

# **Moving to Work (MTW) 2014 Annual Plan**

**for the Housing Authorities of the  
County of Santa Clara and  
the City of San José**

**April 15, 2013**

**Revised June 5, 2013**

**Amended June 20, 2013**



**Housing Authority of the County of Santa Clara (HACSC)**

**Board of Commissioners**

Kathy Espinoza-Howard, Chair

Bill Anderson, Vice Chair

Bena Chang

Verna Hayden

Denis O'Neal

John Scrempos

**Executive Director**

Alex Sanchez

**Senior Management Team**

Katherine Harasz, Deputy Executive Director

Louise Hofmeister, Director of Housing Programs

Vanessa Cooper, Director of Real Estate Services

Bakulesh Patel, Director of Finance

*HACSC's mission is to provide and inspire affordable housing solutions to enable low-income people in Santa Clara County to achieve financial stability and self-reliance.*

---

## TABLE OF CONTENTS

Section I:	Introduction and Overview	Page	4
Section II:	General HACSC Operating Information	Page	15
Section III:	Non-MTW Related HACSC Information	Page	22
Section IV:	Long-term MTW Plan	Page	24
Section V:	Proposed MTW Activities	Page	26
Section VI:	Ongoing MTW Activities	Page	48
Section VII:	Sources and Uses of Funding	Page	51
Section VIII:	Administrative	Page	56
Appendix One:	Board Resolution - MTW FY2014 Plan Submission	Page	57
Appendix Two:	Documentation of Public Review Process	Page	66
Appendix Three:	HACSC Moving-to-Work Agreement	Page	85
Appendix Four:	Focus Forward Program	Page	174
Appendix Five:	Analysis of Increased Tenant Contribution	Page	182

## I. INTRODUCTION AND OVERVIEW

### Purpose of this Plan

This MTW Annual Plan describes how the Housing Authority of the County of Santa Clara and the Housing Authority of the City of San José (jointly operated agencies and hereafter referred to as HACSC) propose to carry out the Moving to Work (MTW) program in fiscal year 2014 (July 1, 2013 through June 30, 2014). The MTW Annual Plan also includes an overview of the strategic direction of HACSC's programs; systematically describing how each activity advances the Authority's vision and goals within the framework of the MTW charter.

In a time of unprecedented funding cuts and diminishing resources, programs administered by HACSC have become even more critical for low-income families. This MTW plan outlines a series of innovations, developed by HACSC staff, that capitalizes on operational efficiencies and leverages public and private resources to expand housing opportunities to as many residents of Santa Clara County as possible.

This FY2014 plan is required by the U.S. Department of Housing and Urban Development (HUD), and is the sixth plan prepared since HACSC signed a 10-year MTW Agreement with HUD in early 2008.

### What is MTW?

MTW is a federal demonstration program, established by Congress in 1996, that links broad federal goals with locally-designed initiatives. It encourages selected housing authorities to propose and, upon HUD approval, implement innovative changes to the way affordable housing programs are administered in order to meet at least one of the following three broad federal goals:

1. Decrease administrative costs and increase cost effectiveness in housing program operations,
2. Promote participants' economic self sufficiency, and
3. Expand participants' housing choices.

MTW requires HACSC to strive for these goals while ensuring that the Agency continues to serve substantially the same mix of tenants (in terms of income level and family size) and at least as many households as it had before MTW status.



## **What is HACSC and What Does it Provide?**

Established as an independent local government agency in 1967 by the Santa Clara County Board of Supervisors, HACSC is one of over 3,000 public housing authorities nationwide. Its jurisdiction encompasses the heart of Silicon Valley and includes the County's estimated 1.8 million residents.

HACSC's mission is to provide and inspire affordable housing solutions to enable low-income people in Santa Clara County to achieve financial stability and self-reliance. HACSC administers federal rental housing voucher programs, and develops, controls, and manages affordable rental housing properties. These programs and properties are targeted to assist low, very low, and extremely low-income households. Currently, HACSC directly or indirectly assists over 19,000 households across the County. About 80% of the households served are considered extremely-low income based on current Area Median Income data.

## **HACSC's MTW Achievements**

In fulfilling its mission and promoting the goals of the MTW program, HACSC streamlined its business model and substantively transformed its daily operations. Over the past five years, HACSC focused on exploring programmatic reforms and on designing and implementing activities to reduce administrative costs in its largest program, the Housing Choice Voucher (HCV) program. With recent advancements in the day-to-day operations, HACSC has shifted its focus to increasing communication, strengthening connections with the public and with stakeholders in the affordable housing community, and encouraging collaboration with a diverse group of partner agencies.

These efforts enhance the level of service delivered to program participants and increase community dialogue with the purpose of forming greater public-private partnerships across the County. The newly expanded process demonstrates HACSC's commitment to transparent and inclusive business operations. HACSC strives to have comprehensive community engagement and has included this goal as a priority in each phase of its program and policy development process.

Seventeen (17) of HACSC's twenty-four (24) ongoing MTW activities involve streamlining and simplifying the administration of the HCV program (including the Project Based Voucher program). These efficiencies remove or reduce tasks that add little program value without sacrificing program integrity. In FY2013, HACSC made significant progress with deploying its new operational framework and fully implemented key process-related tasks by the end of the year. With the rapid and successful implementation of these new approaches, HACSC was able

to improve and increase staff training programs, address the need for more extensive and ongoing quality control and provide greater focus on customer service and education, generating positive feedback from both tenants and property owners. The initiatives, combined with other business process changes, and implemented in tandem with a new, more efficient Section 8 software program have provided the flexibility to create activities that increase the potential self sufficiency of current participants, maintain and increase the affordable housing stock in the County and improve the overall effectiveness of the agency.

Another significant MTW activity is the locally-designed direct voucher referral program, which provides vouchers to the chronically homeless. Originally launched in October 2010, HACSC revised the program and unveiled an upgraded version in FY2013. The new “Chronically Homeless Direct Referral Program” (CHDR) expands on an important partnership between HACSC, local government, and local service providers. The key differences are the revised definition of chronically homeless to match federal standards, the referral process, and the execution of a Memorandum of Understanding with the County of Santa Clara. By making these changes, HACSC aligned the CHDR program with current local housing priorities, existing HUD definitions of chronically homeless, and formalized its relationship with the County of Santa Clara who serves as the contact for case management provider partners.

Through the ongoing coordination of partner agencies, HACSC set aside an additional 100 vouchers in FY2013 for chronically homeless individuals to find and maintain stable housing. These vouchers will be administered through the CHDR program. In addition, HACSC continues to participate in Destination: Home and the Santa Clara County Collaborative on Housing and Homeless Issues (The Collaborative) with an eye out for opportunities to direct funds or services toward the chronically homeless. HACSC will continue to administer our VASH and Continuum of Care (formerly Shelter Plus Care) programs which exclusively address homeless families and individuals, including veterans and the severely mentally ill.

In 2009 through 2012, with the assistance of several MTW activities, HACSC’s Real Estate Services Department (RESA) preserved and upgraded 555 public housing units and converted 535 of them into tax credit housing. In doing so, HACSC leveraged over \$120 million in private and public funds to complete structural, mechanical, and interior upgrades, including energy efficiency measures and extended the affordability of these units an additional 55 years. These units remain accessible to extremely low income households thanks to project based vouchers allocated under MTW Activities 2009-10 and 2009-11. Each of these projects was successfully pre-leased prior to the end of construction, as a result of MTW Activity 2009-9, which enabled tenants to be income certified just once. Residency at these properties is stable and is expected to remain so, in part due to MTW Activity 2012-2, which requires a tenant to complete at least two-years of residency in a project-based unit before becoming eligible to request a tenant-

based voucher. In November 2012, through MTW Activity 2012-3, HACSC successfully converted Villa Garcia, a former HUD 236 property, to a low-income-tax-credit property and preserved the affordability of 80 family units. This project leveraged approximately \$20 million dollars in private funding.

In FY2012, RESD completed a change to its property management method. HACSC now uses third-party property management companies, which has led to significantly improved revenues at the properties. In most cases, these returns are enough to pay for new resident services. These services, which include after school programs, economic self sufficiency classes, and health and welfare classes for seniors, are particularly important during these challenging economic times. At some sites these services are also funded using MTW funds, permitted, in part, by MTW Activity 2012-5.

Additionally, in June 2012, HACSC achieved a significant milestone when it received an important HUD approval to accumulate up to ten years of Replacement Housing Factor (RHF) funds. This achievement allows HACSC to pursue the development of new affordable housing units using the funds as leverage to attract private investment. In the same year, HACSC solicited proposals from developers in need of gap financing to increase the supply of affordable housing. Ten interested parties submitted applications, and one project was selected. By leveraging HACSC MTW funds as a public funding source, the successful developer secured competitive 9% low income housing tax credits. Construction of 75 new units of affordable housing in San José began in February 2013, including units for extremely low income families and the homeless/mentally ill. Supportive services have been funded through the State and City of San José on behalf of the special needs households. This project was made possible through MTW Activity 2012-3 and HACSC's revised Attachment D, which allowed for the establishment of an Acquisition and Development Fund for Local Non-Traditional Uses.

In addition to these programmatic accomplishments, HACSC implemented a rigorous public outreach campaign for several initiatives, including introduction of suggested changes to HACSC's subsidy standard as well as proposed rent reform strategies. HACSC held a series of meetings in the local community to explain the proposed subsidy standard changes to participants who might be affected. To begin the FY2014 MTW Annual Plan planning process, HACSC conducted a total of 13 public meetings, and received feedback from local government officials, participants, advocates, property owners, and community groups. The goal for all of the public meetings was to solicit input from the diverse group of stakeholders that make up the County of Santa Clara affordable housing community and to use the public comments received to refine proposed policies. The Authority expanded its methods of gathering input from these groups by increasing the amount of time and number of opportunities allowed to submit public comments and by ensuring that the public can submit comments through mail,

email, TTY (teletypewriter) and in person. HACSC realizes the importance of community input and intentionally has developed a partnership-based, solution-oriented approach for application in all future activities.

Additional information on the current implementation status of each of HACSC's ongoing MTW activities is provided briefly in Section VI of this annual plan; significant technical details about each activity's purpose and status through June 2012 can be found in the FY2012 MTW Annual Report, which was submitted to HUD in Fall 2012.

#### **HACSC's Proposed MTW Activities for Fiscal Year 2014**

In the course of preparing the FY2013 MTW Plan, HACSC engaged in discussions with our community partners regarding broad-based rent reform. Through our community engagement process, it became clear that further exploration and discussion was necessary to design a rent reform approach that met MTW objectives while responding to local conditions and community needs. Consequently, for the FY2014 MTW plan, HACSC scaled back its rent reform strategy and offered a more targeted approach. Based on input HACSC received through an extended, three-round series of community meetings, HACSC determined that the best means of working toward rent reform is to introduce a simplified rent structure as part of its new, voluntary Family Self Sufficiency model, Focus Forward.

In Activity 2014-1: Focus Forward, HACSC designed a pilot program that enhances the traditional HUD Family Self Sufficiency Program model. The Focus Forward program proposes a new approach to encouraging participant economic self sufficiency. The program combines a two-year contract with targeted, meaningful case management and increases client access to resources. Additionally, the Focus Forward program provides ongoing monetary incentives during the contract term and incorporates a simplified rent model that will encourage income growth prior to and after contract completion.

Implementing Activity 2014-2: Eliminate Requirement to Re-determine Rent Reasonableness when HUD Decreases Fair Market Rents (FMRs), will help increase staff productivity without program participants or landlords experiencing undue hardships. HACSC will continue to perform a full rent reasonableness review at the time of a new contract, owner requested rent changes, tenant request or when deemed necessary by HACSC staff.

HACSC has built a successful track record for administrative overhaul. Now in its sixth MTW Annual Plan, HACSC has begun to address issues that directly impact the financial and family self sufficiency goals of each participating household. While Activity 2014-2 continues the

streamlining and cost-savings goals of the Authority, Activity 2014-1 demonstrates HACSC's vision for transforming the concept of moving families towards economic self sufficiency.

In response to the March 2013 Congressional reduction in HACSC's Section 8 funding for CY 2013 of more than \$16 million, HACSC's Board of Commissioners considered several options to reduce program costs in lieu of terminating households from the program. Three of the proposed changes required the Agency to amend its FY2014 MTW Plan to add two activities and to revise a current, approved activity. These three activities, will reduce our Housing Assistance Payment (HAP) obligation by almost \$3 million a month (less funds needed to pay for the hardship policy).

Activity 2014-3: Freeze on Contract Rent Increases, added through the Plan Amendment, will impose a moratorium on any owner requests to increase their current, approved contract rent. The moratorium would be in place for an interval of time not to exceed twelve months, and the decision on whether and when to enforce the freeze would be subject to HACSC's Board of Commissioner's approval.

Also added in the FY2014 MTW Plan Amendment, Activity 2014-4: Increased Tenant Contribution Up to 35% of Gross Income, will simplify the rental assistance calculation by setting the participant's rent portion as (1) a flat 30-35 percent of their household's gross monthly income; or (2) \$50, whichever is higher. Allowances, including utility allowances, will be eliminated from the calculation, as will various expenses and deductions that are currently allowed. Having the ability to adjust the percentage allows HACSC to fine-tune the necessary balance between the Agency's fiscal stability and resulting financial impacts to participants. For example, in lean years with budget cuts and funding shortfalls (such as the sequestration impacts the Agency is facing in 2013), HACSC will be able to analyze its fiscal health and set a percentage accordingly. In the event funding is enhanced in the future, HACSC will be able to lower the percentage of gross income used to calculate a participant's TTP.

Finally, HACSC has revised an approved, implemented activity, Activity 2009-14: Payment Standard Changes Between Regular Reexaminations. This activity currently allows HACSC to change a household's voucher size (the number of bedrooms HACSC approves for a family based on their family composition), when a family's composition changes between regular reexaminations. HACSC proposes to change the activity to allow HACSC to implement HACSC's policy changes on the number of bedrooms a family is eligible for under the program and immediately reduce a household's voucher size, when necessary (and process a rent calculation using the new voucher size). This change would not affect the voucher size for households within a current lease term, nor those that have an extra room as a result of a reasonable accommodation.

The proposed amendment to this activity would also reduce the tenant's notice of the change from 90 to 30 days when a rent calculation processed as a result of this activity results in an increase to the tenant's portion of rent. This change is being made to bring the current 90-day notice for tenant rent increases in line with HACSC's 30-day policy for all other certifications that increase the tenant's portion of rent. Significantly, the 30-day minimum notice period will allow HACSC to implement this change as soon as possible, so as to avoid the need to terminate households from the program.

Section V of this Plan describes these proposed activities in more detail. The table at the end of this overview lists all of HACSC's approved and proposed MTW activities, indicates whether the activity is now being proposed or has already been implemented, and identifies the MTW statutory objective(s) (federal goal) each activity addresses.

### **HACSC's Long-term Vision and Non-MTW Initiatives**

HACSC's long-term vision focuses on running a financially sound agency with cost-effective, data-driven programs; addressing the challenges of a high-cost housing market by preserving and increasing the supply of affordable housing; serving more needy households; and, where appropriate, helping current participants to reduce their dependency on housing subsidies. Additionally, HACSC endeavors to strengthen existing relationships and forge new ones with residents, community organizations, and other government agencies in the spirit of partnership. In all its operations, HACSC works toward being a model for the innovative use of leveraged funds and community partnerships. HACSC's vision under MTW is further outlined in Section IV of this Plan.

Data from the 2012 HACSC Needs Assessment shows a need for almost 31,000 affordable units for extremely low income and special needs population households in Santa Clara County. Because of this demand, also evidenced by continued low vacancy rates in Silicon Valley, vouchers can address only some of the need; more affordable housing must be built, older affordable properties must be renovated, and at-risk properties must be preserved. To help meet this demand, HACSC intends to use its MTW funds to acquire, construct and rehabilitate affordable housing, and to allocate project-based vouchers to properties as appropriate and necessary to ensure their long-term viability and to increase housing options for special needs populations that benefit from fixed-site housing.

Because HACSC's vouchers are 100% utilized, HACSC is also using the results of the Needs Assessment, along with current and on-going analysis of the Santa Clara County rental market and employment and population trends, to inform the agency as to how to best position itself to respond to future community needs. The Needs Assessment points out that certain special

needs populations, such as the homeless, elderly, disabled, survivors of domestic violence and households with five or more persons have significantly more housing problems and a higher need for affordable housing. This information has helped frame the possibilities for targeted tenant self sufficiency and other supportive tenant programs that recognize the needs of elderly, disabled and special needs participants and the characteristically high-cost housing market of Silicon Valley.

In FY2014, HACSC will be developing a long-term strategic plan. Through defining the Agency's vision and core values into a multi-year strategic plan, the Agency can better respond to the needs of the community and HACSC will have a clear focus on its priorities and objectives when allocating its resources.

Section III of this report provides some highlights of HACSC initiatives that do not require MTW waivers from HUD or are administered outside the MTW Agreement. While implementing major MTW activities in the HCV program over the past five years, HACSC also maintains several special-purpose federal voucher programs. Each of these programs requires significant inter-agency coordination and planning; HACSC expects to continue administering these programs in FY2014, dependent upon funding availability.

For the past four years, HACSC took conscientious steps to evaluate and reform its business model in anticipation of the current fiscal climate and financial challenges faced by the Agency and the nation. As a result of a series of work flow, business processes, and staffing studies, HACSC reduced its staffing levels over a three year period beginning in FY2011 through FY2013 and continues to realize labor costs savings through its decreased workforce. HACSC will reassess its operational capacities and efficiencies on an ongoing basis to ensure that the Agency operates at optimal functionality.

**OVERVIEW OF HACSC'S MTW ACTIVITIES** (Note: Obsolete activities 2009-6, 2009-7, and 2009-12 are not shown.)

shown.)

		MTW STATUTORY OBJECTIVES		
ACTIVITY # (PLAN YEAR PROPOSED + ACTIVITY #)	ACTIVITY	REDUCE COST AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
IMPLEMENTED ACTIVITIES				
2009-1	Reduced Frequency of Tenant Reexaminations	X		
2009-2	Expediting the Initial Eligibility Income Verification Process	X		
2009-3	Reduced Frequency of Inspections	X		
2009-4	Timeline to Correct Housing Quality Standards (HQS) Deficiencies	X		
2009-5	Exploring New Housing Opportunities for the Chronically Homeless			X
2009-8	30-Day Referral Process for Project-based Vacancies			X
2009-9	Utilization of Low Income Housing Tax Credit (LIHTC) Tenant Income Certification (TIC) for Income and Asset Verification	X		
2009-10	Selection of HACSC-owned Public Housing Projects for PBV without Competition	X		
2009-11	Project-Base 100% of Units in Family Projects	X		X
2009-13	Combined Waiting Lists for the County of Santa Clara and the City of San José	X		
2009-14	Payment Standard Changes Between Regular Reexaminations	X		
2010-1	Eliminating 100% Excluded Income from the Income Calculation Process	X		
2010-2	Excluding Asset Income from Income Calculations for Families with Assets Under \$50,000	X	X	

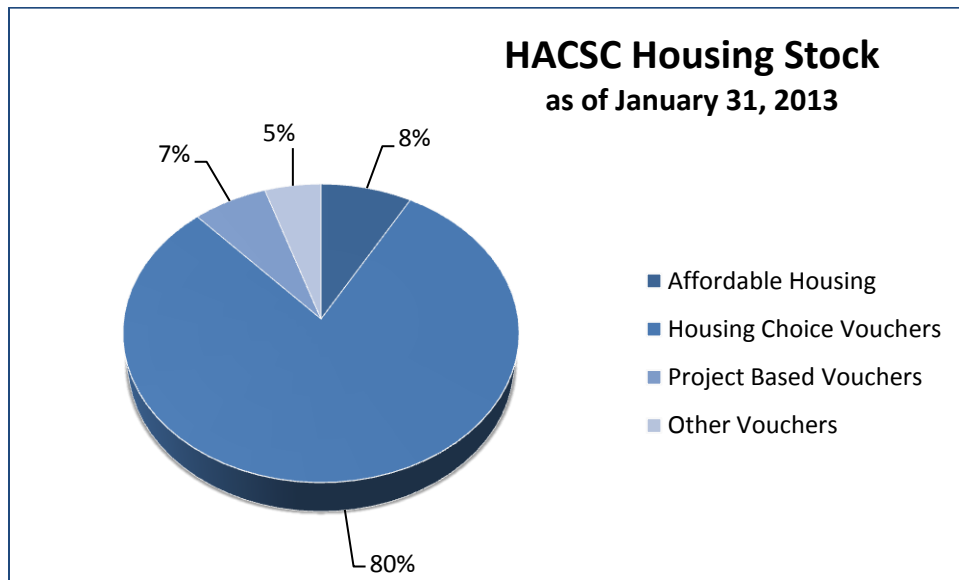


ACTIVITY # (PLAN YEAR PROPOSED + ACTIVITY #)	ACTIVITY	MTW STATUTORY OBJECTIVES		
		REDUCE COST AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
2010-3	Applying Current Increased Payment Standards at Interim Reexaminations	X		X
2010-4	Allocating Project-Based Vouchers to HACSC-owned Projects Without Competition	X		
2010-5	Assisting Over-Income Families Residing at HACSC-owned Project-Based Voucher Properties			X
2011-1	Streamlined Approval Process for Exception Payment Standard for Reasonable Accommodation – HCV			X
2011-2	Simplify Requirements Regarding Third-party Inspections and Rent Services	X		
2012-1	Create Standard Utility Allowance Schedule – HCV Program	X		
2012-2	Minimum Two-year Occupancy in Project-based Unit	X		X
2012-3	Create Affordable Housing Acquisition and Development Fund			X
2012-4	Create Affordable Housing Preservation Fund for HACSC- and Affiliate-owned Properties			X
2012-5	Expand Tenant Services at HACSC- or Affiliate-owned Affordable Housing Properties		X	
2013-1	Elimination of the Earned Income Disallowance (EID) Calculation	X		
<b>PROPOSED ACTIVITIES</b>				
2014-1	Focus Forward Program		X	
2014-2	Eliminate Requirement to Re-Determine Rent Reasonableness when HUD Decreases Fair Market Rents (FMRs)	X		
2014-3	Freeze on Contract Rent Increases	X		

ACTIVITY # (PLAN YEAR PROPOSED + ACTIVITY #)	ACTIVITY	MTW STATUTORY OBJECTIVES		
		REDUCE COST AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
2014-4	Increased Tenant Contribution--Up to 35% of Gross Income	X		

## II. GENERAL HACSC OPERATING INFORMATION

HACSC provides over 19,000 low-income families with rental assistance through rental assistance vouchers (including its Housing Choice and Project Based Voucher Programs) and HACSC directly- or indirectly-owned affordable housing properties. This section provides information about the types and number of affordable units administered or owned by HACSC, the anticipated number of units leased, and any changes anticipated for HACSC's waiting lists.



