity

In FY2013 there was no further activity in relation to this MTW initiative, thus there is no information to report on the impact at this time.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost to complete the task	Cost of task prior to implementation	Expected cost of task after implementation	Actual cost to complete the task after implementation	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete task in staff time	As established in FY10, on average it required four months to complete this task prior to implementation	HACSM expects that it will take two months to complete this task	The actual amount of time required to complete this task after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D regarding this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in the HACSM's Moving To Work Agreement, Attachment C, Paragraph D 7a, and waives certain provisions of Section 8 (o)(13)(B and D) of the 1937 Act and 24 CFR 982.102 and 24 CFR Part 983, as necessary to implement HACSM's amendment.

MTW authorization is required for this activity because HUD regulations require a competitive process for solicitation of Project-Based Voucher proposals.

On-Going MTW Activity #2010.12: Waive 12 month stay requirement for residents in formerly public housing units converted to project based units

A. Activity Description

With the approval of HACSM's demo/dispo application, existing public housing residents at the time of disposition will not be required to stay in their unit for 12 months after conversion to PBV assistance.

Instead, former public housing residents will have the choice to determine if and when they want to move. HACSM expects that some current public housing residents will choose to move into the private rental market and potentially have access to housing in tenant preferred school districts, closer proximity to their employer or additional employment opportunities, and/or closer to public transportation.

B. Impact of the activity

The original baseline data reported below is based on both of HACSM's public housing properties at the time – El Camino Village and Midway Village. During FY2013, there was no further activity related to this MTW initiative, Midway Village had completed its Demo/Dispo process in FY2012, and El Camino Village is still a Public Housing complex.

Baseline (est. FY2009)	Benchmark	Metric	FY2013 Outcome
HACSM public housing has a vacancy average of 15 units/year	HACSM expects no more than a 10% increase in vacancy turnover, the equivalent of 2 additional units	Comparison of the average number of vacant units before and after implementation	N/A in FY13
The vacancy turnover costs per unit is approximately \$5,600	HACSM expects a potential \$11,200 increase in costs in relation to the cost per unit turnover in the first year following disposition	Comparison of the average cost per unit at vacancy turnover before and after implementation	N/A in FY13
Current PBV rules do not permit relocation before 12 months, making the baseline amount zero	Resident choice is increased at least 5% or 9 families (7 at Midway Village and 2 at El Camino Village) will use their vouchers and relocation benefits to move	Actual count of families utilizing their vouchers and relocation benefits during the 12 months after vouchers are issued	N/A in FY13

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome
<i>HC #5: Increase in Resident Mobility</i>			
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity	Households able to move to a better unit/or neighborhood of opportunity prior to implementation (0)	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation
<i>HC #7: Household Assisted by Services that Increase Housing Choice</i>			
Number of households receiving services aimed to increase housing choice	Household receiving this type of service prior to implementation of the activity	Expected number of households receiving these services after implementation	Actual number of households receiving these services after implementation

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D regarding this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in the HACSM's Moving To Work Agreement, Attachment C, Paragraph D

MTW authorization for this activity is required because HUD regulations require that participants remain in project-based housing at least 12 months prior to requesting relocation.

On-Going MTW Activity #2010.13: Accept lower HAP for in place Public Housing residents, at conversion to project-based voucher units

A. Activity Description

At the time of disposition, if a public housing resident is residing in an oversized unit and HACSM does not have the proper size unit available for the resident to relocate, HACSM will accept a lower HAP based on the unit size the resident qualifies for and not the actual unit size the resident is occupying. This MTW policy flexibility will ensure residents that remain in former public housing units after disposition, and who are "over-housed", i.e. occupying units that have more bedrooms than permitted under voucher unit size rules, have continued access to housing assistance in their current unit. However, as is the current policy, as units of the appropriate size become available at the subject project-based property, the over-housed resident will be required to move into the newly available unit.

B. Impact of the activity

The original baseline data reported below is based on both of HACSM's public housing properties at the time – El Camino Village and Midway Village. As reported in FY2012, the dispo application for Midway Village was approved and the conversion completed. In FY2013, El Camino Village remained a public housing complex. As such HACSM does not have any statistical research from FY2013. HACSM will maintain this activity until such time as El Camino Village's future status is resolved.

Baseline (est. FY09)	Benchmark	Metric	FY13 Outcome
As of September 2009 only 19 of 179 residents in public housing are "over-housed" according to HCV subsidy standards. <ul style="list-style-type: none">• One resident at the El Camino Village (30 units)• 18 residents at the Midway Village (150 units)	HACSM expects that within 12 months of the disposition, the number of over-housed public housing residents will decrease by four residents, (approximately 20% of the total number of residents) <ul style="list-style-type: none">• One(1) resident unit at El Camino Village• Three (3) residents units at Midway Village	Comparison of the number of "over-housed" residents in the formerly public housing units before and after implementation	N/A in FY13

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome
<i>HC #4: Displacement Prevented</i>			
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type here	Households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type here	Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type here	Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type here

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D to regarding this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in the HACSM's Moving To Work Agreement, Attachment C, Paragraph D

MTW authorization is required for this activity because HUD regulations require that HAP be paid based on the payment standards of the lesser of voucher size or unit size rented.

On-Going MTW Activity #2010.14: Establish flat or market rate policy for over income Public Housing residents at conversion of Public Housing to Project Based units

A. Activity Description

HACSM will permit current residents of public housing undergoing the disposition process and who are not eligible to receive a voucher due to exceeding the income limitation of the voucher program, to have the option of remaining in the unit at the higher of the flat rate or market rate for the unit for a maximum of 12 months. Additionally, should the former resident's income level in the subsequent six months (after vacating the public housing development) decrease to a level that they would be income eligible, they will be allowed to re-apply to the project based wait list with a preference. At such time as the resident vacated the unit, the unit would convert to a standard project-based unit.

B. Impact of the activity

The original baseline data reported below is based on both of HACSM's public housing properties at the time – El Camino Village and Midway Village. As reported in FY2012, the dispo application for Midway Village was approved and the conversion completed. In FY2013 El Camino Village remained a public housing complex. As such HACSM does not have any statistical research from FY2013. HACSM will maintain this activity until such time as El Camino Village's future status is resolved.

Baseline (est. FY09)	Benchmark	Metric	FY13 Outcome
As of September 2009, there are 23 public housing residents who are over the HCV income eligibility limits	HACSM expects a reduction of public housing units occupied by over-income residents by 50% (12 residents) in the first year following the disposition process and the remaining 21 residents in the second year	Comparison of the number of over-income public housing residence before and after implementation	N/A in FY13

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome
<i>SS #1: Increase in Household Income</i>			
Average earned income of households (\$)	Averaged earned income of households effected by this policy (\$)	Expected averaged earned income of households affected by this policy prior to implementation (\$)	Actual average earned income of households affected by this policy (\$)
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>			
Number of households receiving TANF assistance	Households receiving TANF prior to implementation (#)	Expected number of households receiving TANF after implementation	Actual number of households receiving TANF after implementation.
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>			
Average amount of Section 8 and/or Section 9 subsidy per household (\$)	Average amount of Section 8 and/or Section 9 subsidy per household (\$)	Expected average subsidy per household after implementation	Actual average subsidy per household
<i>SS #7: Increase in Agency Rental Revenue</i>			
PHA rental revenue (\$)	PHA rental revenue prior to implementation (\$)	Expected PHA rental revenue after implementation (\$)	Actual PHA rental revenue after implementation (\$)
<i>SS #8: Households Transitioned to Self-Sufficiency *</i>			
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

This approved activity is authorized in the HACSM's Moving To Work Agreement, Attachment C, Paragraph D

MTW authorization is required for this activity because HUD regulations require application of a different income limit in the HCV program versus the Public Housing program.

On-Going MTW Activity #2011.15: Institute biennial inspection schedule for units under contract

A. Activity Description

Effective July 1, 2010, HACSM implemented a biennial HQS inspection schedule for all HCV units, with the provision to establish exceptions, such as annually inspecting units abated in the previous 12 months. Upon request by the family, landlord, or other third parties, HACSM conducts complaint inspections.

In addition to regularly scheduled HQS inspections, HACSM continues to conduct random quality control inspections to ensure that both landlords and families are abiding by the HQS requirements and that HQS standards are being applied consistently.

Although units may have a biennial inspection schedule, they must at all times meet HQS while they are under contract.

B. Impact of the activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
HACSM has 4023 vouchers that require annual inspections under the current system.	Reduce the number of annual inspections by 1800	Compare number of annual inspections before and after the new initiative	HACSM continued to meet the benchmark for this activity in FY13. As was the case in FY12, the total number of units requiring annual inspections before implementation of the biennial schedule was 4172. With this activity, HACSM inspected 1878 units.
On average, it takes 62 minutes (249,426 minutes or 4,157 hours annually) in total to complete each annual inspection, including travel time.	Save 1,860 hours of staff time annually	Conduct time study to ensure sufficient time is spent to produce quality inspections	HACSM continued to utilize a 3 rd party vendor to conduct its biennial HQS inspections.
On average, HACSM has \$6.57 in direct material costs per inspection or \$26,431.11 annually	Save \$11,826 in direct costs	Compare direct costs before and after the new initiative	HACSM achieved this benchmark in FY12 and has maintained it in FY13.
Owner outreach/education. Situated in one of the costliest rental markets, HACSM recognizes the need to expand its effort in owner outreach and education in order to assist program participants in locating suitable units in the county. Due to the high number of cases per housing specialist, currently, almost all of the staff time is devoted to	HACSM expects to implement an owner outreach and education program that includes: (1) Semi-annual owner information workshops, (2) 6 field visits to owners (new and existing) per month, (3) Entering at least 16 new comparables per month in the HACSM rent reasonableness data base	Compare the number of owner information workshops, field visits to owners, and track new rent reasonableness inputs before and after implementation of the new initiative	In April 2013, HACSM launched an owner outreach/education activity that creates the opportunity to highlight the benefits of program participation, promote owner participation with SocialServe, a real time housing locator service and improve customer service by connecting landlords with a HACSM designated representative. In June 2013, HACSM implemented a quarterly

<p>conducting inspections (annuals, interims, and move-ins), leaving very little time to implement a comprehensive owner outreach and education program.</p>			<p>Landlord Newsletter that includes educational program information, helpful resource information on landlord/tenant issues and the opportunity to promote our rental subsidy programs.</p> <p>In FY13, HACSM entered approx. 9 to 18 new comparables per month, in the rent reasonableness database (SocialServe - launched in 5/2012). This number is relatively low due to the low vacancy rate in San Mateo County.</p> <p>In FY13 HACSM conducted 48 field visits to owners (new and existing) per month. Field visits represent move-in inspections where HACSM meets with the landlord/owner on site. We provide program information, answer questions and provide information on the lease-up process.</p>
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- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective and will continue to monitor in FY2014.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will be implementing for FY2014:

Unit of Measurement	Baseline (est. FY2010)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric CE#1: Agency Cost Savings</i>				
Total cost of task in dollars	On average the cost to complete HQS inspections	HACSM expects that it will cost no more	Actual cost of task after	TBD

Unit of Measurement	Baseline (est. FY2010)	Benchmark	Outcome	Benchmark Achieved?
	was \$26,241 (annually)	than \$14,415 (annually) to complete HQS inspections	implementation of the activity (in dollars)	
<i>New Metric CE#2: Staff Time Savings</i>				
Total time to complete task in staff hours	On average, it requires 4,157 hours annually to complete the annual HQS inspections	HACSM expects that will require 2,079 hours to complete annual HQS inspections after implementation	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours)	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D(5) and waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I

On-Going MTW Activity #2011.16: Expand the Section 8 Project Based Voucher Program

A. Activity Description

Effective July 1, 2010 HACSM received HUD approval to increase its voucher budget allocation up to 30% for the Project-Based program. Expansion of the PBV program is one of the major resources for the development of additional affordable housing units and will assist the County to meet the goals of the HOPE Plan, San Mateo County's 10 year plan to end homelessness.

HACSM recognizes that the number of available "traditional" HCV vouchers will be decreased as a result of this activity. However, in selecting future project-based projects, HACSM will give preference to properties that are newly constructed, located near public transportation corridors, and contain energy efficient features. This will increase housing choice for families by increasing the supply of decent, safe, and sanitary affordable housing, (i.e. this would represent units that otherwise would not be constructed).

By diversifying the use of our finite number of vouchers, this initiative will provide a wider variety in type and location of housing for our participants, present and future.

B. Impact of the activity

Baseline (est. FY2011)	Benchmark (Annual)	Metrics	FY13 Outcome
<p>1. HACSM has HAP contracts with 534 Project Based units</p> <p>2. HACSM spent \$5,503,270 in HAP on the Project Based program which represents 9.75 percent of budget authority</p> <p>3. HACSM has zero newly constructed, transit-oriented and service-enriched housing units created by the Project-Based program</p>	<p>1. Increase the number of Project-Based units by approximately 45 units in FY2012-2013</p> <p>2. Increase the amount in HAP by \$463,760 which represents 0.82 percent of budget authority annually</p> <p>3. Create at least 45 additional newly constructed, transit-oriented and service-enriched housing units through the Project-Based program</p>	<p>1. Compare the baseline number of Project Based units to the number of Project Based units before and after implementation of the activity</p> <p>2. Compare HAP amount and percentage of budget authority before and after implementation of the activity</p> <p>3. Compare the number of newly constructed, transit-oriented and service-enriched housing units created by Project Based program before and after implementation of the activity</p>	<p>1. HACSM is in the process of conducting eligibility interviews for the 30-unit project (Delaware Pacific). Occupancy is estimated to begin in late September 2013</p> <p>HACSM has entered into two AHAPs for a 39-unit and 44-unit projects. Construction for these two projects is expected to be completed in October 2013 and January 2014.</p> <p>2. With the addition of 160 project-based units, HACSM will be spending approximately \$6,801,377, annually, in HAP. This amount represents about 12.03% of the budget authority.</p> <p>3. As of 6/30/13, 274 new construction units have been added or are in various stages of development. All of the units are located in transit-oriented and service enriched neighborhood.</p>

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has considered this activity to be very effective and will continue to monitor in FY2014.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Total cost of task in dollars	Cost of task prior to implementation (\$)	Expected cost of task after implementation (\$)	Actual cost of task after implementation of the activity (\$)	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete task in staff hours	Total amount of staff time dedicated to the task prior to implementation (hours)	Expected amount of total staff time to complete the task after implementation (hours)	Actual amount of total staff time dedicated to the task after implementation of the activity (hours)	TBD
<i>HC #4: Displacement Prevention</i>				
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If the units reach a specific type of household, HACSM will give that type here.	Households losing assistance/moving prior to implementation of the activity (#)	Expected households losing assistance/moving after implementation (#)	Actual number of households losing assistance/moving after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D, 7 (a) (b) (c) and waives certain provisions of Sections 8 (o)(13)(B and D) of the 1937 Act and 24 CFR 982.1, 982.102, and CFR Part 983

HACSM's MTW Agreement, Attachment D: Uses of Funds

On-Going MTW Activity #2011.17: Revise Eligibility Standards

A. Activity Description

Effective July 1, 2010, upon HUD approval HACSM implemented an asset value limit for all new applicants and participants. HACSM's new policy states that if an applicant has assets exceeding \$100,000, or a present ownership interest in a suitable home in which they have a legal right to reside, they are determined to be ineligible for the program. If a participant experiences an increase in assets, such that their assets are currently valued at more than \$100,000, or has (since their last reexamination) gained ownership interest in real property in which the participant has a legal right to reside, the participant would be determined ineligible for continued assistance. This determination is made through the recertification process, annually or biennially, based on the household's regular recertification schedule. (Note: HACSM has a biennial recertification schedule for elderly and/or disabled households.)

B. Impact of the activity

Baseline (est. FY11)	Benchmark	Metric	FY13 Outcome
Currently HACSM has 35 participants with assets valued over \$100K, one of which was admitted to the program during calendar year 2009	HACSM expects a 100% reduction in applicants admitted to the program with assets valued over \$100K	HACSM will monitor and track, at least annually, the number of applicants (who are not eligible due to this initiative), and ongoing participants with assets valued over \$100K	In FY13, there were six participants with assets valued over \$100,000, all of whom were admitted to the program prior to 7/1/2010. In FY13, no applicants were denied eligibility due to this activity.
During calendar year 2009, HACSM conducted 171 initial eligibility appointments from a waitlist of 3,600	HACSM expects a 5% increase (approximately 10 additional appointments) in the number of initial eligibility appointments completed		During FY13, HACSM conducted 996 initial eligibility appointments, thus exceeding the proposed benchmark.
	HACSM expects a 5% increase (approximately 10 additional applicants) will be moved off the waitlist and given the opportunity to have housing assistance		In FY13, HACSM briefed and distributed vouchers to 372 applicants.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM found this to be a very effective activity and will continue to monitor it in FY2014.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>HC #3: Decrease in Wait List Time</i>				
Average applicant time on wait list in months	Average applicant time on wait list prior to implementation (months)	Expected average applicant time on wait list after implementation (months)	Actual average applicant time on wait list after implementation (months)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Paragraph D(3), (a) and waives certain provisions of Sections 16(b) and 8(o)(4) of the 1937 Act and 24 C.F.R. 5.603, 5.609, 5.611, 5.628, and 982.201

On-Going MTW Activity #2011.18: Eliminate 100% excluded income from the income calculation process

A. Activity Description

Effective July 1, 2010, HACSM no longer verifies, counts, or reports income that HUD specifies as 100% excluded from the income calculation process. Examples of 100% excluded income are food stamps, income from minors, and foster care payments. HUD regulation 24 CFR 5.609 (c) provides a complete list of all income sources that HUD specifies to be excluded when calculating a family's annual income. Because this income is excluded from the income calculation process, it does not affect the amount of a family's rental assistance.