### A. HOUSING STOCK INFORMATION

#### Public Housing Units and Planned Capital Expenditures:

As of this writing, HACSC has 20 public housing units remaining in its portfolio. HACSC will spend approximately \$15,000 of its capital grant funds to repair the sidewalks at its Deborah Drive property and plans no other capital expenditures on these properties in FY2014.

On September 26, 2007, HUD granted HACSC approval, to dispose of its 555 public housing units. HACSC has disposed of 535 of its public housing units to date, and as a result, HACSC has improved supportive services for the residents of all of the rehabilitated units.

Due to the relatively small number of units in the remaining public housing properties, HACSC's 20 public housing units (on three sites within CA059000006) were not included within the tax credit transaction that financed the disposition of the 535 units. Operation of the remaining

public housing units creates a financial and administrative burden to HACSC and HACSC is working with the Special Applications Center (SAC) to obtain approval to dispose of these remaining units. Project based vouchers will be used to maintain affordability for current and future tenants in these units. With the exception of MTW Activities 2009-10 and 2012-5, none of HACSC's approved or proposed MTW activities in this Plan apply to its remaining public housing portfolio.

**MTW Housing Choice Voucher Units Authorized: 16,641**

PROGRAM	AUTHORIZED UNITS
Tenant-Based HCV	15,358
Project Based Voucher	1,283
<b>Total</b>	<b>16,641</b>

**Non-MTW Housing Choice Voucher Units Authorized: 951**

PROGRAM	AUTHORIZED UNITS
Family Unification Program (FUP)	100
Non Elderly Disabled (NED)	10
Veterans Affairs Supportive Housing (VASH)	535
Mainstream	53
Moderate Rehabilitation	79*
Continuum of Care (Shelter Plus Care)	174**
<b>Total</b>	<b>951</b>

\*14 Moderate Rehabilitation units have opted out of the program since last year.

\*\*Although 174 units are authorized, Shelter Plus Care regulations allow any remaining funds to be used to serve a greater number of participants (§582.105(c)(2)). HACSC is currently assisting 221 households under this program.

**Non-MTW / Non-Voucher Local Housing Program: 15**

PROGRAM	AUTHORIZED UNITS
Sunnyvale Tenant Based Rental Assistance	15
<b>Total</b>	<b>15</b>

**MTW Flexibility for Non-MTW Housing Choice Voucher Units:**

In order to better streamline the administration of the different voucher programs, HACSC currently uses its MTW flexibility to operate the FUP and NED voucher programs under the same MTW policies as the regular MTW HCV units, except where specific program guidelines require otherwise. The Housing Authority received HUD approval on August 3, 2012 to operate its HUD-VASH program in accordance with its MTW Agreement. Starting in FY2014, HACSC intends to administer other MTW-approved programs, such as VASH, using authorized flexibilities.

**Number of HCV Units to be Project-Based:**

HACSC expects that in FY2014, two of the three remaining public housing properties, Eklund I, and Eklund II will be disposed of and will be project-based accordingly. Replacement vouchers have been previously awarded by HUD for these units and the vouchers will be committed to these units once the disposition is complete.

In accordance with MTW Activity 2010-4, 565 of HACSC's tenant-based vouchers are expected to be project-based to preserve HACSC owned (indirectly/directly) affordable housing projects. In FY2013, the HACSC Board of Commissioners approved the commitment of 123 vouchers for the Park Avenue development project in San José. These vouchers are not expected to be issued until FY2017, due to the construction timeline. HACSC may seek additional project-based commitments as needed to maintain affordability for low and extremely low-income households. Below is a current list of the projects and their locations:

PROJECT NAME	LOCATION	NUMBER OF PROJECT BASED VOUCHERS	TYPE OF COMPLEX	ANTICIPATED PROJECT-BASE DATE
Eklund I	Santa Clara	10	Public Housing	FY 2014
Eklund II	Santa Clara	6	Public Housing	FY 2014
Park Avenue	San José	123	New Construction (Senior and Family)	FY2017
Poco Way	San José	117	129 Tax credit units	FY2016
Huff Gardens	San José	35	72 Tax credit units	FY2016
Blossom River	San José	142	144 Tax credit units	FY2016
Helzer Courts	San José	148	155 Tax credit units	FY2016
<b>Total</b>		<b>565</b>		

### Other Housing Owned by HACSC and Affiliates:

Tables 1 through 3 list affordable housing properties that are currently owned by HACSC or by a limited partnership for which HACSC is the general partner or part owner. All are managed by a third-party property management firm.

**Table 1: Senior Tax Credit Housing**

PROJECT NAME	LOCATION	NUMBER OF UNITS
Avenida Espana Gardens	San José	84
Bracher Senior Apartments	Santa Clara	72
Cypress Gardens*†	San José	125
DeRose Gardens	San José	76
El Parador	Campbell	125
John Burns Gardens	Santa Clara	100
Lenzen Gardens*†	San José	94
Morrone Gardens	San José	102
Rincon Gardens*†	Campbell	200
Sunset Gardens*†	Gilroy	75
Villa Hermosa	San José	100
<b>Total</b>		<b>1,153</b>

\*These properties also include non-elderly disabled.

†These properties include Project Based Vouchers or Project Based Assistance

Table 2: Family Tax Credit Housing

PROJECT NAME	LOCATION	NUMBER OF UNITS
<b>Blossom River Apts.</b>	San José	144
<b>Helzer Courts</b>	San José	155
<b>Huff Gardens</b>	San José	72
<b>Julian Gardens†</b>	San José	9
<b>Klamath Gardens</b>	Santa Clara	17
<b>Lucretia Gardens†</b>	San José	16
<b>Miramar†</b>	Santa Clara	16
<b>Opportunity Center†</b>	Palo Alto	89
<b>Pinmore Gardens</b>	San José	51
<b>Poco Way Apartments†</b>	San José	129
<b>RiverTown Apartments</b>	Santa Clara	100
<b>San Pedro Gardens</b>	Morgan Hill	20
<b>The Willows</b>	San José	47
<b>Clarendon Street*</b>	San José	80
<b>Total</b>		<b>945</b>

†These properties include Project-Based Vouchers or Project Based Assistance.

\*Clarendon Street, formerly known as Villa Garcia, was converted to family tax credit housing in FY2013.

Table 3: Public and Other HUD Assisted Housing

PROJECT NAME	LOCATION	NUMBER OF UNITS
<b>Villa San Pedro</b>	San José	100
<b>Seifert House†</b>	San José	3
<b>Deborah Drive**</b>	Santa Clara	4
<b>Eklund I Apartments**</b>	Santa Clara	10
<b>Eklund II Apartments**</b>	Santa Clara	6
<b>Total</b>		<b>123</b>

†These properties include Project Based Vouchers or Project Based Assistance.

\*\*These properties are Public Housing units until final disposition and will then have Project Based Vouchers.

Note – 100 units at Arturo Ochoa Migrant Center were transferred to Santa Cruz County Housing Authority in FY2012.

## **B. PLANNED LEASING INFORMATION**

All 20 public housing units were leased for much of the last Fiscal Year and any current vacancies are expected to be filled shortly. HACSC intends to keep them fully leased until the transfer of ownership.

In FY2014, due to prior commitments for project-based vouchers and continued projections for low turnover, HACSC anticipates maintaining full lease-up of its baseline of 16,641 MTW vouchers in FY2014. However, due to historically low voucher turnover rates that are predicted to continue, the Agency may have to over-lease during FY2014.

Over-leasing has allowed HACSC to meet multiple program commitments, including vouchers for the chronically homeless and for project-basing HACSC-owned and other units. Given the uncertainties of funding, HACSC will closely monitor all of the variables affecting our lease-up rate. The Agency plans to fund any over-leasing through its accumulated MTW reserve fund while continuing to evaluate the sustainability of this position.

Additionally, HACSC is on target to finish lease-up of the 100 additional VASH vouchers HUD awarded in FY2012. Through increased communication with the Veterans Affairs Palo Alto Health Care System and additional streamlining of business processes, HACSC has reduced the time from referral to unit occupancy by 36 days, resulting in an average lease-up time that is 11 days less than the national average. The Agency anticipates that it will reach 100% lease-up of its 535 VASH vouchers by the end of FY2013. Otherwise, HACSC anticipates maintaining 100% lease-up of its other non-MTW vouchers.

## **C. WAITING LIST INFORMATION**

HACSC continues to maintain its combined waiting lists for the Housing Authority of the County of Santa Clara (CA059) and the Housing Authority of the City of San José (CA056) as approved in the FY2009 MTW Plan. Distinct waiting lists have been established for the HCV, PBV and Mod Rehab programs. Each of these lists has been closed since 2006 with over 21,000 applicants waiting on the HCV list, 18,000 on the PBV list and 17,000 on the Mod Rehab list. HACSC does not anticipate opening these lists during FY2014. During FY2014, HACSC will continue to update applicant information which was migrated as part of the software conversion in FY2012. There are no expected changes to the type or number of families that will be assisted this year compared to previous years.

As a result of the public housing disposition, the public housing waiting list is almost exhausted. In March 2013, HACSC reopened the list to address future vacancies at the 20 remaining public



housing units. In addition to the four waiting lists previously mentioned, HACSC currently has a waiting list for three former senior public housing properties. Additionally, the property management companies maintain site-based waiting lists for all tax credit sites.

### III. NON-MTW RELATED HACSC INFORMATION

In FY2014, HACSC will continue to carry out several initiatives that do not require MTW waivers but that complement and support the Agency's overall MTW approach: striving to run a cost-effective, data-driven organization that meets the varied needs of low-income households in the community. The non-MTW programs range from small subsidy assistance programs to managing HACSC's large portfolio of owned or affiliated housing. HACSC also continues to refine its operations to reflect low overhead and high capacity staffing levels, which allows the Agency to direct available program income towards programs and services for residents.

HACSC's business model evaluation began in FY2008, when it hired a third-party consultant (Moss Adams) to study ways to improve operational efficiencies through the Agency's organizational structure, business process flow (including eliminating redundant processes), and overall capacity. In 2010, HACSC continued to assess the streamlining of key business processes through the efforts of a consultant (LeanFIRM), who conducted a business process review to eliminate redundancies and excessive handoffs in connection with the launch of new voucher management software. In 2011 and 2012, the Real Estate Services Department transitioned from in-house to third-party property management and maintenance services and reduced staffing by over 80%.

In FY2012, the Agency commissioned CPS HR Consulting to provide the final layer of analysis by conducting an in-depth review of HACSC's most current business processes and to evaluate appropriate staffing levels in light of streamlined and automated administrative changes. Additionally, in its budget review process, HACSC's Board of Commissioners took into account the CPS Study staff level results, and in June 2012, adopted a FY2013 budget, which included a reduction in force, job reclassifications, and outsourcing of identified administrative processes. As a result of 38 eliminated positions, HACSC realizes an ongoing labor cost savings of approximately \$3.1 million annually.

To support its new business model, HACSC will be designing and implementing a comprehensive quality assurance plan in FY2014. The plan will establish performance indicators and quality control tools to maintain the highest operational standards across all programs and processes.

Other notable non-MTW activities that HACSC performs are described below:

**Finding ways to serve traditionally under-served populations programs, through community partnerships.** To achieve this, HACSC has:

1. Updated the contract with the City of Sunnyvale to administer their Tenant Based Rental Assistance Program (TBRA) for low-income residents of the city to ensure efficient program delivery. As of February 2013:
  - 13 families are housed and attending self sufficiency programs.

**Improving Section 8 program administration and data tracking.** To meet the Agency's continued needs for a more robust means of storing and accessing program information, in FY2014, HACSC will:

1. Continue its software efficiency by adding a partner portal to our database system. The portal will allow owners to view their transactions with HACSC and update their personal information through the Agency's website.

**Preserving and managing housing sites.** HACSC has completed or will complete several planned steps to strengthen the financial position of its affordable housing stock for the long-term, including:

1. Property management transition – shifting the day-to-day management of all HACSC and affiliate properties to third-party property management, thereby reducing costs and improving cash flow at the sites and allowing for better preservation of affordable housing for the long term. As of January 2013, the full portfolio has transitioned to third-party management. In FY2014, the contract with third-party property management will be amended to include the procurement and management of property insurance services.
2. Public housing disposition – In FY2014, HACSC will complete the conversion of HACSC's three remaining public housing sites financing the projects with tax credit limited partnerships and project-based vouchers.

**Asset management of tax credit sites.** HACSC has begun a long range study of the capital and operating needs of HACSC's tax credit portfolio in an effort to evaluate financing needs that will preserve this housing for the long term. To date, HACSC has exercised its option to purchase three properties from the tax-credit limited partnership. Over the next two years, HACSC intends to buy out five more properties. One property originally developed as a HUD 236 project was refinanced and sold to a tax credit partnership which funded a complete rehabilitation and preserved affordability. Additionally, tax credit financing is expected to allow for the substantial rehabilitation of one other property that was originally developed without tax credits and the refinancing and renovation of a property built in 1997.

**IV. LONG-TERM MTW PLAN**

HACSC's vision for the Agency centers around being a model, enterprising agency that implements the necessary reforms to bring about administrative, programmatic, and system-wide improvements. In FY2014, HACSC will develop a long-term Agency plan which will further refine its MTW goals. HACSC's long-term plans under MTW involve initiatives that will address one or more of the following:

1. Preserving affordable rental housing for the long-term.
2. Increasing the supply of affordable rental housing for the long-term.
3. Serving more needy households over time by continuing to implement cost efficiencies in voucher program administration and by exploring ways to create self sufficiency incentives through simplification and restructuring of rent policies.
4. Exploring, expanding, and linking to services that can help tenants in various ways, and cultivating effective partnerships with local service providers to make this possible.
5. Understanding and addressing the special needs for housing assistance of different types of households, including veterans, the chronically homeless, fixed-income seniors and disabled persons, victims of domestic violence, etc.
6. Using data and program experience to inform strategic decisions about program design and re-design, as well as about spending and investment priorities.
7. Ensuring the long-term fiscal health of the Agency and of its assets.

To advance these goals in FY2014 and beyond, HACSC intends to acquire and develop or rehabilitate affordable housing properties throughout the County. In addition, HACSC anticipates allocating project-based vouchers to some properties to better ensure their long-term viability. HACSC will also be expanding the range and types of services it provides, either directly or indirectly, to tenants. To maximize the benefit of the RHF grant funds for the development of affordable housing, HACSC will leverage the funds as part of overall project financing for the Park Avenue development. The RHF funds may be pledged to secure bank financing or HACSC may lend MTW funds as a 'bridge loan' to be repaid with each year's RHF grant funds.

HACSC will use the results of a Needs Assessment conducted in FY2012 along with current and on-going community research to inform its future MTW and non-MTW initiatives. Moreover, HACSC continues to remain committed to exploring and testing rent reform and alternate rent strategies which will promote tenant self sufficiency.

HACSC plans on carrying out its long-term vision of sound fiscal stewardship through its use of “broader use of funds flexibility” and by capitalizing on administrative efficiencies afforded by its MTW designation. HACSC will also continue to build upon its studies of business process management and optimization by refining its business model through ongoing evaluation and review.

## V. PROPOSED MTW ACTIVITIES (HUD Approval Requested)

This section describes the new MTW activities that HACSC proposes to implement in FY2014.

### Focus Forward Program (Proposed Activity 2014 - 1)

#### DESCRIPTION OF MTW ACTIVITY

Using MTW authority, HACSC proposes a pilot program as an alternative to the HUD Family Self Sufficiency (FSS) Program. The FSS program provides case management, assistance and advocacy to help Section 8 families meet goals that support their economic independence. Families, who build their earned income during the five-year program, receive escrow funds upon graduation. The pilot 'Focus Forward' program is also designed to assist families meet their self sufficiency goals, but aims to provide more focused, meaningful case management, accelerated program timelines and immediate and ongoing monetary incentives to volunteer households. The program also introduces rent reform through its simplified rent calculation method (the Tiered Rent Schedule) that is designed to encourage income growth. HACSC believes that these features will provide a more targeted, effective means to encourage MTW households to meet self sufficiency goals than the traditional FSS Program.

HACSC is requesting a waiver of FSS regulations to allow someone other than the head of household to volunteer for the program. If the member who volunteers is not the head of household, the head of household must agree in writing to the program changes, including the change in rent calculation before the family member may enter the program. In addition, households may not opt to participate in only one component of the Focus Forward program. The different components of the program are linked (enhanced services with Tiered Rent Schedule) and households must agree to all parts of the program when enrolling.

The activity was developed in consultation with HACSC stakeholders who participated in an extensive vetting process. The program will be a voluntary pilot program for Housing Choice Voucher participants including participants receiving Social Services benefits such as Temporary Assistance for Needy Families (TANF)<sup>1</sup>. HACSC plans to limit enrollment to approximately 100 participants in the first year to allow time to test and fine tune the program before expanding.

Appendix Four of the Plan provides more details on the Focus Forward program, including: a chart that outlines the significant differences between Focus Forward and the current FSS Program and the regulations that require a waiver to administer the program; and examples of how the Tiered Rent Schedule works in comparison to the current calculation method.

<sup>1</sup> HACSC has 2,750 MTW households receiving TANF as of February, 2013.

The following is a brief description of the Focus Forward program's main features:

### 1. Enhanced Services

One of the major complaints from housing authorities regarding the traditional FSS Program is the lack of capacity and expertise to administer the program. A recent national study<sup>2</sup> on the FSS Program shows an average of 89 clients per case manager. Another study<sup>3</sup> points to the lack of experience of case managers. Many PHAs attribute the lack of adequate, assured funding for FSS Program Coordinators with reluctance to contract or hire experienced case managers who specialize in workforce development. Under such large caseloads and because of inexperience, case managers report having little contact with clients (usually limited to an annual case review), and serving mostly in the capacity of resource referral. Using its MTW block grant funding flexibility and leveraging partner resources, HACSC plans to provide a smaller client to case manager ratio. HACSC will also continue to apply for FSS Coordinator grants as available to finance the hiring or contracting of experienced case managers. According to the 2012 Notice of Funding Availability (NOFA) for the Housing Choice Voucher Family Self Sufficiency Program:

“PHAs that are under MTW agreements may qualify for funding under this NOFA if they administer/will administer an HCV FSS program. A MTW PHA must administer its HCV FSS program in accordance with 24 CFR 984 unless there are provisions in the MTW Plan to the contrary.”

Any grant awards received for FSS Coordinators will be used in accordance with the terms of the NOFA and as outlined in the MTW Plan.

Providing a smaller client-to-case manager ratio will allow more frequent interactions between clients and case managers, and more manageable and realistic caseloads. More frequent and quality contact will allow case managers to become more knowledgeable about their clients' needs and goals and allow them in turn to develop targeted service strategies geared towards building employment potential depending on the job readiness of the client.

---

<sup>2</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *Evaluation of the Family Self Sufficiency Program: Prospective Study*, prepared by Planmatics, Inc., February 2011.

<sup>3</sup> Center on Budget and Policy Priorities, *The Family Self Sufficiency Program: HUD's Best Kept Secret for Promoting Employment and Asset Growth*, Barbara Sard, April 2001.

A work-focused household member who volunteers for the Focus Forward Program<sup>4</sup> will sign a contract of participation similar to the form HUD-52650 FSS Program Contract of Participation. This contract will explain the terms of the program including family responsibilities and will include an individual training and services plan that will establish self sufficiency goals.

To support their self sufficiency goals, participants will receive access to HACSC and partner-provided programs and resources that will:

1. Develop and enhance individual skills, such as job training or education;
2. Address issues that may be barriers to self sufficiency, such as lack of child care, limited English proficiency and lack of reliable transportation; and
3. Provide workshops, classes and services that will promote skill development in areas such as budgeting, credit repair, and family care, including elder care.

If at the end of their contract term (or approved extension period) the participating household is receiving no welfare (TANF) assistance, and the contracted family member has been actively participating in their training plan, achieved their self sufficiency goals and is otherwise in compliance with their contract, they complete the program.

Understanding that numerous factors and individual circumstances affect a participant's efforts towards self sufficiency, HACSC wants to ensure that participants are supported with the tools they need to be successful. HACSC recently completed a random survey of 1,500 of its MTW program participants regarding their need for job training, education, child care, finance/ life skills classes and other resources. Over 400 persons responded. Using the results of the survey, HACSC will further relationships with its established partnerships and add important new partners to collaborate in addressing identified needs. The Agency will seek public or private partners who share a common clientele with HACSC, can provide important resources for our clients and/or funding for services, or can join HACSC in applying for additional funding and grants.

## **2. Two-Year Participation Period**

The HUD FSS Program was developed in 1990 as a five-year program with an end goal defined as "an FSS family no longer receiving Section 8, public or Indian housing assistance, or any Federal, State, or local rent or homeownership subsidies or welfare assistance." Through research and analysis of the factors affecting our clients, including the current

---

<sup>4</sup> Current Family Self Sufficiency (FSS) Program participants will continue under current HUD FSS regulations and will not be impacted by this activity.



economic climate in Silicon Valley, and taking into consideration the feedback from our stakeholders, HACSC is using its MTW authority to develop its pilot Focus Forward program as a shorter term program with an overall goal of improving the income growth capacity of our clients. Studies<sup>5</sup> of the traditional FSS Program show an average drop-out rate of more than 50% during the five-year term of contract. Some studies suggest that the long-term delay of program rewards serves as a disincentive to program completion. HACSC believes that by setting the Focus Forward program contract term to two years (with a possible one-year extension), during which the participant receives regular, ongoing monetary incentives and more focused, meaningful case management in support of their goals, participants will be more motivated to complete their goals because they are able to see more immediate results and tangible benefits.

An accelerated program timeline will also produce program results sooner, which could be used to attract more outside funding and build stronger partnerships with agencies providing key resources. If necessary, the contract can be extended to include a transitional year to allow program participant(s) additional time to obtain or stabilize resources and skills that will assist them in entering/re-entering the workforce.

### **3. Participation Incentives**

A recent study<sup>6</sup> of the HUD FSS Program has shown that better results can be obtained by pairing the traditional FSS Program (where escrow is received at graduation) with monetary incentives received during the term of the contract. HACSC is requesting exemption from HUD FSS Account regulations regarding the calculation, distribution, and forfeiture of escrow account funds to provide participation incentives in addition to graduation bonuses. HACSC's pilot program will provide ongoing participation incentives in the form of rent portion reductions or a monthly payment for participants throughout the duration of their Focus Forward contract. To receive these incentives, the participant must be actively engaged in achieving his or her identified self sufficiency goals and meeting the contract terms. Here is how the participation incentives will work:

- a) Households enter the contract with a baseline of income as determined from their last certification and are provided their new rent portion based on the Tiered Rent Schedule

---

<sup>5</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *Evaluation of the Family Self Sufficiency Program: Prospective Study*, prepared by Planmatics, Inc., February 2011; and MDRC, *Working Toward Self Sufficiency: Early Findings from a Program for Housing Voucher Recipients in New York City*, December 2012.

<sup>6</sup> MDRC, *Working Toward Self Sufficiency: Early Findings from a Program for Housing Voucher Recipients in New York City*, December 2012.

as described in #4. (HACSC requests a waiver to the requirement that certifications be within 120 days of enrollment per the current FSS contract of participation.)

- b) If their new tenant rent portion under the Tiered Rent Schedule provides a decrease from their current rent portion, participants will continue to receive the rent portion reduction every month as long as they are actively participating in the program.
- c) If their new tenant rent portion under the Tiered Rent Schedule does not provide for a decrease from their current rent portion, participants rent will remain as is and they will receive a small monthly monetary incentive as long as they are actively participating in the program. (How much and what form the incentive will take is still being determined.)
- d) Participants will not receive a regular reexamination until they complete their Focus Forward program contract.
- e) Program participants will begin receiving their incentive starting the first month they are under the contract of participation and will continue receiving it during the term of the contract as long as they are working towards meeting their established self sufficiency goals and are otherwise in compliance with the contract.
- f) If the household completes the program and leaves housing assistance, they receive an additional lump-sum monetary payment as a resource and safety net as they move towards economic independence. (The payment will be based on how much the household receives in monthly subsidy at the time they graduate—see Appendix Four.)
- g) Program completers who do not leave housing assistance will continue to receive the income building benefits of the Tiered Rent Schedule after program completion.

#### 4. Tiered Rent Schedule

HACSC is requesting a waiver from its traditional rent calculation method to implement the Tiered Rent Schedule. The Focus Forward pilot program uses a simplified rent calculation method designed to incentivize income growth by providing rent savings as the household income increases. By linking the Tiered Rent Schedule to the Focus Forward pilot program, HACSC is introducing rent reform policy through a targeted, controlled means that allows for analysis and modification.

The Tiered Rent Schedule is applied to a participating family upon entering a Focus Forward contract of participation and the family will not pay more towards their rent than they did before entering the program during the term of the contract. Case managers will provide participating households with counseling and financial budgeting training to prepare families for any increases in tenant rent the household may experience after program completion.

The Tiered Rent Schedule is designed to be equivalent in the amount of Housing Assistance Payments (HAP) costs to the traditional calculation method to provide for long-term program sustainability. Upon program completion, the household income is verified through completion of a regular reexamination and on the certification effective date, the household is placed in the appropriate income tier from the Tiered Rent Schedule based on their updated income. Those who experience more than a \$50 increase in their tenant rent portion using the Tiered Rent Schedule (as compared to the traditional HUD calculation method) will be eligible for a hardship exemption. (For more information on HACSC's hardship policy, see the Rent Reform Impact Analysis section of this activity.)

The Tiered Rent Schedule is based on annual income bands, for the most part set in increments of \$5,000. HACSC set the bottom income band rent at \$10 to ensure that all households will pay a small amount towards the total rent. The rent calculation for all higher income bands sets the tenant's portion of rent somewhere between 16% and 29% of the lowest income of each band. (Each income band has its percentage set based on the average percent of gross monthly income households within that income band currently pay toward their rent under the traditional calculation method.) Because the tiered rent schedule sets tenant rent portions at the lowest income of the band, the rent re-structure encourages program participants to build their income within that income band. As their income grows within the income band, the participant's rent burden reduces.

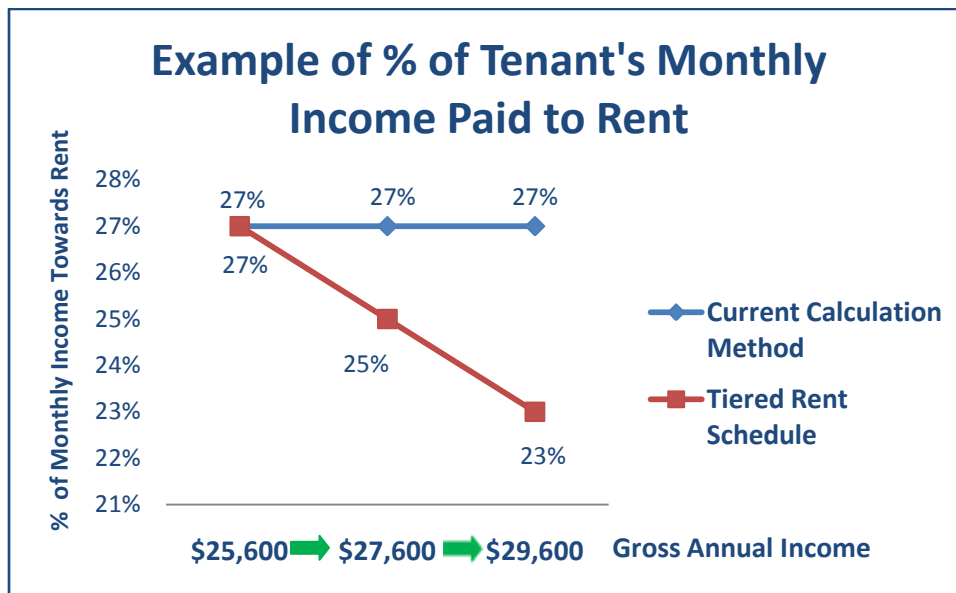
The Tiered Rent Schedule builds in all allowances and deductions that are applied separately under the traditional calculation method. The participant's rent portion will be identified in a simple chart of gross annual income tiers. The Housing Assistance Payment (HAP) will be calculated as follows: The lower of the participant's applicable payment standard or the contract rent less the tenant rent portion as identified on the Tiered Rent Schedule Chart. Thus, in addition to the tenant rent listed on the chart, a household will pay any difference between their unit's contract rent and the applicable Payment Standard. The draft rent schedule included with this activity provides an example of what a household will typically pay towards their rent.

DRAFT TIERED RENT SCHEDULE		
Gross Annual Income	Gross Monthly Income	Tenant Rent
\$0 - \$2,999	\$0- \$249	\$10
\$3,000 - \$4,999	\$250- \$416	\$40
\$5,000 - \$9,999	\$417 - \$833	\$105
\$10,000 - \$14,999	\$834 - 1,250	\$217
\$15,000 - \$19,999	\$1,251 - \$1,666	\$344

DRAFT TIERED RENT SCHEDULE		
Gross Annual Income	Gross Monthly Income	Tenant Rent
\$20,000 - \$24,999	\$1,667 - \$2,083	\$458
\$25,000 - \$29,999	\$2,084 - \$2,500	\$573
\$30,000 - \$34,999	\$2,501 - \$2,916	\$688
\$35,000 - \$39,999	\$2,917 - \$3,333	\$817
\$40,000 - \$44,999	\$3,334 - \$3,750	\$933
\$45,000 - \$49,999	\$3,751 - \$4,166	\$1,050
\$50,000 - \$54,999	\$4,167 - \$4,583	\$1,167
\$55,000 - \$59,999	\$4,584 - \$5,000	\$1,283
\$60,000 - \$64,999	\$5,001 - \$5,416	\$1,400
\$65,000 - \$69,999	\$5,417 - \$5,833	\$1,517
\$70,000 - \$74,999	\$5,834 - \$6,250	\$1,633
\$75,000 - \$79,999	\$6,251 - \$6,666	\$1,813
\$80,000 - \$84,999	\$6,667 - \$7,083	\$1,933
\$85,000 - \$89,999	\$7,084 - \$7,500	\$2,054

The chart at the top of the next page illustrates an example of how an actual program participant's monthly income portion paid towards rent might be affected as their income increases within a Tiered Rent Schedule income band. Under the traditional calculation method, the application of this participant's deductions and allowances to their monthly gross income results in the household spending 27% of their gross monthly income towards their rent. As their income increases, so does their payment towards the contract rent--thus their rent portion remains at 27% of their monthly income.

Using the Tiered Rent Schedule calculation, the same family, whose annual income is \$25,600, pays \$573 in tenant rent per month. This amounts to approximately 27% of their monthly income. However, as their income increases within the income band, their tenant rent remains the same, so the portion of monthly income that is paid towards rent decreases as their income grows.



#### RELATION TO STATUTORY OBJECTIVES

This activity directly relates to the statutory objective to give incentives to families whose heads of household are working, seeking work, or are participating in job training, education or other programs that assist in obtaining employment and becoming economically self-sufficient. Additionally, HACSC has expanded the statutory objective by broadening the scope of this activity to include adult work-able family members.

Through the Focus Forward Program, participants are provided resources and incentives that will encourage them to increase their income and meet self sufficiency goals. The alternative rent calculation is also more user friendly than the traditional rent method for program participants. Knowing their rent portion up-front will provide the information necessary to empower participants to take greater responsibility and decision-making control for their personal housing choices.

Although the main purpose of this activity is to encourage participant self sufficiency, the initiative is also designed to achieve greater cost effectiveness in a federal program by simplifying the rent calculation process. The application of income deductions and allowances in the current process can require extensive verification, excessive administrative burden and opportunity for calculation errors. The Tiered Rent Schedule reduces the complexity of the current process, significantly reducing administrative burden and the probability of errors. It also saves HACSC from processing interim reexaminations if a drop in family income does not require a change to a different income tier.

#### ANTICIPATED IMPACT OF THE ACTIVITY

HACSC believes the combination of case management, accelerated, realistic timelines for goal completion and the built-in monetary incentives will provide the Focus Forward pilot program

with the necessary tools to encourage income growth that will lead to long-term improvements in a household's economic self sufficiency. HACSC estimates that there will be a significant increase in the percent of program completers who build their income under the Focus Forward Program as compared to the FSS Program.

#### PROPOSED BASELINES, BENCHMARKS and METRICS

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, HACSC may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

ACTIVITY 2014-1: FOCUS FORWARD PROGRAM		
Metrics	Baselines (FY2012)*	Benchmarks
Number and percent of households who leave the program prior to graduation	419/29%‡	20/20%
Number and percent of program completers with increased earned income	99/37%	50/50%
Average amount of earned income increase per program completer who increased their earned income	\$11,500	\$11,500
Number and percent of households who leave housing assistance upon program completion	140/12%†	12/12%

\* HACSC is establishing its baseline data on MTW participants who were enrolled in the FSS Program.

‡ Historically, 29% of HACSC's FSS enrollees have left the program prior to graduation. HACSC believes this percentage is a more realistic reflection of actual FSS drop-outs.

† Historically, 12% of HACSC's FSS graduates leave housing assistance upon graduation. HACSC believes this percentage is a more realistic reflection of actual FSS graduates who surrender their housing subsidy.

#### AUTHORIZATION FOR THE ACTIVITY

This proposed activity is authorized in HACSC's Moving To Work Agreement, Attachment C, Paragraphs D.1.c, 2.a, and E. and waives certain provisions of Section 8 (o) (1), (2), (3) (5) and (10) and 8 (o) (13) (H)-(I) and Section 23 of the 1937 Act and 24 CFR 982.508, 24 CFR 982.503, 24 CFR 982.516, 24 CFR 982.518 and 24 CFR 984 as necessary to implement HACSC's MTW Plan.

#### RENT REFORM IMPACT ANALYSIS

This activity qualifies as a rent reform initiative because it changes the way rental assistance is calculated. HACSC will develop an outreach/implementation/transition plan to seek an adequate number of volunteers to the program (maximum 100). Those households who volunteer must sign a two-year participation agreement (similar to the FSS contract). Once the

household agrees to participate in the activity, HACSC staff will complete an interim reexamination using information from the last certification to switch them to the new calculation method.

Because this program is voluntary, HACSC is establishing a hardship policy that will allow participants under a Focus Forward contract to request to terminate the contract at any time if they feel they can no longer meet the terms of the contract or if the household no longer includes any 'work-focused' participants. HACSC may also terminate the contract if the family fails to meet its terms. If program participation is terminated or the family voluntarily leaves the program, the household will return to the regular Housing Choice Voucher rent calculation and participation incentives will cease.

After contract completion, households will receive a regular reexamination. Families will receive the tiered rent amount based on their updated income and family composition information. Any household who experiences more than a \$50 increase in their rent portion may request a hardship exemption. If the increase in rent is due to the difference in calculation methods (between the Tiered Rent Schedule and the traditional rent calculation method) and not due to increased income, the participant will qualify for a hardship exemption. For those families who request and qualify for the hardship exemption, their total rent portion will be calculated based on HACSC's traditional method until their next move, or regular reexamination, whichever comes first. At that point, the household may not request any further 'temporary' hardship exemptions. However, any household under the Tiered Rent Schedule who has allowable medical, childcare or disability expenses in excess of \$5,000 annually or who no longer has any 'work focused' participants in the family may request a permanent hardship exemption and return to the traditional HUD rent calculation method permanently.

This activity was made available for public review and included as a proposed activity in the public hearing held for the FY2014 MTW Annual Plan. HACSC will obtain approval from its Board of Commissioners prior to the activity's implementation. The impact of this activity will be evaluated annually in HACSC's MTW Report.

<b>Eliminate Requirement to Re-Determine Rent Reasonableness when HUD Decreases FMRs (Proposed Activity 2014-2)</b>
---

**DESCRIPTION OF MTW ACTIVITY**

HACSC proposes to eliminate the HUD requirement to re-determine the rent reasonableness of affected units within 60 days of the contract anniversary date when HUD reduces FMRs by 5% or more. HUD reviews and provides updated FMRs on an annual basis. In years when there is a 5% or greater decrease to the FMRs, HUD requires the Housing Authority to perform a rent reasonable review within a strict timeline for all affected units. This causes administrative burden for HACSC staff because FMR changes can affect thousands of units, all of which will require rent reasonableness re-determination and possible negotiation of contract rent decreases. The approval of this activity will provide HACSC with increased flexibility in determining what will trigger a full rent reasonableness review.

HACSC will continue to perform a full review of local market rents and occupancy rates and comparison analysis of HACSC's average contract rents per unit size versus the average asking rents per unit size using databases such as Real Facts. This analysis will be completed both at the time FMRs are revised by HUD and as a part of its ongoing monthly leasing and occupancy studies. If local databases and other analysis support that local market rents have dropped by 5% or more per unit size from the market rents posted during the same quarter of the previous year, HACSC will track the rental market trends for the affected unit sizes for a one year period. Santa Clara County is one of the most volatile rental markets in the U.S. and it is not unknown for market rents to drop and rise by multiple percentage points in one year. If market rents remain down through the tracking period, HACSC will ~~to~~ schedule a full rent reasonableness review for any/all of its contracted units. HACSC will also continue to perform a rent reasonable review for all units at the time of a new contract, owner requested rent changes, tenant request or when deemed necessary by HACSC staff. These reviews will continue without any modifications and will help ensure proper rents are being paid.

**RELATION TO STATUTORY OBJECTIVES**

This activity addresses the statutory objective of achieving greater cost effectiveness in federal expenditures by eliminating the administrative burden placed on HACSC staff to perform additional unplanned rent reasonableness reviews.

**ANTICIPATED IMPACT OF THE ACTIVITY**

By initiating this activity, HACSC anticipates a decrease in staff time to process the additional rent review requests every year HUD reduces FMR's by 5% or more. Many variables affect the staff time it would take to perform the rent review for the affected units, which include: the number of units affected by a 5% or greater decrease, if the rent re-determination leads to a



decrease in the contract rents, and owner willingness to accept the new contract rent amount. HACSC estimates that each rent review takes approximately 42 minutes to complete, if no owner negotiation is needed.