B. Impact of the activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
There are 1021 participant families that receive one or more types of income that are excluded from the income calculation process	HACSM expects a 95% decrease in the collection of tenant reported income from excluded sources.	Comparison of time spent on activity under the current process versus the proposed MTW activity	<i>Benchmark achieved</i>
HACSM spends approximately \$7.28/file verifying and calculating 100% excluded income. This time equates to salary costs of approximately \$7,400 annually	HACSM expects a 75% reduction of hours per year in staff time for this activity, representing approximately \$5,575 in salary costs savings as a result of not processing and calculating 100% excluded income	Comparison of total administrative costs for activity under the current process versus the proposed activity	While HACSM has met this benchmark, the potential cost savings have been more than absorbed via increased salary costs.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM finds this to be a very effective activity and will continue to monitor it in FY2014.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY2010)	Benchmark	Outcome	Benchmark Achieved?
<i>CE#1: Agency Cost Savings</i>				
Total cost of task in dollars	HACSM spent approximately \$7,400 annually on this task prior to implementation	HACSM expects that this task will cost no more than \$1,825 annually after implementation	Actual cost of task after implementation of the activity (in dollars)	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time to complete the task prior to implementation	Expected amount of total staff time to complete the task after implementation	Actual cost of staff time to complete the task after implementation	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	Average error rate in completing the task as a percentage	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

This approved activity is authorized in HACSM's Moving to Work Agreement, Attachment C, Paragraph D (1) (c) and Attachment C, Paragraph D (3) (b) and waives certain provisions of Sections 8 (o) (5) of the 1937 Act and 24 CFR 982.516, and 982 Subpart E

On-Going MTW Activity #2011.19: Eliminate the requirement to complete new HAP contract with utility responsibility changes

A. Activity Description

CFR 982.308 (g) (2) (i) requires PHAs to execute a new HAP contract with the owner if there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances. Effective July 1, 2010, HACSM received HUD approval to eliminate the requirement of executing a new HAP contract with the owner in such instances as described above. Instead, upon receipt of a written notification from the tenant or the owner detailing the changes, HACSM will review the contract rent to ensure its rent reasonableness, adjust the tenant portion of rent and HAP payment if applicable, and confirm the changes by issuing a rent change notice.

It is important to note that this initiative only applies to participants who have a HAP contract in place prior to July 1, 2010 and who do not relocate. All other new, or relocating, participants are immediately entered into the Tiered Subsidy Table (TST) program. Due to the design of the TST initiative, the utility responsibilities are already factored in to the housing assistance, whether or not the participant or owner is responsible and therefore this activity would never be required. Since HACSM has converted 80% of its voucher holders to TST, this activity will continue to see minimal or no activity.

B. Impact of the activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
34 HAP contracts were executed prior to the new policy	There will be no HAP contracts executed for utility or appliance changes, representing a 100% reduction	Compare number of new contracts and the staff time required to execute new contracts due to utility changes before and after the new initiative. Calculate time saved in dollars by using the average of Office Specialist and Housing Occupancy Specialist salary and benefit costs.	<i>Benchmark achieved.</i> <i>There have been no HAP contracts executed for utility responsibility changes in FY2013, achieving a 100% reduction.</i>
34 hours required to prepare and process utility or appliance changes (1hour/contract) with an annual cost of \$1,339 (\$39.39/hour x 34 hours)	HACSM expects an 80% (approximately 27 hours at a rate of 12 minutes/contract) reduction in staff time required to prepare and process utility changes and a cost savings of approximately \$1,064 (\$39.39/hour x 27 hours)		Eliminating processes of revisions to the HAP contracts continues to result in \$1,064 annual cost savings.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

This activity has been effective in meeting HACSM's goal of increasing administrative efficiencies.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY2010)	Benchmark	Outcome	Benchmark Achieved?
<i>CE#1: Agency Cost Savings</i>				
Total cost of task in dollars	HACSM spent \$1,339 annually to complete this task prior to implementation of the activity	The expected cost of task after implementation of the activity is \$275	Actual cost of task after implementation of the activity (in dollars)	TBD
<i>CE #2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time to complete the task prior to implementation	Expected amount of total staff time to complete the task after implementation	Actual cost of staff time to complete the task after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not changing the data collection or methodology at this time.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, Section D(2)(b) and waives certain provisions of Section 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451, and 983 Subpart E

On-Going MTW Activity #2011.20: Apply current payment standards at interim reexamination

A. Activity Description

Current HUD regulations require that when the payment standard increases during the term of the HAP Contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family at the family's first regular reexamination on or after the effective date of the increase in the payment standard. If the payment standard decreases during the term of the HAP Contract, the lower payment standard generally will be used at the family's second regular reexamination following the effective date of the decrease in payment standard. In addition, irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

To reduce the family's rent burden, eliminate the confusion among staff, and to increase housing choice for families, effective July 1, 2010, HACSM implemented a policy to apply the current payment standard to the calculation of the monthly housing assistance payment at whatever time the action is being processed (i.e. interim reexaminations, annual reexaminations). HACSM will continue to give the family at least 30-day notice of the rent increase in the event the family's rent portion increases as a result of this proposal.

It is important to note that this initiative *only* applies to participants who had a HAP contract in place prior to July 1, 2010 and who have not relocated or have not yet had an annual/biennial recertification since March 1, 2011. All other new, or relocating, participants immediately move into HACSM's TST program where payment standards no longer apply. (For additional information on the TST, please see On-Going MTW Activity #9.)

B. Impact of the activity

HACSM has found this activity to be effective in the streamlining and implementation of other MTW activities, such as the TST as noted above. Due to the fact that 90% of the program participants have now transitioned to the TST system, HACSM will potentially propose to eliminate this activity in FY2014 as it will no longer be necessary for program streamlining.

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
HACSM processed a total of 90 interim reexaminations during the month of November 2009. When annualized, HACSM processed, on average approximately 1080 interim reexaminations in the last 12 month period.	HACSM expects that the average number of interims to remain constant during the next calendar year	HACSM will compare the number of interim appointments processed during the 12 month period before and after the implementation of this initiative	In FY13, HACSM processed 497 interims reexaminations. Due to the fact that there were no changes in the payment standards during FY2013, there is no way to measure the effect of this activity.

HACSM experienced approximately a 1-2% rate of error in the application of an incorrect payment standard in files reviewed by the Quality Assurance Unit. When applied to all 4023 vouchers, that rate would reflect approximately 80 files annually that were processed, and would require correction of the payment standard	HACSM expects that the rate of errors in the application of payment standards to be reduced to less than 1% (approximately 40 files) due to this initiative	HACSM will continue to monitor the file review error rate during the file review process before and after implementation	Due to that fact that nearly 90% of all HACSM voucher holders are now on the TST program, there are far fewer households with the traditional subsidy calculation process.
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- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity to be effective in increasing administrative efficiencies.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY2011)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric CE# #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing a task as a percentage (decrease)	Average error rate of task prior to implementation of the activity (percentage)	Expected average error rate of task after implementation of the activity (percentage)	Actual average error rate of task after implementation of the activity (percentage)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

This approved activity is authorized in the HACSM Moving to Work Agreement, Attachment C, Paragraph D (1)(c) and Paragraph D (2)(a) and waives certain provisions of Section 8 (o) (1), 8 (o) (2), 8 (o) (3), 8 (o) (5) and 8 (o) (13) (H)-(I) of the 1937 Act, and 24 CFR 982.503, 24 CFR 982.505 (5), 24 CFR 982.508, 24 CFR 982.516 and 24 CFR 982.518 as necessary to implement HACSM's MTW Plan

On-Going MTW Activity #2012.21: Change qualifications for “Full-Time Student” Status

A. Activity Description

Effective July 1, 2011, HACSM received HUD approval to change the qualifications for Full Time Student (FTS) status. In order for a family member, other than the head, co-head, or spouse to qualify for the FTS status, and hence the dependent deduction and income exclusion, the family member must be less than 24 years old, a FTS at an accredited institution, and must provide a transcript of the full-time student status at all subsequent recertification appointments.

B. Impact of the activity

Baseline (est. FY11)	Benchmark	Metric	FY13 Outcome
258 Households with 295 Full-Time Students in total, 33 of which are 24 years old, or older	HACSM expects a 100% decrease (33 fewer FTS participants) in the total number of FTS designations for household members who are 24 years old, or older.	Comparison of the number of FTS, 24 years old or older, before and after implementation	<i>Benchmark achieved</i>
On average, HACSM excludes \$453,738 per year from the annual income of 25 households with FTS who are 24 years old, or older	By FY2014, HACSM projects a 100% decrease (addition of \$453,738 in income included in the household's annual income) in the total excluded income of households with FTS who are 24 years old, or older	Comparison of the excluded income for FTS over 24 years old before and after implementation	<i>Benchmark achieved</i>

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity very effective in achieving its goals and, as noted above, reached its benchmarks for this activity sooner than anticipated.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #5: Increase in Agency Rental Revenue</i>				
Rental Revenue in dollars	Rental revenue prior to implementation of the activity	Expected rental revenue after implementation of the activity	Actual rental revenue after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, (D) 2 (a) which waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10), 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503, 982.516, 982.518 and 982 Subpart E.

On-Going MTW Activity #2012.22: Include Foster Care, KinGap, and Adoption Assistance payments in Annual Income calculation

A. Activity Description

Effective July 1, 2011 HACSM implemented a policy to include foster care, Kin Gap, and adoption assistance payments in the determination of household annual adjusted income. To help offset this inclusion of foster care and adoption assistance income, HACSM provides a dependent allowance for foster children, disabled foster adults, and adopted children.

B. Impact of the activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
Earned Income, on average, for households with foster care payments is \$21,622 annually	A 5% increase, on average, in earned income from households receiving foster care payments	Comparison of average earned income of participant families before and after implementation	In FY13, the average earned income was \$34,679 for households with foster care children, disabled foster adults or adoption assistance payments. The average earned income represents a 38% increase in earned income.