When FMRs decrease, it often occurs that not all unit sizes experience the same percentage reduction. In FY2013, HUD reduced FMRs for Santa Clara County, but only SROs, studios and one bedroom FMRs dropped by 7.5%; FMRs for other unit sizes dropped by less than 1%. However, if FMRs for all unit sizes are reduced by 5% or more, HACSC could save a maximum of 11,726 labor hours by not performing full rent re-determinations for its almost 17,000 units under MTW authority. HACSC will report annually on whether FMRs were reduced by 5% or more and which unit sizes saw a 5% or greater decrease and will calculate the annual savings based on this information in its MTW Reports.

HACSC does not anticipate any participants to be adversely affected by this activity as tenants may request rent reasonableness reviews if they believe the contract rent is not in line with market standards.

#### **PROPOSED BASELINES, BENCHMARKS, METRICS and DATA COLLECTION**

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, HACSC may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

<b>ACTIVITY 2014-2: ELIMINATE REQUIREMENT TO RE-DETERMINE RENT REASONABLENESS WHEN HUD DECREASES FMRS</b>		
<b>Metric</b>	<b>Baselines (FY2013)</b>	<b>Benchmarks (annual)</b>
Labor time spent performing the Rent Reasonable Re-determination Review due to 5% or greater decrease in FMRs	42 min per unit	0 min per unit
Labor time spent performing the Rent Reasonableness Re-determination Review if all unit size FMRs are reduced by 5% or more	11,726 hours	0 hours

#### **AUTHORIZATION FOR THE ACTIVITY**

The proposed activity is authorized in HACSC's MTW Agreement, Attachment C, Paragraph D (2) (b) and (c) and Paragraph D (7) and waives certain provisions of Sections 8 (o) (7), 8 (o) (10), and 8 (o) (13) of the US Housing Act of 1937, and 24 CFR 982.308, 982.451, 982.507, and 983 Subpart G as necessary to implement HACSC's MTW Plan.

**RENT REFORM IMPACT ANALYSIS AND IMPLEMENTATION PLAN**

This activity does not qualify as a rent reform activity as it does not affect the rent calculation. There will be no hardship policy for this activity as participants are already allowed to request a review of the contract rent as established by HACSC policies.

**Freeze on Contract Rent Increases  
(Proposed Activity #2014 -3)****DESCRIPTION OF MTW ACTIVITY**

Using its MTW authority, HACSC is requesting the flexibility to impose a freeze on any owner requests to increase their contract rents for a one year period. HACSC will implement this activity to stabilize HACSC's fiscal health following unexpected or unbudgeted reductions in program funds, and only after taking into consideration other means to manage budget cuts. HACSC's Board of Commissioners approved an initial freeze on contract rent increases to take place immediately upon the U.S. Department of Housing and Urban Development's (HUD's) approval of this activity. Any subsequent freezes on contract rent increases would be in place for an interval of time, not to exceed one year, and the decision on whether and when to implement any future freezes would be subject to HACSC's Board of Commissioners' consideration and approval. Owners requesting contract rent increases during the freeze will be notified in writing of the reason for the freeze and its duration. HACSC will monitor owner program participation levels during the rent freeze. Rent increases approved as a reasonable accommodation (to allow tenant with disabilities to remain in their current unit) would not be affected by this activity.

**RELATION TO STATUTORY OBJECTIVES**

This activity will meet the MTW objective of reducing federal expenditures by controlling additional increases to Housing Assistance Payment (HAP) costs and providing staff time savings.

**ANTICIPATED IMPACT OF THE ACTIVITY**

To reduce costs in response to recent program funding cuts, HACSC will immediately implement a one-year contract rent increase freeze upon HUD's approval of this activity. HACSC will provide its owners notification of the change through HACSC's website and by mail. Over the one year period, HACSC expects to save over \$500,000 in avoided HAP increases and labor cost. On average, HACSC sees an increase of \$121 in the HAP amount for every contract rent change processed. In addition to the savings in HAP, HACSC is projecting a labor time savings of roughly 2,250 labor hours. HACSC currently spends around 2,551 hours annually processing rent increases. During the freeze period, staff will respond to owner requests and notify them of the parameters and duration of the freeze. HACSC anticipates that it will spend approximately 304 hours annually doing this. However, the time saved by this activity will allow staff to spend more time on quality control, training and educating and counseling owners about the Section 8 program.

**PROPOSED BASELINES, BENCHMARKS, METRICS and DATA COLLECTION**

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, HACSC may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

<b>ACTIVITY 2014-3: Freeze on Contract Rent Increases</b>		
<b>Metrics</b>	<b>Baselines (FY2013)*</b>	<b>Benchmarks (annual)</b>
Average Increase in HAP due to contract rent increases	\$440,900	\$0
Number of certifications processed annually due to contract rent increases.	3,644	0
Labor time spent to review and process requested contract rent increases annually.	2,551 hours	304 hours
Annual labor cost spent to review and process requested contract rent increases.	\$68,443	\$8,156

\* HACSC's baselines are based on rent adjustment data for 11 months of FY2013 that was annualized.

**AUTHORIZATION FOR THE ACTIVITY**

This proposed activity is authorized in the HACSC Moving to Work Agreement, Attachment C, Paragraph D (1) (a) and Paragraph D (2) (b) and waives certain provisions of Section 8 (o) (7) and 8 (o) (13) of the 1937 Act, and 24 CFR 982.162, 982.308 and 982.451 and 983 Subpart E as necessary to implement the HACSC MTW Plan.

**RENT REFORM IMPACT ANALYSIS AND IMPLEMENTATION PLAN**

This activity does not qualify as a rent reform initiative because it does not change the way rental assistance is calculated.

**Increased Tenant Contribution—Up to 35% of Gross Income  
(Proposed Activity #2014 - 4)**

**DESCRIPTION OF MTW ACTIVITY**

Under current federal law, a Section 8 participant's Total Tenant Payment (TTP) is calculated by computing 30% of the participant's adjusted monthly income (gross income less applicable HUD-prescribed allowances and deductions). In addition, under the current rent calculation method, a utility allowance for the tenant's unit (representing the cost for reasonable consumption of utilities the tenant pays under the lease and the tenant-provided stove and/or refrigerator) is also used in the calculation. Under this method, after applying all allowances and deductions, HACSC's households are paying, on average, approximately 27% of gross income towards rent.

To address the immediate and urgent need to reduce program costs as a result of Congressional action that reduced program funding adopted in March 2013, HACSC proposes a new method of rent calculation, which eliminates all allowances (including utility allowances) and expenses and increases the tenant contribution towards the rent. Rather than adjusted income, participants will pay a set percentage of the household's gross income as their rent contribution, or a minimum rent of \$50, whichever is greater. After careful analysis of projected HAP deficits in the remainder of CY 2013 as a result of reduced federal funding and savings that can be achieved by setting the gross income rent at 30, 35 or 40 percent, HACSC proposes setting the tenant's TTP at 35 percent of gross income. In public meetings to date, increasing tenant payments across the board was preferred to terminating households. Using this method, the Agency's Housing Assistance Payment (HAP) will be:

Contract rent or tenant's applicable payment standard (whichever is lower) minus 35% of household's monthly gross income or \$50 minimum rent, whichever is greater.

Once established, HACSC will periodically review the set percentage to respond to further sequestration cuts, or more robust program funding. The percentage will be in a range of 30 to 35 percent and will not be set higher than 35% without further HUD review and approval through an MTW Plan amendment. HACSC's Board of Commissioners will develop a policy for analysis of the appropriate gross income threshold that will ensure program sustainability and continuity. HAP expenditures will be reviewed at regular intervals (at least annually) and the percentage of gross income used to calculate the Total Tenant Payment (TTP) will be documented in HACSC's Section 8 Administrative Plan.

Having the ability to adjust the percentage allows HACSC to fine-tune the necessary balance between the Agency's fiscal stability and resulting financial impacts to participants. For

example, in lean years with budget cuts and funding shortfalls (such as the sequestration impacts the Agency is facing in 2013), HACSC will be able to analyze its fiscal health and set a percentage accordingly. In the event funding is enhanced in the future, HACSC will be able to easily adjust the tenant contribution downward by lowering the percentage of gross income used to calculate a participant's TTP.

These changes, if approved by the U.S. Department of Housing and Urban Development (HUD), and after new, more restrictive subsidy standards are applied, may provide HACSC monthly HAP savings of \$2.4 million and increased flexibility to manage the funding differential from year to year. The proposed rent calculation method will also streamline the administration of the Section 8 program. Under the current system, the tenant must document all expenses, allowances, and deductions, and HACSC staff must then review, and incorporate the information into the multi-step rent calculation formula. In addition to significantly reducing staff time used for rent calculation, the proposed system is also simpler, easier to understand, and less prone to rent calculation errors. At the time of eligibility determination, staff will be able to inform the participant of the tenant rent portion, because it will be based on a percentage of the participant's gross income; the participant has the benefit of knowing immediately what his/her rent obligation will be.

In public meetings held to date on this proposed change, this alternative was also preferred to the reduction of the payment standard to 90% of Fair Market Rents, primarily because it has a lesser impact to the almost 15,000 Section 8 MTW households that earn less than \$32,000 per year. Appendix Three, included with this amendment, provides a comparison of 90% payment standard option vs. increased tenant contribution option.

Upon HUD's approval, HACSC will make this activity immediately effective for all new admissions, households porting into Santa Clara County and participants moving to a new unit. For all other participants, HACSC proposes to implement the new rent calculation immediately after HUD approval and at least a 30-day notification to participants. HACSC will create a comparable form for any HUD forms that it may no longer be possible to use under this new calculation method (e.g., HUD Form 52652- FSS Escrow Account Credit Worksheet).

#### **RELATION TO STATUTORY OBJECTIVES**

This activity will meet the MTW objective of reducing federal expenditures by providing Housing Assistance Payment (HAP) cost savings and staff time savings. Using a simplified calculation that eliminates all income deductions and allowances, including the utility allowance, will provide significant HAP savings to offset the funding cuts HACSC received. Additionally, the calculation will reduce the staff time spent verifying and calculating allowances and deductions.

**ANTICIPATED IMPACT OF THE ACTIVITY**

This activity will provide significant costs savings to HACSC by reducing the amount of HAP the Agency pays. HACSC expects to see a \$2.4 million decrease in HAP spending per month by implementing this activity. Additionally, the simplified calculation will provide time savings to staff of 796 labor hours annually. These time savings will allow staff to provide higher quality service to families and reduce fraud through tenant education and increased fraud detection efforts.

**PROPOSED BASELINES, BENCHMARKS, METRICS and DATA COLLECTION**

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, HACSC may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks. Because of the burden of manually tracking a household's earned income increases over an indefinite period of time, HACSC will track a sample population of 300 work-able households over a period of two reexamination cycles (four years).

<b>ACTIVITY 2014-4: INCREASED TENANT CONTRIBUTION- 35% OF GROSS INCOME</b>		
<b>Metrics</b>	<b>Baselines (FY2012)</b>	<b>Benchmarks (annual)</b>
Annual Housing Assistance Payments paid	\$244.9 Million	\$215.3 Million*
Labor time spent to process deductions and allowances annually.	796 hours annually	0
Annual labor cost spent to review deductions and allowances.	\$21,491	\$0
Earned income increases in a sample of 300 non-elderly, non-disabled households.	TBD	TBD

\*HAP expense benchmark is based on the increased tenant contribution once new subsidy standards are applied and providing households remain in their current unit. HAP expenses may change based on current economic conditions, inflation and changes in contract rents.

**AUTHORIZATION FOR THE ACTIVITY**

This proposed activity is authorized in the HACSC Moving to Work Agreement, Attachment C, Paragraph D (1) (c), Paragraph D (2) (a) and Paragraph E and waives certain provisions of Section 8 (o) (1), 8 (o) (2), 8 (o) (3), 8 (o) (5), 8 (o) (10), 8 (o) (13) (H)-(I) and Section 23 of the 1937 Act, and 24 CFR 982.503, 982.508, 982.516, 982.518 and 24 CFR 984 as necessary to implement the HACSC MTW Plan.

**RENT REFORM IMPACT ANALYSIS AND IMPLEMENTATION PLAN**

This activity qualifies as a rent reform initiative because it changes the way rental assistance is calculated. Appendix Three, included with this amendment, provides case studies and analysis of how tenants would be affected by increasing the tenant contribution to 35%.

Upon HUD's approval, HACSC will make this activity immediately effective for all new admissions, participants moving to a new unit, and port-ins. For all other participants, HACSC will process an interim certification using the household's current income information. HACSC will provide a minimum 30-day notice to affected families of their new rent portion and advise them of their right to request a hardship claim.

Qualified households who experience a \$50 or greater increase in their rent portion under the new calculation or through a combination of the new calculation and a reduction in voucher size may request a hardship exemption. (See Activity 2009-14 in this Plan. This activity asks for authorization to immediately use a smaller payment standard that has resulted from HACSC's new, more conservative voucher size policy in a calculation between regular reexaminations.) To qualify, the household must have minors under the age of 13 and have out-of-pocket child care expenses and/or qualify as an elderly/disabled household with out-of-pocket medical/disability assistance expenses. For a period of 90 days, those requesting and qualifying for the hardship will have a revised TTP, HACSC will calculate the TTP based on 35% of gross income less deductions for those two categories of expenses. HACSC recognizes that elderly/disabled households and families with minors will be the most likely to be affected by the new calculation and the hardship policy was crafted with these families in mind.

In developing this hardship policy, HACSC is mindful that hardship costs erode savings from the activity. Given the projected shortfall in HAP funding between April 1 and December 31 is roughly 13.8 million, and that taking no action would require the termination of approximately 990 families, HACSC proposes a hardship policy that will serve the most vulnerable in our community. This 90-day hardship period will allow households additional time to plan for the increased TTP while still preserving the savings that need to be achieved. After the hardship period, the expenses will be removed from the rental assistance calculation. HACSC will use Agency software to track households receiving the hardship exemption and expects that approximately 1,600 households will qualify for and receive the hardship exemption.

This activity was made available for public review and included as a proposed activity in the public hearing held for the amendment to the FY2014 MTW Annual Plan. HACSC's Board of Commissioners has approved this policy. The impact of this activity will be evaluated annually in HACSC's MTW Report.



**Payment Standard Changes Between Regular Reexaminations  
(Amendment to Activity #2009 - 14)****DESCRIPTION OF MTW ACTIVITY**

With the approval of this activity in 2009, HACSC obtained an exception to HUD regulation 24 CFR 982.505 (c) (5), which otherwise would require implementation of a payment standard change related to an increase or decrease of a household's voucher size (the number of bedrooms HACSC approves for a family based on their family composition) to be implemented at the first regular reexamination after the change. Using this MTW waiver, if a Housing Choice Voucher (HCV) family's composition changes between regular reexaminations, the new voucher size and corresponding payment standard was applied in a calculation immediately rather than at the next regular reexamination. The activity specified that if the application of the new payment standard due to the voucher size change resulted in an increase in the family's rent portion, the interim reexamination would be effective the first of the month 90 days after the change is reported. A change that results in a decrease in the family's rent portion would be effective the first of the month following the reported change.

HACSC is proposing to broaden the scope of the activity to include a voucher size change that occurs as a result of changes to HACSC's policy on the number of bedrooms a family may be eligible for under the program based on family size. This change to the activity is prompted by the immediate and urgent need to reduce program costs as a result of Congressional action that reduced program funding under the Continuing Budget Resolution adopted in March 2013. HACSC wants to use the authority of this MTW activity to apply a new payment standard that results from the implementation of its new voucher size policy (that conforms to HUD's minimum standards) in a calculation immediately for current program participants, rather than at the next regular reexamination, which may be up to three years away.

HACSC is also proposing to amend this activity to provide at least a 30-day notice to the affected household when a change of voucher size applied in a calculation between regular reexaminations results in a tenant rent increase, whether due to a change in family composition or application of HACSC's revised voucher size policy. HUD provides guidance to PHA's that a 30-day notice is reasonable when there is an increase to the tenant's portion of rent. HACSC policies provide for a 30-day notice to the program participant on tenant rent increases that occur at a regular reexamination or an interim reexamination that does not apply a new payment standard. The 90-day notice requirement in this activity is singular in that it differs from HUD guidance and all other HACSC policies regarding notice of tenant rent increases. It can result in staff confusion and certification errors and is inequitable in that it applies only to families who report the change between regular reexaminations. Therefore, HACSC proposes to amend this activity to conform the notice required for tenant rent increases

due to the application of a new voucher size to its 30-day notification policy for all other certifications that increase the tenant's portion of rent.

#### RELATION TO STATUTORY OBJECTIVES

When there is a change in family voucher size that occurs between regular reexaminations, initiating an interim reexamination using the new payment standard will allow HACSC to reduce costs and achieve greater cost effectiveness in Federal expenditures.

#### ANTICIPATED IMPACT OF THE ACTIVITY

HACSC has already reported cost savings through the implementation of this activity. The agency expects that there will be additional Housing Assistance Payment (HAP) cost savings in allowing HACSC to apply the change in an interim calculation to all households following a 30-day notification period for tenant rent increases.

Additionally, HACSC projects that approximately 17% of its MTW voucher holders will be affected by the revised voucher size policy and that applying this change immediately upon HUD approval and after at least a 30-day notification to the tenant will save approximately \$13 million in HAP costs annually. The more immediate implementation made possible by the revision to this activity will yield monthly HAP savings of \$1.1 million. Given the 13.7 million loss in HAP funding that must be realized before the end of the calendar year, broadening this activity to include across the board implementation of voucher size changes due to a change in the voucher size policy will avoid the termination of households from the program.

#### PROPOSED BASELINES, BENCHMARKS, METRICS and DATA COLLECTION

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. The benchmark for this activity has been revised from \$115,000 to capture the extra cost savings resulting from the earlier effective date of the certification. The cost savings HACSC will realize by immediately applying new payment standards associated with HACSC's new voucher size policy will be \$1.1 million per month and \$13 million annually. HACSC will provide details on this cost savings in its FY2014 MTW Report.

ACTIVITY 2009-14: PAYMENT STANDARD CHANGES BETWEEN REGULAR REEXAMINATIONS		
Metric	Baselines (FY2010)	Benchmarks (annual)
Net annual decrease in HAP costs	\$0	\$190,000

#### **AUTHORIZATION FOR THE ACTIVITY**

This proposed activity is authorized in the HACSC Moving to Work Agreement, Attachment C, Paragraph D (1) (c) and waives certain provisions of Section 8 (o) (5) of the 1937 Act, and 24 CFR 982.505 (5) as necessary to implement the HACSC MTW Plan.

#### **RENT REFORM IMPACT ANALYSIS AND IMPLEMENTATION PLAN**

This activity does not qualify as a rent reform initiative because it does not change the way rental assistance is calculated. However, to insure families are not impacted by implementing payment standards at the time of the change rather than at the next regular reexamination, HACSC will not process voucher size changes for households in the current term of their lease. The calculation using the new payment standard will be made upon lease term expiration and following a 30-day notice, if the tenant portion of rent will increase. In addition, qualified households who experience a \$50 or greater increase in their rent portion through a combination of the new 35% rent calculation and a decreased payment standard may request a hardship exemption.

## VI. ONGOING MTW ACTIVITIES (HUD Approval Previously Granted)

To date, HACSC has had twenty-seven (27) activities approved by HUD. Of these, three (3) were dropped as obsolete. HACSC's MTW activities thus far have focused primarily on administrative streamlining and increasing housing choices for program participants.

The table that follows lists the previously approved activities, indicates when they were approved, and briefly describes their implementation status as of April 2013. Detailed descriptions of these activities can be found in the Annual Plan for the corresponding year in which they were proposed. The impacts of implemented activities are described in detail in HACSC's FY2009 through FY2012 MTW Annual Reports.

No changes, modifications, or additions to Attachment C authorizations for any of HACSC's ongoing activities are anticipated for FY2014. HACSC has not used outside evaluators to review the impact of its MTW activities, but may elect to do so in the future.

ACTIVITY #	ACTIVITY NAME	IMPLEMENTATION STATUS
2009-1	Reduced Frequency of Tenant Reexaminations	Implemented in FY2009 and continuing.
2009-2	Expediting Initial Eligibility Income Verification Process	Implemented in FY2009 and continuing.
2009-3	Reduced Frequency of Inspections	Implemented in FY2009 and continuing.
2009-4	Timeline to Correct Housing Quality Standards (HQS) Deficiencies	Fully implemented in FY2011. HACSC requested to eliminate this activity in its FY2012 MTW Report, which HUD recently accepted. HACSC will report on this activity for the last time in its FY2013 MTW Report.
2009-5	Exploring New Housing Opportunities for the Chronically Homeless	Implemented in FY2010 and continuing.
2009-8	30-Day Referral Process for Project-based Vacancies	Implemented in FY2011 and continuing.
2009-9	Utilization of Low Income Housing Tax Credit (LIHTC) Tenant Income Certification (TIC) for Income and Asset Verification	Implemented in FY2010 and continuing.