In FY2013, HACSM did not receive any hardship requests from households in relation to this activity.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity to be effective in increasing administrative efficiencies and will continue to monitor in FY2014.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #5: Increase in Agency Rental Revenue</i>				
Rental Revenue in dollars	Rental revenue prior to implementation of the activity	Expected rental revenue after implementation of the activity	Actual rental revenue after implementation	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, (D) 2 (a) which waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10), 8(o)(13)(H)-(l) of the 1937 Act and 24 C.F.R. 982.508, 982.503, 982.516, 982.518 and 982 Subpart E.

On-Going MTW Activity #2012.23: Modify Head of Household (HOH) changes policies

A. Activity Description

In order to encourage families towards self-sufficiency and reach more eligible households on the HCV waitlist, HACSM implemented the following policies regarding the activities for head of household change requests.

HACSM policies include the following:

- The individual becoming the new HOH must be in the household for at least the previous 12 consecutive months, and
- At the time of the HOH change, the household would join the time-limited MTW Self-Sufficiency program (MTW On-going Activity #1). However, if household is already enrolled in the time-limited MTW Self-Sufficiency program, the remaining household members would only be eligible for the remaining term, not an additional term.

With the implementation of this activity, HACSM recognizes the following exceptions to the automatic enrollment in the HACSM's MTW Self-Sufficiency program:

- If the newly designated HOH is elderly/disabled, they will have the ability to "opt out" of the time-limited MTW Self-Sufficiency program if they so choose;
- If the change is the result of domestic violence;
- If the new HOH is an original household member (at the time admitted to the HCV program, or as far back as possible through files, or PIC data); or
- When the change in HOH is the result of a temporary guardian becoming the permanent guardian of existing minors on the housing application.

B. Impact of the activity

Baseline (est. FY11)	Benchmark	Metric	FY13 Outcome
On average, HACSM completes approximately 2 changes in HOH per month (24 annually) In FY 2010, approximately 240 vouchers turned over at an average rate of approximately 20 per month	HACSM expects a 25% decrease (6 fewer head of household changes annually) due to this activity A 10% increase in voucher turnover (an additional 2 vouchers per month). It is important to note that this is a long-term benchmark as due to the MTW time limited self-sufficiency term, this benchmark will not be reached until 2016 at the earliest (5 years following implementation).	HACSM will compare the number of head of household changes before and after implementation Currently HACSM tracks voucher utilization on a regularly occurring basis. HACSM will use this data to track any changes or trends due to the implementation of this activity in FY2012.	In FY13, HACSM processed 39 changes in HOH. All of the households met the exceptions to the automatic enrollment to the MTW Self-Sufficiency program thus no additional households were added to the time-limited self-sufficiency program. HACSM voucher turnover rate continues to decline. In FY13 the average voucher turnover rate was 13 per month.

While HACSM did not see a reduction in the number of HOH changes during this reporting period, we are not concerned that this number has not changed significantly. HACSM is looking at further tightening of its policy in this area (and in conjunction with MTW activity #2012.24, Change Automatic Termination of HAP Contact from 180 days to 90 days) as we found several households who reached zero subsidy subsequently request a change in HOH to remove the higher income earning member.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity to be effective in increasing administrative efficiencies.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>HC #3: Decrease in Wait List Time</i>				
Average applicant time on wait list in months	Average applicant time on wait list prior to implementation (months)	Expected average applicant time on wait list after implementation (months)	Actual average applicant time on wait list after implementation (months)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

- G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, (D) 2 (a) (d) which waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(7), 8(o)(10), 8(o)(13)(F)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503, 982.518 and 982 Subpart L and 983 Subpart E and Attachment C, (D) 3 (b) which waives certain provisions of 24 CFR982.516 and 982 Subpart E.

On-Going MTW Activity #2012.24: Change Automatic Termination of HAP Contact from 180 days to 90 days

A. Activity Description

With HUD's approval, effective July 1, 2011, HACSM reduced the number of days that a participant can remain on the program, while paying 100% of their rent, to 90 consecutive days

B. Impact of activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
24 Households left the HCV program due to "Zero" HAP status	Annually, 2 additional households (26 households in total) will graduate from the HCV Program due to the "Zero" HAP 90 day policy.	HACSM will review the data collected at least annually	In FY13, 11 households left the program due to "zero" HAP status.
10 Households experienced household composition changes or a decrease in income such that an interim recertification was processed and the household remained on the HCV program.	Annually, 1 additional household (11 households in total) will successfully graduate from the HCV program rather than needing continued assistance.	HACSM will review the data collected at least annually	In FY13, 19 households experienced a change such that they did not leave the program.

Note: There appear to be a variety of factors influencing the outcomes for this MTW activity, most of which are outside of HACSM policies and/or control including eligible family income and composition changes during the 90 day period.

C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity to be effective in increasing administrative efficiencies.

D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

HACSM does not plan on revising the benchmarks or metrics for this activity. With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>HC #3: Decrease in Wait List Time</i>				
Average applicant time on wait list in months	Average applicant time on wait list prior to implementation (months)	Expected average applicant time on wait list after implementation (months)	Actual average applicant time on wait list after implementation (months)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, (D) 1 (a) which waives certain provisions of Section 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162.

On-Going MTW Activity #2012.25: Exclude asset income from income calculations for households with assets under \$50,000

A. Activity Description

Building on the administrative efficiencies realized through the alternative verification process of assets valued less than \$50,000 (see Ongoing MTW Activity#8), HACSM, upon HUD's approval, has eliminated calculating or including income received from family assets valued less than \$50,000. Additionally, with this change HACSM no longer reports the asset income valued less than \$50,000 to HUD through the HUD-50058.

B. Impact of activity

Baseline (est. FY10)	Benchmark	Metric	FY13 Outcome
HACSM's quality assurance team (QA) has determined that approximately 9% (34 of 408 files reviewed annually) of all file reviews fail due to errors related to assets, most notably, assets under \$50,000	A 100% reduction in calculation errors due to assets as determined through the quality assurance file review process	HACSM will review the data collected as a result of QA file review process at both before and after implementation of this activity	<i>Benchmark achieved</i>

In FY2013, HACSM did not receive any hardship requests from households as a result of this activity.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.**

HACSM has found this activity to be effective in increasing administrative efficiencies.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).**

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will be implementing for FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>CE #1: Agency Cost Savings</i>				
Cost of task in dollars	Cost of task prior to implementation	Expected cost of task after implementation	Actual cost of task after implementation	TBD

<i>CE #2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time dedicated to the task prior to implementation	Expected amount of total staff time dedicated to the task after implementation	Actual amount of total staff time dedicated to the task after implementation	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing a task as a percentage	Est. FY10, the average error rate of task prior to implementation of the activity was 9%	Expected average error rate of 0% for the task after implementation of the activity	Actual average error rate of task after implementation for the activity (percentage)	TBD
<i>CE #5: Increase In Rental Revenue</i>				
Rental Revenue in dollars	Rental revenue prior to implementation of the activity	Expected rental revenue after implementation of the activity	Actual rental revenue after implementation	TBD

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Attachment C, (D) 1 (c) and (D) 3 (b) which waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516, and 982 Subpart E.

On-Going MTW Activity #2012.26: Commitment of MTW Funds for leveraging in the creation of additional affordable housing in San Mateo County

A. Activity Description

In FY2012, HACSM committed \$4,000,000 of MTW funds to Mid-Pen Housing to construct 160 new affordable units for elderly and/or disabled households. The funds were used to leverage additional investment funds that will be substantially larger than the HACSM commitments. Development activities included site acquisition, and the development of new units. All applicable federal regulations, e.g. environmental, labor, etc., were followed.

HACSM entered into an Exclusive Negotiations Agreement with Mid-Peninsula Housing Corporation to re-develop Half Moon Village, a 60-unit affordable senior housing property. This re-development, expected to cost approximately \$57 million, includes a multi-faceted approach with other senior service providers to use the existing land to create a senior "campus." The Half Moon Village portion of the project will consist of 160 new units of affordable housing, an increase of 100 units versus the current 60.

Other partners, on adjacent land comprising the "campus" (separately owned and developed with no Housing Authority financing) include a broad continuum of care for senior-related services, some of which may include the following, assisted living and hospice services as well as medical and food services. Groundbreaking for the Half Moon Bay Senior Campus was conducted in December 2012.