ACTIVITY #	ACTIVITY NAME	IMPLEMENTATION STATUS
2009-10	Selection of HACSC-owned Public Housing Projects for PBV without Competition	Implemented for seven former public housing projects that were disposed of and entered a PBV HAP contract as existing housing in FY2009 and FY2011. The activity will also be used in the disposition of HACSC's remaining three public housing projects planned for FY2014.
2009-11	Project-Base 100% of Units in Family Projects	Implemented in FY2010 and continuing.
2009-13	Combined Waiting Lists for the County of Santa Clara and the City of San José	Implemented in FY2009 and continuing.
2009-14	Payment Standard Changes Between Regular Reexaminations	Implemented in March 2010 for family composition changes between regular reexaminations. HACSC has re-proposed this activity to broaden the scope of this activity to include payment standard changes caused by a policy change in HACSC's subsidy standards and revise the number of days of advance notice for tenant rent increases from 90-days to 30-days. See Section V. of this Plan for details on the proposed changes.
2010-1	Eliminating 100% Excluded Income from the Income Calculation Process	Implemented in March 2010. HACSC plans to discontinue this activity based on recent HUD guidance published in PIH Notice 2013-4. Final reporting on this activity will be included in the MTW Report for FY2013.
2010-2	Excluding Asset Income from Income Calculations for Families with Assets Under \$50,000	Implemented in March 2010 and continuing.
2010-3	Applying Current Increased Payment Standards at Interim Reexaminations	Implemented in March 2010 and continuing.
2010-4	Allocating Project-Based Vouchers to HACSC-owned Projects Without Competition	Implemented in FY2010. This activity covers properties owned directly by HACSC or indirectly (through HACSC affiliates). In FY2013, the Board approved the use of 123 Project Based Vouchers for the Park Avenue project, which is expected to be ready for occupancy in FY2017.
2010-5	Assisting Over-Income Families Residing at HACSC-owned Project-Based Voucher Properties	Policy implemented in FY2010. To date there has not been a need to use this waiver – no families have exceeded the income threshold.

ACTIVITY #	ACTIVITY NAME	IMPLEMENTATION STATUS
2011-1	Streamlined Approval Process for Exception Payment Standard for Reasonable Accommodation – HCV	Policy implemented in FY2011 and continuing.
2011-2	Simplify Requirements Regarding Third-party Inspections and Rent Services	Policy implemented in FY2011 and continuing.
2012-1	Create Standard Utility Allowance Schedule – HCV Program	HACSC has not implemented this activity and has no plans to implement it in FY2014. HACSC is proposing changes to the rent calculation method that will eliminate the utility allowance entirely via a Plan amendment. If this activity is approved, HACSC may eliminate Activity 2012-1 entirely.
2012-2	Minimum Two-year Occupancy in Project-based Unit	Policy to be implemented in early FY2014.
2012-3	Create Affordable Housing Acquisition and Development Fund	In FY2012, through a competitive process, the Board selected a non-profit developer and approved a loan in the amount of \$6.5 million dollars to develop 75 housing units for families earning 50% of or below AMI. This project began construction in FY2013. Additional Board approvals include pre-development loans to three development projects: Park Avenue (up to 180 senior and family units, \$500,000); Villa Garcia (80 family units, \$1,000,000) and Villa San Pedro (100 family units, \$2.3 million).
2012-4	Create Affordable Housing Preservation Fund for HACSC- and Affiliate-owned Properties	No activity to date.
2012-5	Expand Tenant Services at HACSC- or Affiliate-owned Affordable Housing Properties	Implemented in FY2012 and continuing.
2013-1	Elimination of the Earned Income Disallowance (EID) Calculation	Policy to be implemented in early FY2014.

Note: Obsolete activities are not shown. These were approved as activities 6, 7, and 12 in FY2009; final reporting on these activities was provided in the FY2009 MTW Annual Report.

## VII. SOURCES AND USES OF FUNDING

Note: The figures provided in this section are estimates as of June 2013 and may be revised as part of HACSC's annual budget preparation process.

### A. SOURCES AND USES OF MTW FUNDS

#### A1. SOURCES AND USES OF MTW FUNDS- Traditional Activities

FY 2014 Planned Sources	Public Housing	Section 8-MTW	MTW Consolidated
Rental Revenue	83,116		83,116
Section 8 HAP Funding*		230,244,494	230,244,494
Administrative Fee*		13,873,591	13,873,591
Administrative Fee Portability		40,730	40,730
PH Operating Subsidy	34,896		34,896
Capital Grant Program (CGP)	15,000		15,000
Other Revenue (Laundry)	720,270		720,270
Other Revenue (Fraud Recovery)			0
<i>Operating Revenues Sources</i>	<b>133,282</b>	<b>244,158,815</b>	<b>244,292,097</b>
Other Revenue (Interest Income)			0
Non Operating Revenue (Land Lease)		130,039	130,039
<i>Total Sources (Before Transfers)</i>	<b>133,282</b>	<b>244,288,854</b>	<b>244,422,136</b>
Transfer Fr. Public Housing Proceeds Funds	43,495		43,495
Transfer Fr. MTW Reserve		16,418,875	16,418,875
<b>Total Planned Sources</b>	<b>\$176,777</b>	<b>\$260,707,729</b>	<b>\$260,884,506</b>

FY 2014 Planned Expenditures	Public Housing	Section 8-MTW	MTW Consolidated
Tenant Services	12,889		12,889
Maintenance & Operations	39,665		39,665
Utilities	43,008		43,008
Contract Costs & Maintaining Services			0
General (Operational and Administrative Expenses)	66,215	16,762,001	16,828,216
CGP Administrative Expenses & Operational	15,000		15,000
<i>Total Operational Expenses</i>	<b>176,777</b>	<b>16,762,001</b>	<b>16,938,778</b>
Housing Assistance Payments		243,945,728	243,945,728
<b>Total Planned Expenditures</b>	<b>\$176,777</b>	<b>\$260,707,729</b>	<b>\$260,884,506</b>

\* Due to the sequestration cut, administrative fee funding was estimated at 69% of fee eligibility for FYE 6/30/2014 and HAP funding was estimated at 94% of eligible funding.

## A2. SOURCES AND USES OF MTW FUNDS- Non-Traditional Activities

FY 2014 PLANNED SOURCES	RHF GRANTS	2012-3 ACQ. & DEV. FUND*	2012-4 PRESERVATION FUND *	2012-5 TENANT SERVICES*	TOTAL
Grants	1,800,000				1,800,000
Transfer Fr. MTW Reserve				10,000	10,000
Transfer Fr. MTW - Acq and Dev. Reserve**		6,200,000			6,200,000
<b>Total Planned Sources</b>	<b>\$1,800,000</b>	<b>\$6,200,000</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$8,010,000</b>

FY 2014 PLANNED EXPENDITURES	RHF GRANTS	2012-3 ACQ. & DEV. FUND*	2012-4 PRESERVATION FUND *	2012-5 TENANT SERVICES*	TOTAL
Park Avenue Development Expenses	1,800,000				1,800,000
Resident Services *				10,000	10,000
2012-3 - Acquisition and Development Fund *		6,200,000			6,200,000
<b>Total Planned Expenditures</b>	<b>\$1,800,000</b>	<b>\$6,200,000</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$8,010,000</b>

\* Refer to Section VI- ONGOING MTW ACTIVITIES (Implementation Status), pages 48-50.

\*\* Specific \$15M Development and Acquisition Reserve was set up in June 2011 from MTW reserve funds for these applications.



**B. SOURCES AND USES OF NON-MTW FEDERAL, STATE AND LOCAL FUNDS****B1. SOURCES AND USES OF NON-MTW FEDERAL FUNDS**

<b>FY2014 Planned Sources</b>	<b>Mod Rehab</b>	<b>Shelter Plus Care (SPC)</b>	<b>Section 8, Non-Elderly &amp; Disabled (N.E.D)*</b>	<b>Section 8 VASH</b>	<b>Section 8 Main-stream</b>	<b>Section 8 FUP*</b>	<b>Total</b>
Section 8 Subsidy*	1,196,259	3,118,862	146,607	5,426,916	705,111	1,712,708	12,306,463
Transfer Fr. VASH Reserve				1,811,420			1,811,420
Transfer Fr. Mod Rehab Reserve	12,897						12,897
Transfer Fr. NED Reserve			4,050				4,050
Transfer Fr. FUP Reserve						120,000	120,000
Transfer Fr. SPC Reserve		52,215					52,215
Transfer Fr. MTW Reserve			11,725			73,110	84,835
<b>Total Planned Sources</b>	<b>\$1,209,156</b>	<b>\$3,171,077</b>	<b>\$162,382</b>	<b>\$7,238,336</b>	<b>\$705,111</b>	<b>\$1,905,818</b>	<b>\$14,391,880</b>

<b>FY2014 Planned Uses</b>	<b>Mod Rehab</b>	<b>Shelter Plus Care</b>	<b>Section 8, Non-Elderly &amp; Disabled (N.E.D)</b>	<b>Section 8 VASH</b>	<b>Section 8 Main-stream</b>	<b>Section 8 FUP</b>	<b>Total</b>
Housing Assistance Payments	1,098,912	2,866,136	153,480	6,728,160	642,348	1,816,800	13,305,836
Utilities							0
Maintenance							0
Administrative & Operational Expenses	110,244	304,941	8,902	510,176	62,763	89,018	1,086,044
<b>Total Planned Expenditures</b>	<b>\$1,209,156</b>	<b>\$3,171,077</b>	<b>\$162,382</b>	<b>\$7,238,336</b>	<b>\$705,111</b>	<b>\$1,905,818</b>	<b>\$14,391,880</b>

\* N.E.D. and FUP program funding is affected by sequestration cuts; Admin fee and HAP are pro-rated to 69% and 94% respectively.

**B2. SOURCES AND USES OF STATE AND LOCAL FUNDS**

<b>FY2014 PLANNED SOURCES</b>	<b>TBRA (CITY OF SUNNYVALE)</b>	<b>TOTAL</b>
Rental Assistance	275,257	275,257
Administrative Fee	11,144	11,144
Other Revenue/Grant		0
<b>Total Planned Sources</b>	<b>\$286,401</b>	<b>\$286,401</b>

<b>FY2014 PLANNED EXPENDITURES</b>	<b>TBRA (CITY OF SUNNYVALE)</b>	<b>TOTAL</b>
Administrative Expenses	6,982	6,982
Utilities		0
Maintenance & Operations		0
Other Operating and General Expenses	4,162	4,162
<b>Subtotal</b>	<b>11,144</b>	<b>11,144</b>
Housing Assistance Payment (HAP)	275,257	275,257
<b>Total Planned Expenditures</b>	<b>\$286,401</b>	<b>\$286,401</b>

**C. SOURCES AND USES OF CENTRAL OFFICE COST CENTER**

All Public Housing Central Office Cost Center (COCC) net revenue will be used during FY2014 for low income housing and related operating expenses.

**D. ALLOCATION METHOD FOR CENTRAL OFFICE COSTS**

The Housing Authorities of the County of Santa Clara and the City of San José have elected to use an overhead allocation method that is consistent with the methodology of OMB Circular A-87 for the Housing Choice Voucher Program, while for PHCOCC the agencies are using the Operating Fund Rule for the Public Housing Program.

**E. USE OF SINGLE FUND FLEXIBILITY**

The MTW Agreement allows HACSC to combine public housing operating and capital funds, including development and Replacement Housing Factor (RHF) funds, provided under Section 9, and tenant-based voucher program funds provided under Section 8 of the 1937 Act into a single, authority-wide funding source.

HACSC has received approval to accumulate the first and second increment of RHF funds subject to the requirements of the Third Amendment to its MTW Agreement. The funds will be

used for new development of affordable units at the Park Avenue site. Proceeds from future RHF may be used to replace MTW reserve funds previously loaned to the project.

HACSC may use its block grant flexibility to cover the costs of over-leasing in the Housing Choice Voucher (HCV) program. Over-leasing is necessary due to the combined effect of low turnover rates in Section 8, a long Section 8 waiting list, past allocations of vouchers to serve the chronically homeless, and current and anticipated PBV commitments.

Through its Affordable Housing Acquisition and Development Fund and its Affordable Housing Preservation Fund for HACSC and Affiliate Owned Properties, HACSC plans to use MTW funds to support and leverage the development and preservation of rental housing that is affordable to low-, very low-, and extremely low-income households. Furthermore, tenant services have been made available to all residents of all developments, including PBV and non-PBV households; MTW funds have been set aside to help pay for the cost of these resident services, if needed, at a particular property.

Finally, to ensure that HACSC is able to properly serve its program participants, and to improve the cost-effectiveness and day-to-day efficiency of staff activities, HACSC may also use its funding flexibility to consolidate HACSC office space and to enhance administrative support needed for on-going operations. Options include expanding current office and parking facilities at HACSC's main administrative office, relocating staff into a single building, and/or making improvements to current HACSC offices. HACSC will make any required allocation among funding programs.

## **VIII. ADMINISTRATIVE**

### **A. BOARD RESOLUTION ADOPTING THE 2014 ANNUAL MTW PLAN CERTIFICATION OF COMPLIANCE**

This resolution is provided in Appendix One.

### **B. PLANNED OR ONGOING AGENCY-DIRECTED EVALUATIONS OF HACSC'S MTW DEMONSTRATION**

In FY2014, HACSC will continue to refine its approach to data gathering and monitoring of MTW activities and their impacts on stated goals and objectives.

## Appendix One

Board Resolution #13-05 and #13-07 approving the submission of the FY 2014 Annual MTW Plan and FY2014 MTW Plan Amendment to HUD and Certifications of Compliance with Regulations.

**RESOLUTION NO. 13-05**

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA  
APPROVING SUBMISSION OF THE FY2014 MOVING TO WORK (MTW)  
ANNUAL PLAN TO US DEPARTMENT OF HUD**

**WHEREAS**, the Housing Authority of the County of Santa Clara, together with the Housing Authority of the City San José (collectively referred to as "**HACSC**"), each entered into a ten-year Moving To Work (**MTW**) Agreement with the U.S. Department of Housing and Urban Development (**HUD**) in 2008; and

**WHEREAS**, as a Moving to Work Agency, HACSC is required to prepare and submit an Annual MTW Plan (**Plan**), to solicit comments and conduct a public hearing on the Plan, and to make certain certifications; and

**WHEREAS**, currently in its sixth year in the MTW Program, HACSC has drafted its FY2014 Moving to Work Annual Plan, solicited public comment and conducted a public hearing on the Plan; and

**WHEREAS**, the Board has reviewed the Plan, comments received and required certifications;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the County of Santa Clara hereby:

1. Certifies the statements in the attached Certifications of Compliance with Regulations; and
2. Approves the Fiscal Year 2014 Moving to Work Annual Plan for HACSC and the Housing Authority of the City of San José; and
3. Authorizes HACSC to submit the Annual Plan to the U.S. Department of Housing and Urban Development on behalf of both agencies.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Santa Clara, State of California, on April 9, 2013, held at 505 W. Julian

Street, City of San Jose, State of California, upon motion from Commissioner  
Vice Chair Anderson and seconded by Commissioner Hayden  
with the following vote:

AYES: Chair Espinoza - Howard, Vice Chair Anderson, CSMrs Chang, Hayden,  
O'Neil and Scrempas  
NAYS: None

ABSTAIN: None

ABSENT: None

Kathy Espinoza-Howard  
Kathy Espinoza-Howard, Chair

ATTEST:

Alex Sanchez  
Alex Sanchez, Secretary/Executive Director

APPROVED AS TO FORM AND LEGALITY:

Katherine Harasz  
Katherine Harasz, General Counsel

Attachment: Certifications of Compliance with Regulations: Board  
Resolution to Accompany the Annual Moving to Work Plan for the Housing Authority of  
the County of Santa Clara (CA059) and the Housing Authority of the City of San José  
(CA056)

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

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

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning July 1, 2013, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment;
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners in order to incorporate any public comments into the Annual MTW Plan;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990;
4. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions;
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975;
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped;
7. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135;
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F;
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24;
10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable;
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a);
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58;



Annual Moving to Work Plan  
Certifications of Compliance

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

13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act;
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements;
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35;
16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.);
17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan; and
18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

<u>Housing Authority of the County of Santa Clara</u>	<u>CA059</u>
PHA Name	PHA Code

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

<u>Kathy Espinoza-Howard</u>	<u>Chair, HACSC Board of Commissioners</u>
Name of Authorized Official	Title
<u>Kathy Espinoza-Howard</u>	<u>7/9/13</u>
Signature	Date

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

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

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning July 1, 2013, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment;
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners in order to incorporate any public comments into the Annual MTW Plan;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990;
4. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions;
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975;
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped;
7. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135;
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F;
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24;
10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable;
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a);
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58;

Annual Moving to Work Plan  
Certifications of Compliance

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

13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act;
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements;
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35;
16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.);
17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan; and
18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Housing Authority of the City of San José  
PHA Name

CA056  
PHA Code

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

Kathy Espinoza-Howard  
Name of Authorized Official

Chair, HACSC Board of Commissioners  
Title

Kathy Espinoza-Howard  
Signature

4/9/13  
Date

**RESOLUTION NO. 13-07**

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA  
APPROVING SUBMISSION OF AN AMENDMENT TO THE FY2014  
MOVING TO WORK (MTW) ANNUAL PLAN TO US DEPARTMENT OF HUD**

**WHEREAS**, on April 23, 2013, the Housing Authority of the County of Santa Clara's Board of Commissioners directed staff to pursue several Section 8 program changes that would lower the agency's overall cost of Housing Assistance Payments in light of a Congressional reduction in funding of more than \$16 million for CY 2013, including an MTW Plan Amendment that will allow the agency to freeze contract rent increases for a one year period, increase the tenant's rent contribution to 35 percent of their monthly gross income, and immediately implement more restrictive subsidy standards (collectively, **MTW Plan Amendment**); and

**WHEREAS**, these cost saving measures require an amendment to the Annual MTW Plan of the Housing Authority of the County of Santa Clara, and the Housing Authority of the City San José (collectively referred to as "**HACSC**") because they fall outside the scope of the HUD-approved MTW Plan and require invoking authorizations in Attachment C of HACSC's Moving to Work Agreements; and

**WHEREAS**, as a Moving to Work Agency, HACSC is required to submit a proposed amendment to its Annual MTW Plan (**Plan**) only after soliciting comments and conducting a public hearing on the proposed amendment; and

**WHEREAS**, HACSC notified the public on May 3, 2013 of the proposed Plan Amendment by advertising in generally circulated newspapers in English, Spanish and Vietnamese and by posting information about the MTW Plan Amendment on the agency's web site; and

**WHEREAS**, HACSC made the MTW Plan Amendment available for comment for 30 days beginning May 3, 2013, and held a public hearing on May 17 to allow public comment; and

**WHEREAS**, as of May 29, 2013, HACSC received one letter, one e mail and a petition commenting on the proposed changes, and several verbal comments at the May 17<sup>th</sup> public hearing, all of which are summarized on Appendix Two of the MTW Plan Amendment along with any other comments received after May 29th; and

**WHEREAS**, the Board has reviewed the comments received on the MTW Plan Amendment and additional analysis provided by staff on the projected savings that will result from the proposed MTW Plan Amendment;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the County of Santa Clara hereby:

1. Approves the attached MTW Plan Amendment to the Fiscal Year 2014 Moving to Work Annual Plan for HACSC and the Housing Authority of the City of San José; and

2. Authorizes HACSC to submit the MTW Plan Amendment to the U.S. Department of Housing and Urban Development on behalf of both agencies.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Santa Clara, State of California, on June 4, 2013, held at 505 W. Julian Street, City of San Jose, State of California, upon motion from Commissioner

O'Neal and seconded by ~~Commissioner~~ Vice Chair Anderson with the following vote:

**AYES:** Chair Espinoza-Howard, Vice Chair Anderson, Commissioners O'Neal, Chang, and Schrempf  
**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Commissioner Hayden

Kathy Espinoza-Howard  
Kathy Espinoza-Howard, Chair

**ATTEST:**

Alex Sanchez  
Alex Sanchez, Secretary/Executive Director

**APPROVED AS TO FORM AND LEGALITY:**

Katherine Harasz  
Katherine Harasz, General Counsel

Attachment: FY2014 MTW Plan Amendment

## Appendix Two

**Part One of Appendix Two**-- documents the public review process and summarizes the comments received in response to the draft FY2014 MTW Annual Plan.

The draft MTW Plan for FY2014 was made available for public review in its main office and on the Housing Authority website at [www.hacsc.org](http://www.hacsc.org) from February 20 to March 22, 2013. In addition, one-page summaries of the Plan were available in English (Exhibit 1). (Spanish and Vietnamese translations were also available.) In accordance with public due process requirements, HACSC conducted community stakeholders meetings and a public hearing.

In general, the comments received were positive and in support of the two proposed activities. Particularly, the comments provided detailed recommendations relating to specific aspects of HACSC's proposed Focus Forward program.

### I. Public Notices

Notices to the public were published in three local area newspapers: the San Jose Mercury News, Santa Clara County's primary English language newspaper (Exhibit 2); El Observador, a Spanish language newspaper (Exhibit 3) and Vietnam Daily News, a Vietnamese language newspaper (Exhibit 4). The notices advised the public of the availability of the Plan for review, gave directions on how to submit comments on the proposed Plan during the 30-day review period, and provided information on the Public Hearing which was held on March 22, 2013.

### II. Community Stakeholder Meetings

In line with HACSC's commitment to maintain transparency and strengthen connections with the public and stakeholders, HACSC expanded and extended the process begun last year in engaging local stakeholders to provide input and suggestions on proposed rent policies. HACSC began its input opportunities for the FY2014 MTW Plan by scheduling three rounds of meetings from November 2012 through January 2013, conducting a total of 13 public meetings. These meetings were to solicit input from the diverse group of stakeholders that make up the County of Santa Clara affordable housing community and to use the public comments received to refine proposed policies. The focus of the meetings was to gather ideas on defining HACSC's vision of self sufficiency, review possible alternative rent policies that will encourage self sufficiency along with preliminary impact analysis, and discuss the development of the proposed Focus Forward program. Over 200 stakeholders were invited to these meetings, including 100 Housing Choice Voucher participants.

Additionally, HACSC expanded its methods of gathering input from the public by increasing the amount of time and number of opportunities allowed to submit public comments and by ensuring that the public can submit comments through mail, email, TTY (teletypewriter) and in person. Through this process, HACSC determined that the best means of working toward rent

reform is to scale back its rent reform strategy and offer a more targeted approach through the introduction of a simplified rent structure as part of its voluntary Focus Forward pilot program.

Furthermore, in developing the Focus Forward program, HACSC wanted to ensure that participants are supported with the tools they need to be successful. With this goal in mind, HACSC randomly surveyed 1,500 MTW program participants regarding their need for job training, education, child care, finance/life skills classes and other resources. Over 400 persons responded and HACSC will use the results of the survey to target potential partnerships and resources.

### **III. Public Hearing**

A public hearing regarding the proposed FY2014 MTW Plan was held on Friday, March 22, 2013 at 1:00 p.m. A HACSC staff member provided a short introduction about the Plan, and then audience members were invited to speak.

There were two persons representing two agencies at the public hearing. The agencies were:

- Law Foundation of Silicon Valley
- City of San Jose

One person commented on the Plan. The hearing was recorded, and the speaker, from the Law Foundation of Silicon Valley, summarized the key points from a letter that was submitted to HACSC. The letter, submitted jointly by local legal agencies, is summarized in Exhibit 5, below. HACSC will take all of the comments received into consideration as we continue to develop and implement our MTW plan.

### **IV. Correspondence**

HACSC received one written comment, in the form of a letter, during the public review period of the draft MTW Annual Plan. Comments from the letter are consolidated and summarized in Exhibit 5, below. HACSC will respond to the letter and will further review and analyze the recommendations outlined in the letter.

### **V. Summary of Comments Received and HACSC Response**

Exhibit 5 (below) consolidates and summarizes key comments received during the course of HACSC's public outreach period for the MTW FY2014 Annual Plan. HACSC will continue take all of the comments into consideration as we implement and further develop our MTW plan.

**Part Two of Appendix Two--** documents the public review process and summarizes the comments received in response to the draft amendment to the FY2014 MTW Annual Plan.

The draft amendment to the FY2014 MTW Plan was made available for public review in its main office and on the Housing Authority website at [www.hacsc.org](http://www.hacsc.org) from May 3 to June 2, 2013. In addition, one-page summaries of the Plan were available in English (Exhibit 6). (Spanish and Vietnamese translations were also available.) In accordance with public due process requirements, HACSC conducted a public hearing.

### **I. Public Notices**

Notices to the public were published in three local area newspapers on May 3, 2013. The three newspapers were the San Jose Mercury News, Santa Clara County's primary English language newspaper (Exhibit 7); El Observador, a Spanish language newspaper (Exhibit 8); and the Vietnam Daily News, a Vietnamese language newspaper (Exhibit 9). There was a printing error on the El Observador notice that did not affect readability, and so it was re-published correctly on May 10, 2013. The notices advised the public of the availability of the Plan amendment for review, gave directions on how to submit comments on the proposed Plan amendment during the 30-day review period, and provided information on the Public Hearing which was held on May 17, 2013.

### **II. Public Hearing**

A public hearing regarding the proposed amendment to the FY2014 MTW Plan was held on Friday, May 17, 2013 at 3:00 p.m. A HACSC staff member provided a short introduction about the Plan, and then audience members were invited to speak.

Seven persons, including two representing local affordable housing and fair housing agencies, one owner and several tenants, attended the public hearing. Five persons commented on the Plan. The hearing was recorded and summaries of the key points from each speaker is included (Exhibit 10). HACSC will take all of the comments received into consideration as we continue to develop and implement our MTW plan.

### **III. Correspondence**

HACSC received written comments, in the form of a letter from Adobe Services, a housing services agency; a joint letter from the Law Foundation of Silicon Valley, Asian Law Alliance and Bay Area Legal Aid; and an email from a Case Manager at a local senior center. The agency also received a petition signed by 24 persons during the public review period of the draft MTW Annual Plan. Exhibit 10 (below) consolidates and summarizes comments received during the course of HACSC's public outreach period for the amendment to the MTW FY2014 Annual Plan. HACSC will continue to take all of the comments into consideration as we implement and further develop our MTW plan.





### **Moving to Work (MTW) 2014 Proposed Annual Plan – Brief Summary**

Since 2008, the Housing Authority of the County of Santa Clara (HACSC) has introduced nationally recognized changes to its affordable housing programs through the Moving to Work (MTW) demonstration program. MTW is a federal demonstration program established by Congress which encourages selected housing authorities to propose and implement, upon the Department of Housing and Urban Development (HUD) approval, locally-designed changes to the way affordable housing programs are administered.

The goals of the MTW program are:

- To increase cost effectiveness in housing program operations,
- To promote participants' economic self-sufficiency, and
- To expand participants' housing choices.

HACSC has prepared its draft annual plan to describe how the Agency plans to implement its Moving to Work (MTW) demonstration program for Fiscal Year 2014 (July 1, 2013 to June 30, 2014). In the plan, HACSC seeks approval from HUD to add and amend the following activities:

Proposed Activity 2014-1: Focus Forward Program. HACSC is proposing a new approach to the traditional Family Self Sufficiency (FSS) Program that combines targeted, meaningful case management, client access to partner agencies with resources that build skills or remove barriers and employs a simplified rent model that encourages income growth.

Proposed Activity 2014-2: Eliminate Requirement to Re-Determine Rent Reasonableness when FMRs Decrease by 5%. When FMR's are published, HACSC will continue to evaluate rental market conditions, including average contract rents and occupancy rates and make a determination whether a full rent reasonableness review of its HAP contract rents is warranted. The removal of this activity will provide administrative relief for HACSC and will not negatively affect tenants.

The proposed 2014 MTW Plan also describes HACSC's ongoing commitment to:

- Build upon its progress in transforming its business process management while maintaining optimum functionality. As a result of a series of work flow, business processes, and staffing studies, HACSC re-designed its business model and reduced its staffing levels in FY2013, ensuring that HACSC will remain on solid financial footing to fulfill its mission during this time of unprecedented funding cuts.
- Increase its focus on maintaining transparency in its business processes, strengthening connections with the public and with stakeholders in the affordable housing community, and encouraging collaboration with a diverse group of partner agencies.

## Exhibit 1

These efforts enhance the level of service delivered to program participants and increase community dialogue with the purpose of forming greater public-private partnerships across the County. The newly expanded process demonstrates HACSC's commitment to transparent and inclusive business operations.

HACSC will hold a public hearing on the MTW Plan on March 22, 2013, at 1 pm, at HACSC's main office at 505 West Julian Street, San Jose, CA, 95110. A preliminary draft of the MTW Plan will be available for review at this location and public comments on the plan will be accepted from February 20, 2013 - March 22, 2013. The draft plan is also available online on the HACSC website at [www.hacsc.org](http://www.hacsc.org).

Comments may be submitted electronically to:

[ronm@hacsc.org](mailto:ronm@hacsc.org)

or by U.S. mail to the attention of Ron Marsh, Administrative Assistant, at the address above.

The final proposed 2014 MTW Annual Plan will be presented to the HACSC Board of Commissioners for approval on April 9, 2014 and will be submitted to HUD for final approval by April 15, 2014.

In accordance with the Rehabilitation Act of 1973, the Housing Authority will make reasonable efforts to accommodate persons with disabilities. Please call (408) 275-8770 at least three days in advance of the public hearing if you require special accommodations. TDD/TTY users call 408-993-3041.



# San Jose Mercury News

750 RIDDER PARK DRIVE  
SAN JOSE, CALIFORNIA 95190  
408-920-5332

## PROOF OF PUBLICATION

IN THE  
CITY OF SAN JOSE  
STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA

S C COUNTY HOUSING AUTHORITY  
505 W JULIAN ST  
SAN JOSE CA 95110-0000

**FILE NO. 40069**

In the matter of

The San Jose Mercury News

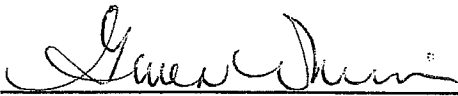
The undersigned, being first duly sworn, deposes and says: That at all times hereinafter mentioned affiant was and still is a citizen of the United States, over the age of eighteen years, and not a party to or interested in the above entitled proceedings; and was at and during all said times and still is the principal clerk of the printer and publisher of the San Jose Mercury News, a newspaper of general circulation printed and published daily in the city of San Jose in said County of Santa Clara, State of California as determined by the court's decree dated June 27, 1952, case numbers 84096 and 84097, and that said San Jose Mercury News is and was at all times herein mentioned a newspaper of general circulation as that term is defined by Sections 6000 and following, of the Government Code of the State of California and, as provided by said sections, is published for the dissemination of local or telegraphic news and intelligence of a general character, having a bona fide subscription list of paying subscribers, and is not devoted to the interests or published for the entertainment or instruction of a particular class, professional, trade, calling, race or denomination, or for the entertainment and instruction of any number of such classes, professionals, trades, callings, races or denominations; that at all times said newspaper has been established, printed and published in the said city of San Jose in said County and State at regular intervals for more than one year preceding the first publication of the notice herein mentioned. Said decree has not been revoked, vacated or set aside.

I declare that the notice, of which the annexed is a true printed copy, has been published in each regular or entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**2/15/2013**

Dated at San Jose, California  
02/15/13

I declare under penalty of perjury that the foregoing is true and correct.

Signed   
Principal clerk of the printer and publisher of the San Jose Mercury News.

Legal No.

**0004768308**

**Public Notice: FY2014 Plan**

On February 26, 2008, the U.S. Department of Housing and Urban Development (HUD) signed ten-year Moving to Work (MTW) Agreements (Agreements) with the Housing Authority of the County of Santa Clara (HACSC) and the Housing Authority of the City of San Jose (HASJ). The MTW demonstration provides HACSC with some flexibility to develop policies applicable to both agencies that are outside the limitations of certain Section 8 voucher and public housing laws, to enhance its ability to serve the housing needs of low-income people and communities in Santa Clara County.

Each year, HACSC creates an Annual MTW Plan for the coming fiscal year. The Draft 2014 Annual MTW Plan, effective July 1, 2013 - June 30, 2014, will allow HACSC to further pursue programs and activities, subject to HUD approval, that differ from the Section 8 voucher and public housing programs but that address affordable housing needs in ways that are consistent with the goals and requirements of the MTW demonstration.

The Draft 2014 MTW Annual Plan will be available for review at the following location from February 20, 2013 through March 22, 2013:

Housing Authority of the  
County of Santa Clara  
505 West Julian Street, San Jose, CA 95110  
Office Hours: Monday-Friday  
7:30 a.m. to 5:00 p.m.  
(closed on March 1, 2013 and  
March 15, 2013).

A public hearing will be held on Friday, March 22, 2013, at 1:00 p.m. at this same location.

The Draft FY14 MTW Annual Plan will also be available on HACSC's website at [www.hacsc.org](http://www.hacsc.org), beginning February 20, 2013.

Written comments from the public may also be submitted by March 22, 2013 via email or U.S. mail, as follows:

Ron Marsh  
[ronm@hacsc.org](mailto:ronm@hacsc.org)  
or  
Ron Marsh, Housing Programs Department  
Housing Authority of the  
County of Santa Clara  
505 W. Julian Street  
San Jose, CA 95110

In accordance with the Rehabilitation Act of 1973, the Housing Authority will make reasonable efforts to accommodate persons with disabilities. Please call (408) 275-8770 at least three days before the public hearing if you require special accommodations. TDD/TTY users call 408-993-3041.  
**SJMN#4768308**

**February 15, 2013**



Mail resume to PO Box  
40786, Tucson, AZ,  
85717-0786, Attn: HR, A.  
McKiernan.

Must reference job title & job  
code (e.g., SWE1, QAE14,  
etc.).

Some positions may  
require travel.

**PLUMBING**

**408-803-1546**

**20 yrs experience**

- **Specialist**
- **HVAC Specialist**
- **Water Heaters**
- **Bathrooms**
- **Kitchens**
- **Sewer**
- **Affordable Rates**
- **24 hour response**

### Section 8 Affordable Housing Program waiting list is officially CLOSED as of February 8, 2013.

El Rancho Verde is committed to comply with all federal, state, and local fair housing and equal housing opportunity laws. We do not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its federally assisted programs and activities. A senior executive has been designated to coordinate compliance with the nondiscrimination requirements contained in the Department of Housing and Urban Development's regulations implementing Section 504 (24 CFR, part 8 dated June 2, 1988) You may address your request for review or reconsideration to: Senior Vice President, Clark Realty Management CA, Inc., 4401 Wilson Boulevard, Suite 600, Arlington, VA 22203, Phone: 703.294.4500.

**EQUAL HOUSING OPPORTUNITY** 

### Miriam's Day Care

Se habla Español/English  
Miriam Rosas Terron

Instruye al niño en su camino, y aun  
cuando fuese viejo no se apartará de él.  
pr.22:6

2943 Betsy Way  
San Jose, CA 95133  
(408) 770-2493



### Notificación pública: Plan FY2014

El 26 de febrero de 2008, el Departamento de Vivienda y Desarrollo Urbano de los EE. UU. (HUD, por sus siglas en inglés) firmó Acuerdos "Mudarse al trabajo" (MTW, por sus siglas en inglés) (en adelante "Acuerdos") de diez años con la Autoridad de vivienda del condado de Santa Clara (HACSC, por sus siglas en inglés) y la Autoridad de vivienda de la ciudad de San José (HASJ, por sus siglas en inglés). La demostración de MTW le brinda a la HACSC cierta flexibilidad para desarrollar políticas que pueden aplicarse a ambas agencias y se encuentran fuera del alcance de las limitaciones de algunas leyes de viviendas públicas y del folleto de la Sección 8, para mejorar su capacidad para satisfacer los requerimientos de viviendas de comunidades y personas de bajos ingresos en el condado de Santa Clara.

Cada año, la HACSC crea un Plan MTW anual para el próximo año fiscal. El borrador del Plan MTW anual para 2014, con vigencia del 1.º de julio de 2013 al 30 de junio de 2014, le permitirá desarrollar más programas y actividades a la HACSC, sujetos a la aprobación del HUD, que difieren de los programas de viviendas públicas y el folleto de la Sección 8, pero que se ocupan de las necesidades de viviendas accesibles de forma coherente con los objetivos y requerimientos de la demostración de MTW.

El borrador del Plan MTW anual para 2014 estará disponible para su revisión en la siguiente ubicación desde el 20 de febrero de 2013 hasta el 22 de marzo de 2013:

Housing Authority of the County of Santa Clara  
505 West Julian Street, San Jose, CA 95110

Horario de atención: de lunes a viernes de 7:30 a. m. a 5:00 p. m. (cerrado el 1 de marzo de 2013 y el 15 de marzo de 2013).

Se realizará una audiencia pública el viernes 22 de marzo de 2013, a la 1:00 p. m. en esta misma ubicación.

El borrador del Plan MTW anual para el año fiscal 2014 también estará disponible en el sitio web de la HACSC en [www.hacsc.org](http://www.hacsc.org), a partir del 20 de febrero de 2013.

Podrán enviarse comentarios del público por escrito hasta el 22 de marzo de 2013 por correo electrónico o correo postal estadounidense, a las siguientes direcciones:

Ron Marsh, [ronm@hacsc.org](mailto:ronm@hacsc.org)

o

Ron Marsh, Housing Programs Department  
Housing Authority of the County of Santa Clara  
505 W. Julian Street  
San José, CA 95110

De acuerdo con la Ley de Rehabilitación de 1973, la Autoridad de vivienda hará esfuerzos razonables para dar lugar a personas con discapacidades. Llame al (408) 275-8770 al menos tres días antes de la audiencia pública si necesita ajustes especiales. Los usuarios que necesiten servicio de teléfono de texto (TDD/TTY) deben llamar al 408-993-3041.



Feb. 15, 22; March 01, 08, 2013.

This statement was filed with  
the County of Santa Clara on  
01/17/13.

### FICTITIOUS BUSINESS NAME STATEMENT NO. 574694

The following person(s) is(are) doing business, Bay Edu, 2668 Carlo Scimeca Dr., San Jose, CA 95132, Santa Clara Co. Ying Yu, 2668 Carlo Scimeca Dr., San Jose, CA 95132, Mi Zhou, 2668 Carlo Scimeca Dr., San Jose, CA 95132. This business is conducted by a general partnership registrants have not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Ying Yu Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 02/11/13.

### FICTITIOUS BUSINESS NAME STATEMENT NO. 574628

The following person(s) is(are) doing business, Galeanas House Cleaning & Garden Services, 482 Jackie Dr., San Jose, CA 95111, Santa Clara Co. Patricia Balanzar, 482 Jackie Dr., San Jose, CA 95111, Miguel Angel Galicia, 482 Jackie Dr., San Jose, CA 95111. This business is conducted by a married couple registrants began business under the fictitious business name or names listed here in 12/14/2005. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Patricia Balanzar/Miguel Galicia Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 02/08/13.

### FICTITIOUS BUSINESS NAME STATEMENT NO. 574572

The following person(s) is(are) doing business, Mint Collective, 2322 Senter Road, San Jose, CA 95122, Santa Clara Co. Mint Alternative Healing, 2322 Senter Rd., San Jose, CA 95122. This business is conducted by a corporation

Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 02/06/13.

The following person(s) doing business, Ma de Vida, 920 Matterhorn Milpitas, CA 95035, Clara Co. Nueva Generación en Cristo, 920 Matterhorn Milpitas, CA 95035. This business is conducted by a partnership registrants have not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Mike Atkar/Secretary Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 02/06/13.

### FICTITIOUS BUSINESS NAME STATEMENT NO. 57269

The following person(s) doing business, Ma de Vida, 920 Matterhorn Milpitas, CA 95035, Clara Co. Nueva Generación en Cristo, 920 Matterhorn Milpitas, CA 95035. This business is conducted by a partnership registrants have not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Mike Atkar/Secretary Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 01/30/13.

### FICTITIOUS BUSINESS NAME STATEMENT NO. 573965

The following person(s) doing business, Elite Lipo, 1741 Saratoga San Jose, CA 95129 Clara Co. Ilana Kat, 1741 Saratoga Ave, San Jose, CA 95129, Marina, 1741 Saratoga Ave., San Jose, CA 95129. This business is conducted by an incorporated association the partnership registrants began business under the fictitious business name or names listed here in 01/15/13. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Marina Gocha Feb. 15, 22; March 01, 08, 2013. This statement was filed with the County of Santa Clara on 01/15/13.