B. Impact of activity

Baseline (est. FY11)	Benchmark	Metric	FY13 Outcome
HACSM has not previously invested MTW funds in the creation of affordable housing	HACSM will see the creation of at least 20 affordable units per \$1,000,000 invested	HACSM will review the data collected at least annually	In FY13, HACSM loaned a total of \$1,859,267 to Mid-Peninsula Housing Corporation towards construction of 160 new units at Half Moon Village. HACSM's total commitment is \$4,000,000. This creates 40 units per \$1 million invested; therefore doubling the indicated benchmark.
HACSM has expended \$0 annually for affordable units in San Mateo County	Through leveraging of \$4,000,000 MTW funds (or portion thereof), HACSM expects at least 10 times the proportional amount (\$40,000,000 for the full amount) will be available for affordable housing in San Mateo County	HACSM will review the data collected at least annually	The total construction budget is \$65.1 million which equals 16.3 times the proportional amount; therefore exceeding the 10 times benchmark.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

HACSM has found this activity to be effective in increasing affordable housing choices in San Mateo County.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>HC#1: Additional Units of Housing Made Available</i>				
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, HACSM will provide that information here.	Est. FY11, Zero (0) housing units of this type prior to implementation of this activity.	HACSM expects the creation of at least 20 affordable units per \$1,000,000 invested	Actual housing units of this type after implementation of the activity (number)	TBD
<i>HC #2: Units of Housing Preserved</i>				
Number of housing units preserved for households at or below 80% AMI as a result of the activity. If the units reach a specific type of household, HACSM will provide that information here.	Housing units preserved prior to implementation (#)	Expected housing units preserved after implementation (#)	Actual housing units preserved after implementation (#)	TBD
<i>CE #4: Increase in Resources Leveraged</i>				
Amount of funds leveraged (\$)	Amount leveraged prior to implementation (\$)	Expected amount leveraged after implementation (\$)	Actual amount leveraged after implementation (\$)	TBD

- E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM is not planning to revise the data collection or methodology for this activity.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary.

HACSM did not request, or receive, any additional authorization from Attachment C or D for this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized in HACSM's MTW Agreement, Second Amendment and Attachment D, which allows for broader use of MTW funds and waives certain provisions of Section 3(b)(2).

On-Going MTW Activity #2012.27: Provider Based Programs

A. Activity Description

The Provider-Based Assistance (PBA) program was designed to reach populations in San Mateo County who were either under-served or not served by voucher program or other special-funded programs (i.e. Shelter Plus Care, Supportive Housing, VASH). Due to the fact that the rental assistance is directly related to the unique services of the Provider-Based program and the supportive service provider's ability to supply the necessary case management services, there is far greater potential for successful graduation, and the ability to serve additional families in their time of greatest need, with greater flexibility and tailored to their specific housing and self-sufficiency barriers.

B. Impact of activity

Baseline (est. FY11)	Benchmark	Metric	FY13 Outcome
HACSM has zero units/households under the Provider-Based program	Increase the number of units/households under the Provider-Based program by approximately 30 units	Compare the number of units/households participating in the Provider-Based program before and after implementation of this activity	<i>Benchmark achieved. In FY13, HACSM assisted 38 households in the PB program.</i>
HACSM expends zero funds towards the Provider-Based program	Expend approximately \$300,000 toward the Provider-Based program	Compare the amount expended toward the Provider-Based program before and after implementation of this activity	In FY13, HACSM expended \$186,603 in housing subsidy payments and \$42,960.33 in supportive services.

The HACSM PBA program has become a vital, non-traditional program, supporting the housing needs of low income and extremely low income households in San Mateo County, especially those who've been extremely hard to reach, and/or completely excluded from the program due to a variety of issues. To date, HACSM has established three PBA programs with the following providers:

- CORA (Community Overcoming Relationship Abuse), designed to provide short term housing assistance to survivors of domestic violence in coordination with supportive services
- Service League of San Mateo County, assisting individuals transitioning out of incarceration with short term transitional housing in coordination with supportive services
- Human Investment Project (HIP) Housing, assisting individuals and families with housing assistance in coordination with self-sufficiency case management services

HACSM's partnership with CORA, our first PBA awardee, provides one example of the tangible success experienced by the families served in these programs. In FY13, CORA assisted 15 households, all of whom were families with a single female as the head of household. There were 47 individuals served in these 15 households who otherwise would have been in the shelter, on the street, or remaining in the home of their abuser. CORA provides extensive services to these clients, ranging from weekly self-sufficiency workshops such as "Reducing Trauma Symptoms," "Increasing Financial Stability," and "Building Healthy Relationships," to finding and securing an apartment, to landlord outreach, to enrolling in school, to securing child care for special needs children.

One success story from CORA's work this year includes a head of household named Ana (not her real name). This is her story.

Ana was a victim of domestic violence for 3 years. Ana came to CORA by way of a police officer who called CORA's hotline to say Ana had been badly beaten and was being rushed to the hospital. In fact, Ana's injuries were so severe, she was unable to move without assistance for several weeks. A friend of Ana's kept her 2-year-old daughter during her recuperation in the hospital. As soon as Ana was released from the hospital, we placed her in our confidential shelter. During her stay, she worked very closely with her CORA client advocate. Extremely depressed and physically broken, Ana was quiet and reserved. As Ana recuperated physically, she also showed signs of feeling better about herself and feeling hopeful. She began to trust and began planning for a future for herself and her daughter.

Because most of Ana's family is in Mexico and her only nearby family member – a brother – is unsupportive, Ana needed to create a plan in which she would be able to fully support herself and her daughter. Recognizing her suitability for the permanent housing program (PBA), Ana's advocate, Grace, helped Ana to apply for the program. She was accepted. But then the long process of finding an affordable home began – it took five months. While CORA has created many inroads with local landlords, vacancies are low and there are still many landlords who have not heard of our program and were very skeptical. After diligent searching and some advocating/negotiating by Grace with the landlords, Ana found a place to call home for herself and her daughter.

As part of her healing process, Ana began a self-care habit that proved to be an even bigger benefit than intended. Ana took a walk in the park every day to clear her mind and benefit from physical exercise. As this was a daily habit, Ana started to see and get to know some of the regulars who shared the same walking habit every day. Some of these people became familiar welcome faces with whom she shared a smile and a nod hello. But there was a couple – Marie and Richard – who Ana started to talk with every day. It started as a casual comment that no one really remembers, but soon the three realized they shared a lot in common. Ana had always wanted to start her own business – a nail salon – but she lacked the money; meanwhile, Marie and Richard had just experienced a windfall and had money to invest. Together, they realized they had all the pieces they needed to realize their dream of starting their own business.

Initially, Marie and Richard provided Ana with a loan. The trio put their resources together and created a nail salon that was soon thriving. After eight months, Ana began to feel some fatigue set in and wondered if she had taken on too much. She considered selling the salon to Marie and Richard. The couple was ready to buy Ana out if that was what she wanted. But before Ana decided to shelve her dream, Grace, her advocate from CORA, worked with her to re-evaluate her goals and to reflect on the reasons why she initially opened the salon.

Part of Ana's questioning about her choice to open a business was rooted in the financial challenges of running a new business, so Grace referred Ana to the on-site San Mateo Credit Union financial training provided for clients. After the training, Grace introduced Ana to Kristi Lozano, the Financial Education Specialist from San Mateo Credit Union.

Together, Ana and Kristi talked more in depth about Ana's financial concerns with the salon and about what resources the Credit Union could provide for her, should she choose to continue operating her salon. Knowing she had financial options, Ana decided to continue in more of a partnership basis with Marie and Richard.

About Ana, Kristi said "with her great questions, San Mateo Credit Union's financial education program has helped her understand her financial obligations better and she has taken that knowledge and put it in to practice." Ana was able to get the answers she needed to make the best decision for herself. Today, more than a year after Ana opened the salon's doors, the trio is enjoying working together in operating the salon.

Ana continues to seek support so she can continue to progress. After a year in the PBA program and living in her own home, she remains active in using PBA case management, as well as participating in CORA's support groups, meetings with her advocate, saving money, and maintaining her goal plan. Says one of CORA's clients, "Ana is a true survivor and an inspiration to all of us! We are so proud of her!"

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective

HACSM has found this activity to be effective in increasing housing choice for families in San Mateo County.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY11)	Benchmark	Outcome FY13	Benchmark Achieved?
<i>New Metric HC#7: Households Assisted by Services that Increase Housing Choice</i>				
Number of households receiving services aimed to increase housing choice (increase)	Zero (0) households received this type of service prior to implementation of the activity.	30 households receiving these services after implementation of the activity.	38 households received these services, in FY13, after implementation of the activity	Benchmark achieved
<i>SS #1: Increase in Household Income</i>				
Average earned income of households (\$)	Average earned income of households affected by this policy prior to implementation	Expected average earned income of households affected by this policy	Actual average earned income of households affected by this policy	TBD

<i>SS #3: Increase in Positive Outcomes in Employment Status</i> (Based on Head of Household Information)				
Other: Employment	Number of HOH employed	Expected number of HOH employed after implementation	Actual number of HOH employed after implementation	TBD
	Percentage of total work-able households employed	Expected percentage of total work-able households employed after implementation	Actual percentage of total work-able households employed after implementation	TBD
Enrolled – Job Training	Number of HOH enrolled in a job training program	Expected number of HOH enrolled in job training program after implementation	Actual number of HOH enrolled in job training program after implementation	TBD
	Percentage of total work-able households enrolled in a job training program	Expected percentage of total work-able households enrolled in a job training program after implementation	Actual percentage of total work-able households enrolled in a job training program after implementation	TBD
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Number of households receiving TANF	Households receiving TANF prior to implementation	Expected number of households receiving TANF after implementation	Actual number of households receiving TANF after implementation	TBD
<i>SS #8: Households Transitioned to Self-Sufficiency *</i>				
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD

* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected

HACSM does not foresee any changes to the data collection methodology.

- F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary**

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The approved activity is authorized under HACSM's MTW Agreement, Attachment D: Uses of Funds.

On-Going MTW Activity #2013.28: Apply MTW Flexibilities to Public Housing

A. Activity Description

In FY2013, HACSM received HUD approval to operate El Camino Village (ECV), a 30-unit Public Housing complex, in accordance with several of MTW policies and procedures used for the voucher program.

Following is a list of the areas that HACSM implemented July 1, 2012:

1. Biennial recertification schedule for all elderly and or disabled households.
2. Elimination of the Earned Income Disallowance (EID)
3. Revised Eligibility Standards
4. Exclusion of asset income for households with assets under \$50,000
5. Elimination of the imputed asset calculation and use of the actual interest earned for assets valued at or over \$50,000
6. Simplification of the Third Party Verification Process
7. Modification of the change in head of household policies
8. Biennial inspection schedule
9. Modification of the full-time student status requirements
10. Inclusion of Foster Care, KinGap, and Adoption Assistance payments in the households annual adjusted income, and allowance of a \$480 dependent deduction for each foster child and/or adult

B. Impact of activity

Baselines (est. FYE12)	Benchmark (Annual)	Metric	FY13 Outcome
<i>Biennial Recertification Schedule for elderly and/or disabled households</i>			
<p>26 annual reexamination appointments. 31% (8 households) of the 26 households qualified as Elderly/Disabled</p> <p>On average, HACSM staff spend 84 minutes per file at a cost of \$88 per file to process reexamination appointments and applicable paperwork under the current system</p> <p><i>NOTE:</i> 14% (4 households) of 30 households are under a Flat Rent schedule which requires review every three years. One household under the Flat Rent schedule qualifies as Elderly/Disabled; HACSM would not change the schedule for any of the Flat Rent households.</p>	<p>A 15% reduction in the total number of annual recertifications</p> <p>HACSM expects to Savings of 328 minutes staff time and \$343 direct costs as result of this activity</p>	<p>Comparison of the number of households eligible for biennial recertification before and after implementation.</p> <p>Comparison of the amount of time spent and cost to process annual reexaminations before and after implementation.</p>	<p>8 households qualify as elderly and/or disabled and thus eligible for the biennial recertification schedule. (1 household remains on the "flat rent" schedule.)</p> <p>Of the 18 annual recertifications completed in FY13, 3 were elderly and/or disabled households, representing 16%. This meets the benchmark of a 15% reduction.</p> <p>HACSM staff saved 420 minutes and \$440 as a result of this activity.</p>

<i>Eliminate Earned Income Disallowance(EID)</i>			
HACSM currently has less than 1% (one household) of the 30 households in public housing receiving the earned income disallowance (EID) HACSM staff spends approximately 90 minutes tracking and calculating EID per household	HACSM expects to see a 100% reduction in the number of public housing households receiving the earned income disallowance HACSM expects a 100% reduction in the number of hours staff spends tracking and calculating EID	Comparison of the number of households eligible for EID calculation before and after implementation Comparison of the time spent in tracking and calculating EID before and after implementation	In FY13, there was one (1) carry-over household receiving the EID. There were no new families eligible for EID. HACSM staff spent 20 minutes tracking EID for the one remaining household, representing a savings of 70 minutes. Note: There were no hardship requests for the EID.
<i>Revise Eligibility Standards</i>			
Of the 30 public housing households currently, there are no households in public housing with assets valued over \$100,000 During fiscal year 2012, no households were admitted to public housing with assets valued over \$100,000 in fiscal year 2012	HACSM expects no increase or adverse impact in the number of households with assets valued over \$100,000 Due to the low turnover rate in public housing, HACSM expects no households will be admitted to public housing with assets valued over \$100,000	Comparison of the number of households with assets above threshold of \$100,000 before and after implementation Comparison of the number of households denied admission to public housing with assets valued over \$100,000 before and after implementation	In FY13 there were no households with an increase in assets over \$100,000. In FY13 there were no applicants denied admission to El Camino Village due to the asset value limit.
<i>Exclude asset income for households with assets less than \$50,000</i>			
HACSM's quality assurance team has determined that approximately 10% of all file reviews for public housing fail due to errors related to assets	HACSM expects a 100% reduction in calculation errors due to assets as determined through the quality assurance file review process	Comparison of the data collected as a result of the QA file review process both before and after implementation of this activity	In FY13, the QA file review determined that there was a 100% reduction in errors as a result of this activity.
<i>Eliminate the imputed asset calculation and use actual interest earned for assets valued at or greater than \$50,000</i>			
HACSM's quality assurance team has determined that approximately 10% of all file reviews for public housing fail due to errors related to assets	HACSM expects a 100% reduction in calculation errors due to assets as determined through the quality assurance file review process	Comparison of the data collected as a result of the QA file review process both before and after implementation of this activity	In FY13, the QA file reviews determined that there were no errors related to this activity, thus meeting the expected benchmark.

<i>Simplify Third-Party Verification Process</i>			
On average, HACSM staff spend 5.5 hour annually to process third-party verifications for public housing reexaminations On average, HACSM spends \$8 per file (or \$240 annually) to process third-party verifications for public housing reexaminations	HACSM expects a 50% reduction in staff time required to process third-party verifications HACSM expects to realize a 50% reduction in annual costs to process third-party verifications	Comparison of staff time before and after implementation of activity Comparison of administrative costs for third-party verifications before and after implementation of activity	In FY13, staff completed 27 annual, biennial, and interim recertifications. Very few files (approximately 3 households) required third party verification as most families brought the required tenant provided documents.
<i>Modify head of household changes policy</i>			
HACSM has not processed any changes to Head of Household (HOH) in public housing during FY 2012	HACSM expects no adverse impact or increase in activity by modifying the change of HOH policies	Compare number of HOH changes before and after implementation of the activity	There were no changes in the head of household requested or completed in FY13.
<i>Biennial Inspection Schedule</i>			
HACSM has 30 public housing units that require annual inspection under the current system. On average, it takes 62 minutes (31 hours annually) in total to complete each annual inspection On average, HACSM has \$7.20 per inspection (\$216 annually) in direct costs per inspection	HACSM expects a 50% reduction in the total number of annual inspections HACSM expects a savings of 15 hours annually to complete annual inspections. HACSM expects a savings of \$108 in direct costs annually.	Compare number of annual inspections before and after implementation of the activity Compare time savings before and after implementation of the activity Compare direct costs before and after implementation of the activity	In FY13, 8 inspections were conducted at El Camino Village. In FY13, 22 hours were saved due to the units that did not require inspection. HACSM saved \$128 in direct costs as a result of this activity.
<i>Modify full-time student status requirements</i>			
Of the 30 households in public housing, 10% of the households (3 households) contain a FTS. These students are all under 24 years old.	HACSM expects no increase in the total number of FTS designated for household members who are 24 years old, or older.	Comparison of the number of FTS in the households before and after implementation	In FY13, there continue to be three (3) households with a full time student. All of which are under 24 years of age.

<i>Include foster care, KinGap, and adoption assistance payments in annual adjusted income and include \$480 dependent deduction</i>			
Of the 30 households in public housing, no households contain members receiving Foster Care, KinGap and/or Adoption Assistance payments	HACSM expects no increase or adverse impact in including Foster Care, KinGap, and Adoption Assistance payments in the households annual adjusted income	Comparison of average earned income of residents before and after implementation, specifically of households with foster care children and adults and the trend in the households earned income	In FY13 there remained no households with foster care, KinGap, or adoption assistance payments.

- C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective

HACSM has found this activity to be effective in streamlining administrative efficiencies and increasing the self-sufficiency activities for El Camino Village residents.

- D. If benchmarks or metrics have been revised identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases).

With the publication of the new Attachment B, HACSM is preparing to align our current research and reporting of this activity with these new HUD requirements. The table below describes the research method that HACSM will implement, effective FY2014:

Unit of Measurement	Baseline (est. FY2013)	Benchmark	Outcome	Benchmark Achieved?
<i>New Metric CE#1: Agency Cost Savings</i>				
Total cost of task in dollars	Cost of task prior to implementation of the activity	Expected cost of task after implementation	Actual cost of the task after implementation	TBD
<i>New Metric CE#2: Staff Time Savings</i>				
Total time to complete the task in staff hours	Total amount of staff time dedicated to the task prior to implementation of the activity	Expected amount of the total staff time dedicated to the task after implementation of the activity	Actual amount of total staff time dedicated to the task after implementation of the activity	TBD
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Average error rate in completing the task as a percentage	Average error rate of task prior to implementation	Expected average error rate of task after implementation	Actual average error rate after implementation (%)	TBD
<i>SS #1: Increase in Household Income</i>				

Unit of Measurement	Baseline (est. FY2013)	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households (\$)	Average earned income of households affected by this policy prior to implementation	Expected average earned income of households affected by this policy	Actual average earned income of households affected by this policy	TBD
<i>SS #2: Increase in Household Savings</i>				
Average savings of households (\$)	Average savings per household prior to implementation	Expected savings per household affected by this policy	Actual average savings per household	TBD
<i>SS #3: Increase in Positive Outcomes in Employment Status</i> (Based on Head of Household Information)				
Other: Employment	Number of HOH employed	Expected number of HOH employed after implementation	Actual number of HOH employed after implementation	TBD
	Percentage of total workable households employed	Expected percentage of total workable households employed after implementation	Actual percentage of total workable households employed after implementation	TBD
Unemployed	Number of HOH unemployed	Expected number of HOH unemployed after implementation	Actual number of HOH unemployed after implementation	TBD
	Percentage of total workable households who are unemployed	Expected percentage of total workable households who are unemployed after implementation	Actual percentage of total workable households who are unemployed full time after implementation	TBD
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Number of households receiving TANF	Households receiving TANF prior to implementation	Expected number of households receiving TANF after implementation	Actual number of households receiving TANF after implementation	TBD
<i>SS #5: Households Assisted by Services that Increase Self-Sufficiency</i>				
Number of households receiving services aimed to increase self sufficiency	Households receiving self-sufficiency services prior to implementation	Expected number of households receiving services after implementation	Actual number of households receiving self-sufficiency services after implementation	TBD
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				