COPY

COPY

**Việt Nam** Số 6754 \* Thứ Năm 21 tháng 2, 2013*Leaders in Making a Difference.***Thông Báo Công Khai: Kế Hoạch Năm Tài Khóa 2014**

Vào ngày 26 tháng Hai, 2008, Sở Gia Cư và Phát Triển Đô Thị Hoa Kỳ (HUD) đã ký Các Thỏa Thuận Chuyển Nơi Ở để Làm Việc mười năm (MTW) (Các Thỏa Thuận) với Cơ Quan Gia Cư Quận Santa Clara (HACSC) và Cơ Quan Gia Cư Thành Phố San Jose (HASJ). Buổi thuyết trình về MTW giúp HACSC linh hoạt thiết lập các chính sách áp dụng cho cả hai cơ quan nằm ngoài các giới hạn củm một số điều luật về gia cư chính phủ và phiếu trợ cấp Section 8, tăng cường khả năng đáp ứng các nhu cầu về gia cư của các cộng đồng và cư dân có lợi tức thấp tại Quận hạt Santa Clara.

Hàng năm, HACSC lập Kế Hoạch MTW Hàng Năm cho năm tài khoá tiếp theo. Bản Phác Thảo Kế Hoạch MTW Hàng Năm 2014, bắt đầu có hiệu lực từ ngày 1 tháng Bảy, 2013 tới 30 tháng Sáu, 2014, sẽ tạo điều kiện để HACSC phát triển thêm các chương trình và hoạt động (nếu được HUD phê chuẩn) khác với các chương trình gia cư chính phủ và phiếu trợ cấp Section 8, nhưng đáp ứng được nhu cầu về gia cư hợp túi tiền theo cách phù hợp với các mục tiêu và yêu cầu của buổi thuyết trình về MTW.

Sẽ có bản Phác Thảo Kế Hoạch MTW Hàng Năm 2014 để xem xét tại địa điểm sau đây, từ ngày 20 tháng Hai, 2013 tới hết ngày 22 tháng Ba, 2013:

Housing Authority of the County of Santa Clara

505 West Julian Street, San Jose, CA 95110

Giờ làm việc: Thứ Hai tới thứ Sáu, 7 giờ 30 sáng tới 5 giờ chiều. (đóng cửa vào ngày 1 tháng Ba, 2013 và ngày 15 tháng Ba, 2013).

Một buổi điều trần công khai sẽ diễn ra vào thứ Sáu, ngày 22 tháng Ba, 2013, lúc 1 giờ chiều tại cùng một địa điểm.

Bản Phác Thảo Kế Hoạch MTW Hàng Năm 2014 cũng sẽ có trên website của HACSC tại [www.hacsc.org](http://www.hacsc.org), bắt đầu từ ngày 20 tháng Hai, 2013.

Công chúng cũng có thể gửi thư nhận xét trước ngày 22 tháng Ba, 2013 qua email hoặc bưu điện Hoa Kỳ như sau:

Ron Marsh

[ronm@hacsc.org](mailto:ronm@hacsc.org)

hoặc

Ron Marsh, Housing Programs Department

Housing Authority of the County of Santa Clara

505 W. Julian Street

San Jose, CA 95110

Theo Đạo Luật Phục Hồi năm 1973, Cơ Quan Gia Cư sẽ cố gắng hợp lý để đáp ứng nhu cầu của người khuyết tật. Vui lòng gọi số (408) 275-8770 ít nhất ba ngày trước buổi điều trần công cộng nếu quý vị cần phương tiện trợ giúp đặc biệt. Những người sử dụng TDD/TTY xin gọi số 408-993-3041.



**Exhibit 5- Public Comments on FY2014 MTW Plan**

<b>Key Public Comments Received Through Stakeholder Meetings</b>	
<b>Comments/Questions</b>	<b>HACSC Responses</b>
Proposing a rent policy with mandatory requirements would draw negative feedback from the community.	HACSC decided to develop a voluntary rent policy pilot program—Focus Forward—for a limited group of participants (100 participants maximum).
If HACSC creates a tiered rent program, make sure rents are set at the lower end of the scale so households can build their income as an incentive.	The Tiered Rent Schedule that is associated with the Focus Forward program sets tenant rent portions at the lowest income of the band, which encourages program participants to build their income within that income band.
HACSC's first step is to define self sufficiency. What do you mean?	Self sufficiency is traditionally interpreted as the ability to be self-supporting and free of all subsidized assistance. HACSC's definition of self sufficiency is broader than the traditional definition:  <i>HACSC's vision is to empower program participants with the resources and skills to actively enhance their quality of living.</i>
If jobs aren't available, what are the intentions/plans for the self sufficiency rent reform activity?	The definition of self sufficiency is developed locally and obtaining a job may be only one facet of a broader definition of self sufficiency, which may include training, education, etc.
If the Focus Forward program is voluntary, how will it work? Are there concerns about finding volunteers?	The program will have built-in incentives in an alternative rent structure that will be applied only to program participants. In addition, HACSC will develop an implementation plan that will include extensive outreach to participants.
Will HACSC set a programmatic goal for the Focus Forward program such as transitioning 5% of its families off assistance?	HACSC has developed benchmarks for the Focus Forward program, which are outlined in the draft Plan made available for public review.
What percent of HACSC's participants are on CalWorks/TANF and can HACSC look into developing its partner agencies with Social Services Agency?	The preliminary data analysis shows that at least 17% of our participants are receiving some form of assistances from Social Services such as TANF, general assistance, etc. HACSC is exploring all possible community partners in developing a self sufficiency rent program.
If the Focus Forward program is two years, there may be cases where an individual is not ready to enter the workforce after two years of enhanced services. If they have been in a training program, they may need extra time and assistance to enter the workforce.	HACSC has included an optional one-year extension or a transitional year to the enhanced services piece of the program to better prepare individuals to enter the workforce.

Written Public Comment Received
Joint Letter Received from the Law Foundation of Silicon Valley, Bay Area Legal Aid, and Asian Law Alliance, March 22, 2013
Recommendations Regarding Proposed Focus Forward Program: <ul style="list-style-type: none"><li>• HACSC must revise its FSS Action Plan (and request a regulatory waiver)</li><li>• HACSC must develop a grievance procedure for Focus Forward</li><li>• Supportive services must be meaningful</li><li>• Maintain Focus Forward as a voluntary program</li><li>• Allow multiple terms of participation</li><li>• Create incentives for savings</li><li>• Allow optional recalculation of baseline income upon enrollment</li><li>• Establish a meaningful hardship policy</li></ul>
Comments regarding Proposed Rent Reasonableness Activity (#2014-2): <ul style="list-style-type: none"><li>• No opposition to this proposed activity</li></ul>



The Housing Authority of the County of Santa Clara (HACSC) proposes to amend its 2014 Moving to Work (MTW) Plan to include two new activities and amend a current activity. These changes, if approved by the U.S. Department of Housing and Urban Development (HUD), will provide HACSC increased flexibility to manage the \$21 million funding shortfall caused by the federal sequestration and related budget cuts.

The Section 8 program, the agency's primary program, provides rental assistance to over 17,000 households in Santa Clara County. Because Section 8 is 100% federally funded, any shortfall in federal funding has a direct and immediate impact on the agency's program and fiscal health. For more information on sequestration and how it is affecting HACSC and its housing programs, see the Agency's website at [www.hacsc.org](http://www.hacsc.org).

HACSC's Board of Commissioners recently approved several cost cutting measures to address the sequestration cuts, including three that require the Agency to add activities to its FY2014 MTW Plan and amend a current, approved activity. These three activities, if approved by HUD, will provide costs savings in Housing Assistance Payments that will help cover the shortfall of HUD funding due to the sequestration.

The first activity, 'Contract Rent Freeze', will impose a freeze on any owner requests to increase their current, approved contract rents. The contract rent freezes would be for an interval of time, not to exceed one year and the decision on whether and when to enforce the freeze would be subject to HACSC's Board of Commissioner's approval.

The activity, 'Increased Tenant Contribution', will simplify the rental assistance calculation by setting the participant's rent portion as (1) a flat 35 percent of their household's gross monthly income; or (2) \$50, whichever is higher. Allowances, including utility allowances, will be eliminated from the calculation. Tenants will also be responsible for paying the difference between the contract rent and the payment standard, if the contract rent is higher. Current rent calculation is based on 30% of a participant's monthly adjusted income (which deducts allowances for minors, medical/childcare expenses, etc.). This change will result in an increase in the tenant's rent obligation.

HACSC proposes to amend its approved MTW activity 2009-14: Payment Standard Changes Between Regular Reexaminations. This activity allows HACSC to change a household's voucher size (the number of bedrooms HACSC approves for a family based on their family composition), which may increase the tenant's rent obligation, when a family's composition changes between regular reexaminations. HACSC proposes to



change the activity to allow HACSC to reduce a household's voucher size, when necessary (and process a rent calculation using the new voucher size) to implement HACSC's policy changes on the number of bedrooms a family may be eligible for under the program. The proposed amendment to this activity would also reduce the tenant's notice of the change from 90 to 30 days when a rent calculation processed as a result of this activity results in an increase to the tenant's portion of rent. This change is being made to bring the current 90-day notice for tenant rent increases in line with HACSC's 30-day policy for all other certifications that increase the tenant's portion of rent.

The draft amendment of the MTW Plan will be available for review at the following location from May 3, 2013 to June 2, 2013:

Housing Authority of the County of Santa Clara  
505 West Julian Street, San Jose, CA 95110  
Office Hours: Monday-Friday 7:30 a.m. to 5:00 p.m. (closed on May 10, May 24 and May 27, 2013).

The proposed amendments to the FY2014 MTW Plan will also be available on HACSC's website at [www.hacsc.org](http://www.hacsc.org), beginning May 3, 2013.

A public hearing on the changes to the Plan will be held on Friday, May 17, 2013 at 3:00 p.m. at 505 West Julian Street, San Jose, CA 95110.

Written comments from the public on the proposed amendment may also be submitted by June 2, 2013 via email or U.S. mail, as follows:

Ron Marsh  
[ronm@hacsc.org](mailto:ronm@hacsc.org)  
or  
Ron Marsh, Housing Programs Department  
Housing Authority of the County of Santa Clara  
505 W. Julian Street  
San Jose, CA 95110

The proposed amendments to the 2014 MTW Annual Plan will be presented to the HACSC Board of Commissioners for approval on June 4, 2013 and will be submitted to HUD for final approval shortly thereafter. None of the policy changes submitted can be implemented prior to HUD approval.

In accordance with the Rehabilitation Act of 1973, the Housing Authority will make reasonable efforts to accommodate persons with disabilities. Please call (408) 275-8770 at least three days before the public hearing if you require special accommodations.



# San Jose Mercury News

750 RIDDER PARK DRIVE  
SAN JOSE, CALIFORNIA 95190  
408-920-5332

## PROOF OF PUBLICATION

IN THE  
CITY OF SAN JOSE  
STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA

S C COUNTY HOUSING AUTHORITY  
505 W JULIAN ST  
SAN JOSE CA 95110-0000

**FILE NO. 40128**

In the matter of

The San Jose Mercury News

The undersigned, being first duly sworn, deposes and says: That at all times hereinafter mentioned affiant was and still is a citizen of the United States, over the age of eighteen years, and not a party to or interested in the above entitled proceedings; and was at and during all said times and still is the principal clerk of the printer and publisher of the San Jose Mercury News, a newspaper of general circulation printed and published daily in the city of San Jose in said County of Santa Clara, State of California as determined by the court's decree dated June 27, 1952, case numbers 84096 and 84097, and that said San Jose Mercury News is and was at all times herein mentioned a newspaper of general circulation as that term is defined by Sections 6000 and following, of the Government Code of the State of California and, as provided by said sections, is published for the dissemination of local or telegraphic news and intelligence of a general character, having a bona fide subscription list of paying subscribers, and is not devoted to the interests or published for the entertainment or instruction of a particular class, professional, trade, calling, race or denomination, or for the entertainment and instruction of any number of such classes, professionals, trades, callings, races or denominations; that at all times said newspaper has been established, printed and published in the said city of San Jose in said County and State at regular intervals for more than one year preceding the first publication of the notice herein mentioned. Said decree has not been revoked, vacated or set aside.

I declare that the notice, of which the annexed is a true printed copy, has been published in each regular or entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**5/3/2013**

Dated at San Jose, California  
05/03/13

I declare under penalty of perjury that the foregoing is true and correct.

Signed

Principal clerk of the printer and publisher of the San Jose Mercury News.

Legal No.

0004846132

### HOUSING AUTHORITY of the COUNTY of SANTA CLARA

The Housing Authority of the County of Santa Clara (HACSC) proposes to amend its Fiscal Year 2014 Moving to Work (MTW) Plan to include two new activities and amend a current activity. The new and amended activities will provide increased administrative flexibility and significant cost savings in the Section 8 program during these times of unparalleled federal budget cuts. Because Section 8 is 100% federally funded, any shortfall in federal funding has a direct and immediate impact on the agency's program and fiscal health. For more information on sequestration budget cuts and how it is affecting HACSC and its housing programs, see the Agency's website at [www.hacsc.org](http://www.hacsc.org).

The draft amendment of the MTW Plan will be available for review at HACSC from May 3, 2013 to June 2, 2013.

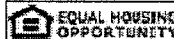
A public hearing on the changes to the Plan will be held on Friday, May 17 at 3:00 p.m. at 505 West Julian Street, San Jose, CA 95110.

Comments from the public may also be submitted by June 2, 2013 via electronic correspondence or by U.S. Mail to the following address:

The Housing Authority of  
the County of Santa Clara  
505 W. Julian Street  
San Jose, CA 95110  
Attn: Ron Marsh

Email: Ron Marsh  
[ronm@hacsc.org](mailto:ronm@hacsc.org)

In accordance with the Rehabilitation Act of 1973, the Housing Authority will make reasonable efforts to accommodate persons with disabilities. Please call (408) 275-8770 at least three days before the public hearing if you require special accommodations.  
SJMN#4846132 May 3, 2013



MAY 10 - MAY 16, 2013

EL OBSERVADOR | www.el-observador.com

LEGAL CLASSIFIEDS 15

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577745**

The following person(s) is(are) doing business, Corte's Landscaping, 655 34th Street B16, San Jose, CA 95116, Santa Clara Co. Victor Cortes, 655 34th Street B16, San Jose, CA 95116. This business is conducted by an individual registrant began business under the fictitious business name or names listed here in 01/01/2013. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Victor Manuel Cortes April 26, May 03, 10, 17, 2013. This statement was filed with the County of Santa Clara on 04/24/13.

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577712**

The following person(s) is(are) doing business, Shova Capital, 2964 Glen Crow Ct, San Jose, CA 95148, Santa Clara Co. Susan T. Browne, 2964 Glen Crow Ct, San Jose, CA 95148. This business is conducted by an individual registrant has not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Susan T. Browne April 26, May 03, 10, 17, 2013. This statement was filed with the County of Santa Clara on 04/23/13.

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577475**

The following person(s) is(are) doing

business, GCE Labs, 1782 Clear Lake Dr #256, Milpitas, CA 95035, Santa Clara Co. Quincy Hoang, 908 Cape Morris Place, San Jose, CA 95133, Kha Nguyen, 3061 Park Lane, San Jose, CA 95127. This business is conducted by a general partnership registrants have not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Quincy Hoang April 26, May 03, 10, 17, 2013. This statement was filed with the County of Santa Clara on 04/18/13.

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577096**

The following person(s) is(are) doing business, Prada, Miu Miu, 2855 Stevens Creek Blvd # 1247, Santa Clara, CA 95050, Santa Clara Co. Prada USA Corp, 610 W 52nd St., New York, NY 10019. This business is conducted by a corporation registrant has not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Prada USA Corp, Ruggen Caterer/C.O. April 26, May 03, 10, 17, 2013. This statement was filed with the County of Santa Clara on 04/10/13.

**ORDER TO SHOW CAUSE  
FOR CHANGE OF NAME  
NO. 113CV245228**

Superior Court of California, County of Santa Clara-In the matter of the application of: Mayra Toscano, TO ALL

INTERESTED PERSONS: The court finds that petitioner, Mayra Toscano filed a petition for Change of Name with the clerk of this court for a decree changing names as follows: a. Jesus Alejandro Valencia to Jesus Alejandro Toscano THE COURT ORDERS that all persons interested in this matter appear before this court at the hearing indicated below to show cause, if any, why the petition for change of names should not be granted on 07/23/13 at 8:45 am, Room 107: located at 191 N. First Street, San Jose, CA 95113. A copy of the Order to Show cause shall be published at least once a week for four successive weeks prior to the date set for hearing on the petition in El Observador, a newspaper of general circulation, printed in the county of Santa Clara. April 24, 2013. Thomas Wm. Cain Judge of the Superior Court April 26, May 03, 10, 17, 2013.

**ORDER TO SHOW CAUSE  
FOR CHANGE OF NAME  
NO. 113CV244696**

Superior Court of California, County of Santa Clara-In the matter of the application of: Yolanda Ruiz Esparza Velasquez, TO ALL INTERESTED PERSONS: The court finds that petitioner, Yolanda Ruiz Esparza Velasquez filed a petition for Change of Name with the clerk of this court for a decree changing names as follows: a. Carlos Ariel Diaz-Ruiz-Esparza to (first) Carlos (middle) Ariel (last) Diaz Ruiz Esparza THE COURT ORDERS that all persons interested in this matter appear before this court at the hearing indicated below to show cause, if any, why the petition for change of names should not be granted on 07/16/13 at 8:45 am, Room 107: located at 191 N. First Street, San Jose, CA 95113. A copy

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577373**

The following person(s) is(are) doing

of the Order to Show cause shall be published at least once a week for four successive weeks prior to the date set for hearing on the petition in El Observador, a newspaper of general circulation, printed in the county of Santa Clara. April 16, 2013. Thomas Wm. Cain Judge of the Superior Court April 26, May 03, 10, 17, 2013.

**ORDER TO SHOW CAUSE  
FOR CHANGE OF NAME  
NO. 113CV244697**

Superior Court of California, County of Santa Clara-In the matter of the application of: Yesenia Diaz Esparza, TO ALL INTERESTED PERSONS: The court finds that petitioner, Yesenia Diaz Esparza filed a petition for Change of Name with the clerk of this court for a decree changing names as follows: a. Yesenia Diaz Esparza THE COURT ORDERS that all persons interested in this matter appear before this court at the hearing indicated below to show cause, if any, why the petition for change of names should not be granted on 07/16/13 at 8:45 am, Room 107: located at 191 N. First Street, San Jose, CA 95113. A copy of the Order to Show cause shall be published at least once a week for four successive weeks prior to the date set for hearing on the petition in El Observador, a newspaper of general circulation, printed in the county of Santa Clara. April 16, 2013. Thomas Wm. Cain Judge of the Superior Court April 26, May 03, 10, 17, 2013.

business, Andrea's Jumper, 1893 Dandini Cir, San Jose, CA 95128, Santa Clara Co. Miguel Gonzalez, 1893 Dandini Cir, San Jose, CA 95128. This business is conducted by an individual registrant began business under the fictitious business name or names listed here in 04/16/13. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Miguel Gonzalez April 19, 26, May 03, 10, 2013. This statement was filed with the County of Santa Clara on 04/16/13.

**FICTITIOUS BUSINESS  
NAME STATEMENT  
NO. 577160**

The following person(s) is(are) doing business, Norcal Flavor, Emporium, 88 S 3rd Street # 308, San Jose, CA 95113, Santa Clara Co. Plastic Spoon Inc., 88 S 3rd Street #309, San Jose, CA 95113. This business is conducted by a corporation regis-

trants have not yet begun business under the fictitious business name or names listed hereon. "I declare that all information in this statement is true and correct." (A registrant who declares as true information which he or she knows to be false is guilty of a crime.) Plastic Spoon Inc. Gupprett Saran/CEO April 19, 26, May 03, 10, 2013. This statement was filed with the County of Santa Clara on 04/10/13.