Unit of Measurement	Baseline (est. FY2013)	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 /Section 9 subsidy per household affected by this policy	Average subsidy per household affected by this policy prior to implementation	Expected average subsidy per household affected by this policy after implementation	Actual average subsidy per household affected by this policy after implementation	TBD
<i>SS #7: Increase in Agency Rental Revenue</i>				
PHA rental revenue (\$)	PHA rental revenue prior to implementation (\$)	Expected PHA rental revenue after implementation (\$)	Actual PHA rental revenue after implementation (\$)	TBD
<i>SS #8: Households Transitioned to Self-Sufficiency</i>				
Number of households transitioned to self-sufficiency	Number of households transitioned to self-sufficiency prior to implementation	Expected number of households transitioned to self-sufficiency after implementation	Actual number of households transitioned to self-sufficiency.	TBD

* The HACSM definition of Self-Sufficiency includes the following:

- The household has reached an income level such that HACSM is no longer providing subsidy on behalf of the family for a period of 90 days

E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected.

HACSM does not foresee any changes to the data collection methodology.

F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary

HACSM did not request, or receive, any additional authorization from Attachment C or D to implement this MTW activity.

G. Authorization for the approved activity

The proposed activity is authorized in Attachment C, Part C (2), (4), (9.a), (11), and waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257.

MTW authorizations are necessary because HACSM is applying MTW flexibilities to public housing programs in the area of admission, annual and interim review processes, HQS inspections, and rent calculations. Current regulations for public housing do not allow HACSM to apply biennial recertification and inspection schedules, simplified verification processes, changes to admission criteria and continued eligibility (asset value limit), or simplified asset and rent calculation processes.

SECTION VII – Sources and Uses of Funding

A. Planned versus Actual Sources and Uses of MTW Funds

The chart below summarizes the HACSM consolidated MTW Budget and Actuals for Fiscal Year 2013 (July 1, 2012 – June 30, 2013). This chart lists all budget and actual revenues and expenditures for all funding sources that comprise the MTW Block Grant Funds including; Section 9 Operating Funds; Section 9 Capital Funds; and Section 8 Housing Choice Voucher Assistance Payments and Administrative fees.

Consolidated Sources and Uses of MTW Funds Fiscal Year Ended June 30, 2013				
	Budget	Actual	Variance	Variance %
Revenue (Sources):				
MTW Program HAP & Admin Fees - (A)	63,361,100	58,229,014	(5,132,086)	-8.10%
Portable Vouchers HAP & Admin Fees (B)	3,495,000	2,353,502	(1,141,498)	-32.66%
Public Housing Rental Income - (C)	245,908	2,929,542	2,683,634	100.00%
Public Housing Operating Fund - (C)	18,000	396,267	378,267	2101.48%
Investment Income	193,782	206,372	12,590	6.50%
Miscellaneous Income - (D)	55,100	261,282	206,182	374.20%
Total Revenue	67,368,890	64,375,980	(2,992,910)	-4.44%
Expense (Uses):				
Housing Assistance Payments	55,150,000	54,773,717	(376,283)	-0.68%
Portable Vouchers HAP Payments - (B)	3,300,000	2,232,896	(1,067,104)	-32.34%
Administration and General Expense -(C)	4,970,392	5,345,206	374,814	7.54%
Provider Based Assistance Payments	750,000	235,427	(514,573)	-68.61%
Utilities - (C)	34,800	132,066	97,266	100.00%
Operations and Maintenance - (C)	178,011	856,463	678,452	381.13%
Development and Capital Projects	200,000	452,577	252,577	126.29%
Affordable Housing Development - (E)	4,000,000	1,859,267	(2,140,733)	-53.52%
Total Expense	68,583,203	65,887,619	(2,695,584)	-3.93%
Operating Income/(Loss) (F)	(1,214,313)	(1,511,640)		

Explanation of Variances:

- (A) Budget revenue was based on HUD total budget authority. Actual revenue is less than budget due to cash management funds received and a reversal in this fiscal year of accrued HUD revenue from prior year.
- (B) HACSM absorbed a significant number of Port-In vouchers not anticipated in the budget projection.
- (C) The budget amounts anticipated the transfer of Midway Village to the non-profit entity SAMCHAI after demo/dispo. The transfer of Midway Village was not accomplished during this fiscal year, consequently, actual revenue and expense significantly varies from budget.
- (D) HACSM is receiving Lehman recovery funds from County not anticipated in budget.
- (E) Development of Half Moon Senior complex underway but not completed by fiscal year end.
- (F) The loss was covered through the use of MTW Fund and Administrative Fund reserves.

Planned versus Actual Sources and Uses of Non - MTW Funds

The chart below summarizes the HACSM Consolidated *Non-MTW* Budget and Actuals for Fiscal Year 2013 (July 1, 2012 – June 30, 2013). This chart lists all planned and actual revenue and expenditures for other funds that are not eligible MTW Block Grant funds (including state and local funds).

Consolidated Sources and Uses of NON-MTW Funds			
Fiscal Year Ended June 30, 2013			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenue (Sources):			
Grants (Shelter Plus Care and Supportive Housing)	3,769,837	3,093,246	(676,591)
Non-MTW HAP and administrative fees	2,452,207	1,876,277	(575,930)
Rental Income	668,000	682,996	14,996
Investment Income	51,000	47,480	(3,520)
Miscellaneous Income	56,700	130,355	73,655
Total Revenue	6,997,744	5,830,355	(1,167,389)
Expense (Uses):			
Administration and General Expense	1,105,593	1,080,928	(24,665)
Utilities	87,200	89,771	2,571
Operations and Maintenance	258,417	184,353	(74,064)
Housing Assistance Payments	5,700,461	5,222,900	(477,561)
Total Expense	7,151,671	6,577,952	(573,719)
Operating Income/(Loss)	(153,927)	(747,597)	

B. Planned versus Actual Sources and Uses of State or local funds

The chart below summarizes the HACSM Sources and Uses of State and Local Funds for Fiscal Year 2013 (July 1, 2012 – June 30, 2013). This chart lists all planned and actual revenue and expenditures for other funds that are not eligible MTW Block Grant funds (including state and local funds).

Sources and Uses of State and Local Funds Fiscal Year Ended June 30, 2013			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenue (Sources):			
Rental Income	668,000	682,996	14,996
Investment Income	33,000	41,995	8,995
Miscellaneous Income	34,400	103,071	68,671
Total Revenue	735,400	828,063	92,663
Expense (Uses):			
Administration and General Expense	278,009	324,087	46,078
Utilities	87,200	89,771	2,571
Operations and Maintenance	254,773	184,258	(70,515)
Total Expense	619,982	598,116	(21,867)
Operating Income/(Loss)	115,418	229,947	
Reserve Buildup/(Drawdown)			
Net Income/(Loss)			

C. Planned versus Actual Sources and Uses of the COCC

Not applicable

D. If using a cost allocation or fee-for-service approach that is different from the 1937 Act requirements, describe the actual deviations that were made during the Plan year; and

Not applicable

E. List or describe planned vs. actual use of single-fund flexibility

In conjunction with HACSM reserve levels, HACSM has committed funds to several areas as a result of its MTW flexibilities:

1. HACSM has executed a long-term loan agreement for \$4,000,000 with MidPen Housing to construct 160 new units of affordable senior housing in Half Moon Bay (see On-Going Activity #2012.26). Construction of Phase I began in January 2013. The entire complex will be completed in April 2015. The re-programmed funds have been used to leverage additional funding in the amount of \$61.1 million.

2. HACSM utilized its “Broader Use of Funds” flexibility to create the Provider-Based Assistance (PBA) program for survivors of domestic violence (15 units) and for persons re-entering society after a period of incarceration and who are receiving addiction treatment and other supportive services (16 units). The program expanded to a third provider in June 2013. HACSM has committed up to \$1,442,234 for the PBA program for the next three years and would like to expand.

As of 6/30/13, HACSM has expended a total of \$207,618 in subsidy payments and \$47,163 in supportive services for the Provider-Based Assistance program. See MTW Activity 2012.27 for more information.

3. In October 2012, HACSM adjusted figures on its Tenant-Based Tiered Subsidy Table (TST) due to rental market increases and monitoring of tenant rent portions. While HACSM will be absorbing the cost of these increases over time, we allowed for approximately \$4,000,000 increase in HAP costs annually.

SECTION VIII – Administrative

- A. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, or other oversight and monitoring mechanisms, if applicable.

HACSM does not have any on-going corrective action plans from any monitoring visits, physical inspections or other oversight or monitoring mechanisms.

- B. Results of latest Agency-directed evaluations of the demonstration, as applicable.

Not applicable.

- C. Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant, as an attachment to the Report.

Not applicable – all Capital Fund activities are included in the MTW Block Grant.

- D. Certification that the Agency has met the three statutory requirements.

See Appendix Two of this report for the HACSM signed certification of compliance.

Appendix One

HACSM Hardship Policy

The HACSM Hardship Policy is designed to address:

A. Rent reform initiatives

- *Tiered Subsidy Table Activity*
- *Payment Standard Activity*
- *Full Time Student Activity*
- *Foster Care, KinGap, and Adoption Assistance Activity*
- *Earned Income Disallowance*

B. Time limited assistance

- *Extension of Program Participation*
- *Portability (Moving out of San Mateo County)*

All hardship requests must be made in writing, stating both the reason for the hardship and the expected duration.

Each request will be reviewed and weighed against other local resources available to the family. The result of the review may consist in referral to other local resources, an adjustment in the portion of the family's rent, or an extension in the length of subsidy assistance given.

A. Rent Reform

• Tiered Subsidy Table

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe HACSM any money or is current with a re-payment agreement.
3. The household must be admitted to the program prior to March 1, 2010, unless the household is a resident of HACSM public housing, converting to the Project-Based Voucher (PBV) program and remaining in-place at the complex.
4. The household has not relocated on or after March 1, 2010.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not received a rent reform hardship relief for tiered subsidy calculation previously.

• Payment Standards Application at Interim

Note: This Hardship policy does not apply to Payment Standard Changes at Annual or Biennial Recertifications

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe HACSM any money or is current with a re-payment agreement.
3. The household must be admitted to the program prior to July 1, 2010.
4. The household has not relocated on or after July 1, 2010.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not received a rent reform hardship relief for the Payment Standards application at interim recertification previously.

• **Full Time Students (FTS)**

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe HACSM any money or is current with a re-payment agreement.
3. The household must be admitted to and have a household member with FTS in their household prior to July 1, 2011.
4. The FTS status must be established at the last annual or interim recertification prior to July 1, 2011.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not received a rent reform hardship relief for full time student's income inclusion previously.

• **Foster Care, KinGap and Adoption Assistance**

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe HACSM any money or is current with a re-payment agreement.
3. The household must be admitted to the program and have the foster child/adult in their household prior to July 1, 2011.
4. The Foster Child/Adult status of the household member must be established at the last annual or interim recertification prior to July 1, 2011.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not received a rent reform hardship relief for Foster Care, KinGap, or Adoption Assistance income inclusion previously.

- **Earned Income Disallowance**

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe HACSM any money or is current with a re-payment agreement.
3. The household must be admitted to the program and received the benefits of Earned Income Disallowance in rent calculation prior to July 1, 2012.
4. The Earned Income Disallowance status of the household member must be established at the last annual or interim recertification prior to July 1, 2012.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not received a rent reform hardship relief for Earned Income Disallowance previously.

- **Child Care Expense Deduction**

In order to qualify for hardship exemptions, households must meet all of the criteria listed below:

1. The household is in compliance with all program rules and regulations.
2. The household does not owe HACSM any money or is current with a repayment agreement.
3. The household must be admitted to the program and received the benefits of the Child Care Expense Deduction in rent calculation prior to July 1, 2013.
4. The Child Care Expense Deduction status of the household member must be established at the last annual or interim recertification prior to July 1, 2013.
5. The household must experience an increase of \$25.00 or more in rent as a direct result of the MTW rent reform initiatives.
6. The household requested the hardship waiver within the deadline set by HACSM. Households have 10 business days from the date of their "Notice of Change" letter in which to request an Informal Hearing and/or Hardship Review.
7. The household has not previously received a rent reform hardship relief for the Child Care Expense Deduction.

Approval Process for all Rent Reform Initiatives

- Households who meet the criteria listed above may mail, fax, or e-mail their request to HACSM.
- Housing Programs Specialist will review the request promptly, using the HACSM provided tool, calculate the tenant rent and forward the result and the tenant file to the supervisor.
- Supervisor approves the new rent if there are no other issues. If there are other issues, the supervisor will conduct further review and consult with Housing Rental Programs Manager.

Hardship Relief for all Rent Reform Initiatives

Households who qualify and receive waiver approval may pay their portion of rent based on the calculation under HUD regulations until their next recertification or relocation. At the next annual recertification, biennial recertification, or relocation, whichever comes first, the household will automatically be subject to the rent reform initiatives.

Note: Each household is only eligible for one term of relief for each rent reform initiative and if the household qualifies for more than one relief at any given recertification (annual or interim), the reliefs will be calculated concurrently.

B. Time Limited Assistance

Extension of program participation

• Basic Requirements

1. The household is in compliance with all program rules and regulations.
2. The household does not owe the HACSM any money or is current with a repayment agreement.

• Qualification

1. The Head of Household and all the adult (18 and over) household members are 62 years of age or older and/or people with disabilities. (The HUD definition of disability shall apply)
2. The Head of Household is the sole adult member who is responsible to care for a minor (under 18) household member who is a person with disability. (The HUD definition of disability shall apply).
3. The household is actively engaging in educational or vocational activities per the initial or subsequent revised service plan. The activities on a revised service plan must be approved by HACSM or the case manager at least 12 months prior to the program exit date.

- **Approval Process for Extension of Program Participation**

1. All applications will be reviewed for completeness.
2. Households who meet qualification number 3 above must list on the Hardship Application the following: 1) educational or vocational activities that the household is currently engaging in; 2) the name of the school/institution/agency that provides the service; 3) the expected completion date, and 4) a brief statement on how the extension of assistance would benefit the household in achieving its self-sufficiency goal.
3. The Family Self-Sufficiency Coordinator will review the request promptly and forward the file to the supervisor with his/her recommendation.
4. The Supervisor approves the extension if there are no other issues.

- **Hardship Relief for Extension of Program Participation**

1. For households who meet qualification number 1 and 2, the length of assistance may be extended for an additional 12 months. Any subsequent renewals on the extension will require a new request from the household and will be subject to the HACSM hardship policy in effect at that time.
2. For households who meet qualification number 3, the length of assistance may be extended for a maximum of 12 months, and is subject to compliance to case management services and acceptable verification of educational or vocational activities listed in the hardship application.
3. Decisions reached by HACSM will be final.

Portability (Moving out of San Mateo County)

- **Basic Requirements**

1. The household is in compliance with all program rules and regulations.
2. The household does not owe the HACSM any money or is current with a repayment agreement.

- **Qualifications**

1. The Head of Household and all the adult (18 and over) household members are 62 years of age or older and/or people with disabilities. (The HUD definition of disability shall apply).
2. The Head of Household is the sole adult member who is responsible to care for a minor (under 18) household member who is a person with disability. (The HUD definition of disability shall apply).
3. The Head of Household, Co-head, or Spouse has secured full-time employment of at least 32 hours/week and said employer's, or job location, is greater than 35 miles beyond the San Mateo County border.
4. The Head of Household, Co-head, or Spouse are full-time students at an accredited educational institution that is located more than 35 miles beyond the San Mateo County border.

5. The receiving Housing Authority is absorbing the household.

Note: Per the Housing Authority's Administrative Plan, applicants who do not have county preference at the time of eligibility determination are required to initially lease in San Mateo County for a period of no less than 12 months.

- **Approval Process for Portability (Moving out of San Mateo County)**

1. All applications will be reviewed for completeness.
2. Households who meet qualification number 3 must provide proof of the following:
 - Employment. Written verification must include the employer's name, the position title, the number of hours to be worked per week and the rate of pay.
 - The physical address of the employer and the address of the job location.
 - Written verification from the receiving Housing Authority that they agree and acknowledge that HACSM's MTW voucher is for a term of five (5) years and that HACSM will not make any payments beyond the fifth year.
3. Households who meet qualification number 4 must provide proof of the following:
 - Enrollment and attendance record at an accredited institution.
 - The location of the accredited institution's street address.
 - Written verification from the receiving Housing Authority that they agree and acknowledge that HACSM's MTW voucher is for a term of five (5) years and that HACSM will not make any payments beyond the fifth year.
4. The Family Self-Sufficiency Coordinator will review the request promptly and forward the file to the supervisor with his/her recommendation.
5. The Supervisor approves the hardship request if there are no other issues.

** Note: The five-year term of assistance begins upon initial lease up, thus if a household is approved for portability after the initial 12 months or greater, they may only be eligible for assistance for the remaining voucher term, not an additional five years..*

- **Hardship Relief for Portability (Moving Out of San Mateo County)**

1. For households who meet qualification numbers 1 or 2, the Housing Authority will approve the household's request for portability.
2. For households who meet qualification numbers 3 or 4, the Housing Authority will approve the household's request for portability, with the length of assistance to be no more than a maximum term of five (5) years, less any term of participation already completed.
3. For households who meet qualification number 5, the Housing Authority will approve the household's request for portability.
4. Decisions reached by HACSM will be final.

Appendix Two

HACSM Certification of Compliance

Certification of Statutory Requirements

The Housing Authority of the County of San Mateo hereby certifies that it (the Agency) has met the three statutory requirements of:

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

Housing Authority of the County of San Mateo

PHA Name

CA014

PHA Number/HA Code

I hereby certify that all the information stated herein 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)

William Lowell
Name of Authorized Official

Executive Director
Title

William Lowell
Signature

9-6-13
Date