**ORDER TO SHOW CAUSE  
FOR CHANGE OF NAME  
NO. 113CV244626**

Superior Court of California, County of Santa Clara-In the matter of the application of: Abdollah Mirzai Ghaleh, TO ALL INTERESTED PERSONS: The court finds that petitioner, Abdollah Mirzai Ghaleh filed a petition for Change of Name with the clerk of this court for a decree changing names as follows: a. Abdollah Mirzai Ghaleh to Andy Ghaleh THE COURT

ORDERS that all persons interested in this matter appear before this court at the hearing indicated below to show cause, if any, why the petition for change of names should not be granted on 07/16/13 at 8:45 am, Room 107: located at 191 N. First Street, San Jose, CA 95113. A copy of the Order to Show cause shall be published at least once a week for four successive weeks prior to the date set for hearing on the petition in El Observador, a newspaper of general circulation, printed in the county of Santa Clara. April 15, 2013. Thomas Wm. Cain Judge of the Superior Court April 19, 26, May 03, 10, 2013.

**ORDER TO SHOW CAUSE  
FOR CHANGE OF NAME  
NO. 113CV244087**

Superior Court of California, County of Santa Clara-In the matter of the application of: Telya Veronica Melendez

TO ALL INTERESTED PERSONS: The court finds that petitioner, Telya Veronica Melendez filed a petition for Change of Name with the clerk of this court for a decree changing names as follows: a. Jocelyn Gabriela Terraza Melendez to Jocelyn Gabriela Galdames-Melendez THE COURT ORDERS that all persons interested in this matter appear before this court at the hearing indicated below to show cause, if any, why the petition for change of names should not be granted on 07/02/13 at 8:45 am, Room 107: located at 191 N. First Street, San Jose, CA 95113. A copy of the Order to Show cause shall be published at least once a week for four successive weeks prior to the date set for hearing on the petition in El Observador, a newspaper of general circulation, printed in the county of Santa Clara. April 04, 2013. Thomas Wm. Cain Judge of the Superior Court

**AVISO DE DESIGNACIÓN DE LUGARES DE VOTACIÓN EN  
LA ELECCIÓN ESPECIAL DEL 4 DE JUNIO DE 2013**

De acuerdo a la Sección 12105 del Código Electoral de California, se notifica por medio de la presente que el Registro de Votantes del Condado de Santa Clara ha designado los siguientes lugares como puestos de votación para cada precinto electoral para la Elección Especial que se efectuará en el Condado de Santa Clara, el martes, 4 de junio de 2013.

La información a continuación está sujeta a cambios.

Las siguientes iniciales en la columna del Precinto de Votación significan que habrá asistencia bilingüe:  
C = Chino, S = Español, P = Tagalo, V = Vietnamita

Precinto	Polling Place - Name	Address	City/State/Zip
0001	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0002	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0003	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0004	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0005	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0006	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0007	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0008	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0009	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0010	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0011	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0012	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0013	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0014	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0015	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0016	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0017	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0018	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0019	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0020	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0021	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0022	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0023	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0024	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0025	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0026	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0027	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0028	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0029	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0030	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0031	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0032	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0033	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0034	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0035	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0036	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0037	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0038	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0039	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0040	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0041	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0042	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0043	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0044	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0045	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0046	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0047	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0048	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0049	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0050	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0051	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0052	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0053	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0054	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0055	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0056	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0057	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0058	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0059	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0060	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0061	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0062	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0063	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0064	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0065	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0066	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0067	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0068	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0069	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0070	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0071	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0072	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0073	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0074	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0075	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0076	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0077	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0078	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0079	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0080	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0081	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0082	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0083	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0084	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0085	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0086	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0087	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0088	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0089	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0090	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0091	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0092	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0093	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0094	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0095	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0096	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0097	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0098	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0099	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128
0100	Thompson Elementary - Reform	University Ave. Off the Alameda	San Jose, CA 95128

De acuerdo al Código Electoral 12109, también se notifica que las boletas emitidas en dicha Elección serán contadas públicamente en el Centro de Servicios del Condado de Santa Clara, Oficina del Registro de Votantes (1555 Berger Drive, Building #2, San Jose, California) y los resultados serán dados a conocer por la Oficina del Registro de Votantes. De acuerdo con el Código Electoral 15101(b), se da el aviso que las boletas para votar por Garros serán abiertas y procesadas para conteo comenzando el viernes, 24 de mayo de 2013, en 1555 Berger Drive, Building #2, San Jose, California.

La información anteriormente mencionada está sujeta a cambios.

Shannon Bushey, Registradora de Votantes Interina, Condado de Santa Clara

CNS#2310930



La Autoridad de vivienda del condado de Santa Clara (HACSC) propone modificar su Plan Moving to Work (MTW, Mudarse al trabajo) para el año fiscal 2014, a fin de incluir dos nuevas actividades y modificar una actividad actual. Las actividades nuevas y modificadas aumentarán la flexibilidad administrativa y proporcionarán ahorros significativos de costos en el programa del Artículo 8 durante estos tiempos de recortes presupuestarios federales sin precedentes. Debido a que el Artículo 8 es un programa 100% financiado federalmente, todo déficit en el financiamiento federal tiene un impacto directo e inmediato en el programa y el estado fiscal de la agencia. Para obtener más información sobre los recortes presupuestarios de retención y cómo afectan a la HACSC y sus programas de vivienda, visite el sitio web de la Agencia en [www.hacsc.org](http://www.hacsc.org).

El borrador de la modificación del Plan MTW estará disponible para su revisión en la HACSC desde el 3 de mayo de 2013 hasta el 2 de junio de 2013.

Se realizará una audiencia pública sobre las modificaciones al Plan el viernes 17 de mayo a las 3:00 p. m. en 505 West Julian Street, San Jose, CA 95110.

También pueden enviarse comentarios del público hasta el 2 de junio de 2013 por correo electrónico o por correo postal de Estados Unidos a la siguiente dirección:

The Housing Authority of the County of Santa Clara  
505 W. Julian Street  
San José, CA 95110  
Attn: Ron Marsh

Correo electrónico: Ron Marsh [ronm@hacsc.org](mailto:ronm@hacsc.org)

De acuerdo con la Ley de Rehabilitación de 1973, la Autoridad de vivienda hará esfuerzos razonables para dar lugar a personas con discapacidades. Llame al (408) 275-8770 al menos tres días antes de la audiencia pública si necesita ajustes especiales.







Cơ Quan Gia Cư Quận Santa Clara (HACSC) đề nghị tu chỉnh Kế Hoạch Vận Chuyển tới Nơi Làm Việc của Năm Tài Khóa 2014 (MTW) để thêm hai hoạt động mới và tu chỉnh một hoạt động hiện tại. Các hoạt động mới và hoạt động được tu chỉnh sẽ tăng cường mức độ linh hoạt về hành chánh và tiết kiệm được nhiều chi phí trong chương trình Section 8 vào thời điểm cắt giảm ngân sách liên bang này. Vì Section 8 là chương trình được liên bang tài trợ 100%, bất kỳ tình trạng thiếu hụt ngân sách liên bang nào đều ảnh hưởng trực tiếp ngay tới tình hình tài chánh và chương trình của cơ quan. Để biết thêm thông tin về tình hình cắt giảm ngân sách theo ngành và ảnh hưởng của việc cắt giảm ngân sách đối với HACSC và các chương trình gia cư của cơ quan này, vui lòng xem website của Cơ Quan tại [www.hacsc.org](http://www.hacsc.org).

Đề án tu chỉnh Kế Hoạch MTW sẽ có sẵn để xem tại HACSC từ 3 tháng Năm, 2013 tới 2 tháng Sáu, 2013.

Một buổi điều trần công cộng về các thay đổi đối với Kế Hoạch sẽ được tổ chức vào lúc 3 giờ chiều thứ Sáu, ngày 17 tháng Năm tại 505 West Julian Street, San Jose, CA 95110.

Công chúng cũng có thể gửi ý kiến nhận xét trước ngày 2 tháng Sáu, 2013 qua thư điện tử hoặc qua Bưu Điện Hoa Kỳ tới địa chỉ sau đây:

The Housing Authority of the County of Santa Clara  
505 W. Julian Street  
San Jose, CA 95110  
Attn: Ron Marsh

Email: Ron Marsh  
[ronm@hacsc.org](mailto:ronm@hacsc.org)

Theo Đạo Luật Phục Hồi ban hành năm 1973, Cơ Quan Gia Cư sẽ cố gắng một cách hợp lý để đáp ứng nhu cầu của những người khuyết tật. Vui lòng gọi số (408) 275-8770 ít nhất ba ngày trước buổi điều trần công cộng nếu quý vị cần phương tiện trợ giúp đặc biệt.



Tro cốt TT Nguyễn Khoa Nam nằm kề bức tượng Địa Tạng bồ tát

tất hơn. Có lẽ hai năm nay những người biết đến ông đã từng có đến chăm chút và thắp nhang cho ông.

Tôi nghĩ cũng lạ. Đúng cái ngày ông mất thành và chết theo thành thì hình như không ai đến đây, hay là anh linh người đã chết không muốn ai quấy nhiễu mình hay không muốn những kẻ phạm phu tục tử đứng trước mình vào cái ngày ông thua trận, làm giảm cái uy vũ của một danh tướng một đời hiển danh cho tổ quốc. Ý nghĩ này làm tôi nhớ Mỹ, thăng bạn tôi.

Trước ngày tan trận nó bị đánh giữa sống lưng mảnh phá làm nó nằm liệt suốt đời còn lại. Đêm 30-04-75 ông Tướng Tư Lệnh đầu vào bệnh viện Phan Thanh Giản Cần Thơ, thăm từng người một, ông đến bên giường từng người lính đã theo ông, chiến đấu cùng ông và bị thương tất tại chiến trường ngay trên vai trách nhiệm của ông, ngay trên thành trì của ông, ông đã rung nước mắt nói với nó: “Em cố đi, Qua còn đây, Qua sẽ lo cho các em”. Ông Tướng luôn xưng hô với các chiến sĩ của mình như vậy, rồi ông ra về.

Sáng hôm sau, ông ra đi mãi mãi, trước cái nhục

mất thành, trong khí tiết của một Tướng trấn ải.

Ngày tan trận quân lực VNCH có hàng trăm tướng lãnh, duy nhất chỉ có 5 anh hùng “tuần tiết theo thành”.

Thấp xon 3 nén nhang cho ông, tôi ngồi tựa cửa ra vào, nhìn lên di ảnh người anh hùng, chợt thấy lòng se lại.

Nếu như ngày đó, cả quân đoàn 4 vùng 4 chiến thuật còn nguyên vẹn.

Nếu Chuẩn Tướng tư lệnh phó Lê Văn Hưng không đi trước ông một bước.

Nếu như kế hoạch triệt thoái về tiêu thổ kháng chiến của hai ông tại vùng 4 cắt từ Mỹ Tho, thực hiện được thì Đại tá Cần đầu bị hành hình khi chiến đấu đến viên đạn cuối.

Nếu như những cấp tướng tuổi tên lừng lẫy không đào thoát, ôm của chạy với người từ những ngày trước đó.

Nếu như Tướng Viên, Tướng Khiêm tá lả tướng đều can đảm ở lại trên chiến trường, sát cánh với những tàn binh thì chúng ta... có lẽ cũng thua nhưng cái thua ít ra không nhục, và có lẽ sẽ không

có những cuộc tự sát tập thể của những chiến binh can trường khi nghe lệnh buông súng.

Và nếu như...“Còn gì mà nếu, Thiếu Tướng ơi! 38 năm qua rồi”

Bên trái ngăn kệ thứ tư từ dưới (trên lầu). Hôm nay chỉ có 4 cây nhang cắm trên bàn thờ, một của người giữ cửa Địa Tạng Đường và...3 cây vừa cắm.

Tôi bước ra ngoài cổng, chiều xuống làm ngôi chùa có vẻ im vắng hơn, mùi khói nhang trên Phật đường bay ngào ngạt, nhưng lòng không thanh thản, tôi ghé cái tiệm bán thuốc lá nghèo nàn của anh lính cũ.

Chào nhau một tiếng, anh kéo ghế mời tôi ngồi trước cái sân rộng thênh thang ngoài cổng chùa.

Hai người lính cũ gặp nhau qua những lần đến thắp nhang cho một người duy nhất ở đây, chúng tôi biết nhau. Trong cái âm u của một ngày mưa nhỏ qua đây, hai người chúng tôi bất chợt cùng nhìn lên phía trên Địa Tạng Đường, anh ta thở dài:

- Ba mươi tám năm... mới đó mà mau thật !

Lời than của người lính cũ làm tôi bùi ngùi. Chỉ một câu thôi nó nói lên sự chịu đựng dài dai từ 38 năm, sự căm hận có lẽ chưa nguôi trong tâm hồn chất phát của người lính miền Nam, dù quân đội của anh không còn, tinh thần không nheo thời trai trẻ, nhưng trong cái nhìn về nơi lưu giữ tro cốt của một danh tướng với tất cả sự kính cẩn cho tôi tin điều anh nói, anh vẫn thường lên đó thắp cho TT Nam một nén nhang.

Đất xe ra về tôi còn ngược nhìn lên cánh cửa Địa Tạng Đường mà tôi đã cài khóa lại.

Buổi Điều Trần Công Khai

## Lệ Phí Kiểm Soát Lụt Lội cho Tài Khóa 2013-2014



Quý vị đã được mời tham dự

**Đề tài:** Lệ phí Kiểm Soát Lụt Lội - Tài khóa 2013-2014

**Ai mời:** Ban Quản Trị Khu Thủy Cự Santa Clara

**Khi nào:** Vào lúc 9:00 sáng ngày thứ Ba 14 tháng 5 năm 2013

**Tại đâu:** Phòng hội thảo Khu Thủy Cự Quận Hạt Santa Clara  
5700 Almaden Expressway, San Jose, CA 95118

Xin thông báo rằng Ban Quản Trị Khu Thủy Cự Quận Hạt Santa Clara sẽ tổ chức một buổi điều trần công khai liên quan đến bản tường trình khuyến cáo mức Lệ phí Kiểm Soát Lụt Lội tài khóa 2013-2014 cho những vùng có nguy cơ lụt lội trong phạm vi Khu Thủy Cự.

Buổi điều trần sẽ diễn ra vào lúc 9:00 giờ sáng ngày Thứ Ba 14 tháng Năm, 2013 tại Phòng Hội Thảo, Khu Thủy Cự, số 5700 Almaden Expressway, San Jose, California.

Bản tường trình này bao gồm việc đề cập đến mỗi lô đất trong phạm vi các vùng kiểm soát lụt lội thuộc Khu Thủy Cự cùng với mức lệ phí lượng định dựa theo phương thức đã được chấp thuận đối với từng lô.

Phó bản của bản tường trình có thể được xem xét tại Văn Phòng Thư Ký Ban Quản Trị ở địa chỉ trên trong giờ làm việc. Phó bản của bản tường trình cũng được đặt tại các địa điểm sau đây để tham khảo:

**Campbell City Hall**  
70 North First Street  
Campbell, CA

**Campbell Library**  
77 Harrison Avenue  
Campbell, CA

**Cupertino City Hall**  
10300 Torre Avenue  
Cupertino, CA

**Cupertino Library**  
10800 Torre Avenue  
Cupertino, CA

**Gilroy City Hall**  
7351 Rosanna Street  
Gilroy, CA

**Gilroy Library**  
350 West Sixth Street  
Gilroy, CA

**Los Altos City Hall**  
1 North San Antonio Rd  
Los Altos, CA

**Los Altos Library**  
13 South San Antonio Rd  
Los Altos Hills, CA

**Los Altos Hills Town Hall**  
26379 Fremont Road  
Los Altos Hills, CA

**Los Gatos Civic Center**  
110 East Main Street  
Los Gatos, CA

**Los Gatos Library**  
100 Villa Avenue  
Los Gatos, CA

**Milpitas City Hall**  
455 East Calaveras Blvd  
Milpitas, CA

**Milpitas Library**  
160 North Main Street  
Milpitas, CA

**Monte Sereno City Hall**  
18041 Saratoga-Los Gatos Rd  
Monte Sereno, CA

**Morgan Hill City Hall**  
17575 Peak Avenue  
Morgan Hill, CA

**Morgan Hill Library**  
660 West Main Avenue  
Morgan Hill, CA

**Mountain View City Hall**  
500 Castro Street  
Mountain View, CA

**Mountain View Public Library**  
585 Franklin Street  
Mountain View, CA

**Palo Alto City Hall**  
250 Hamilton Avenue  
Palo Alto, CA

**San Jose City Hall**  
200 East Santa Clara Street  
San José, CA

**Dr. Martin Luther King Jr. Library**  
150 E. San Fernando Street  
San José, CA

**Hillview Branch Library**  
1600 Hopkins Drive  
San José, CA

**Pearl Avenue Library**  
4270 Pearl Avenue  
San José, California

**Santa Clara City Hall**  
1500 Warburton Avenue  
Santa Clara, CA

**Santa Clara Central Park Library**  
2635 Homestead Road  
Santa Clara, CA

**Saratoga City Hall**  
13777 Fruitvale Avenue  
Saratoga, CA

**Saratoga Library**  
13650 Saratoga Avenue  
Saratoga, CA

**Sunnyvale City Hall**  
650 W. Olive Avenue  
Sunnyvale, CA

**Sunnyvale Library**  
665 W. Olive Avenue  
Sunnyvale, CA

Để biết thêm chi tiết về mức lệ phí lượng định quý vị cần phải biết danh số lô đất (APN) của mình. Nếu không biết, xin hỏi bằng cách gọi Sở Thổ Trạch ở số (408) 299-5000 và cho biết tên và địa chỉ. Với danh số của lô đất quý vị sẽ biết mức lệ phí lượng định của mình bằng cách gọi đường dây nóng của Khu Thủy Cự ở số (408) 630- 2810.

Tại buổi điều trần, Ban Quản Trị sẽ lắng nghe tất cả những ý kiến phản bác. Sau khi phản điều trần kết thúc, Ban Quản Trị có thể chấp thuận, sửa đổi, thay thế, cắt giảm, hay thay đổi bất cứ lượng giá nào và sẽ có quyết định về những lượng giá lệ phí được đề cập đến trong bản tường trình và sau đó sẽ xác nhận những mức lệ phí bằng một bản phán quyết.

4/2013\_G5

Năm nay tôi còn đến thăm ông ngày ông nằm xuống, biết có còn lần sau nữa không.

Nợ sơn hà ông đã trả xong mà đất nước này hãy còn nợ ông một lời xin lỗi, những chiến binh cùng màu cờ sắc áo với ông vẫn mang mãi ân tình của ông, chút hãnh diện của những

người lính dưới quyền những danh tướng tuần tiết theo thành.

Yên nghỉ đi người anh hùng của xứ sở nhiều năm điều linh.

**Nguyễn Thanh Kh- iết**

**22giờ 01-05-2013**

## 38 năm: Nhà nước của một nửa

**Ngô Minh**

Nhiều đêm tôi không tài nào ngủ được. Cứ nghĩ đến đất nước từ sau năm 1975 đến nay, đã 38 năm gọi là “thống nhất” nhưng thực tế lòng người chưa về một mối. Thực tế vẫn tồn tại hai loại người: Người phe của cách mạng và người thuộc phe “ngụy quân ngụy quyền”. Hai “loại người” cùng sống trong một làng, ấp, xã này khác biệt nhau từ ý thức hệ đến những chế độ chính sách cụ thể hàng ngày. Những phân biệt đối xử như vậy khiến người dân liên quan đến “ngụy quân ngụy quyền” cứ nghĩ: Nhà nước này là nhà nước của những người cách mạng, không phải nhà nước

của mình. Nghĩa là nhà nước của một nửa. Cụ thể như thế nào ?

1. Từ sau năm 1975 đến nay, nhà nước Việt Nam Dân chủ Cộng hòa, sau đó là Cộng hòa Xã hội chủ nghĩa Việt Nam, đã thi hành chính sách bắt những người có chức vụ trong chính quyền Sài Gòn và sĩ quan quân lực Sài Gòn, tâm lý chiến đi cải tạo các trại tập trung. Thực chất là đi tù. Cải tạo lâu đến nỗi nhiều người vợ ở nhà lấy chồng khác. Khi ra khỏi trại thành kẻ lạc loài. Rồi chính sách cải tạo công thương nghiệp làm cho nhiều người điều đứng phải vượt biên.. Rồi trấn áp, bắt bớ người vượt biên. Một số địa phương ven biển còn lợi dụng “bắt

vượt biên” để trấn vàng, trấn của. v.v..Nhà nước lúc đó không hề có một chính sách nào hướng dẫn, giúp đỡ những người gọi là “ngụy quân ngụy quyền và con em của họ” ổn định đời sống tinh thần và vật chất. Giả sử có một chính sách nhân đạo, hòa giải từ đầu thì đã không có chuyện hàng trăm ngàn người vượt biên bỏ xác trên đại dương, gây nên một mối hận lớn trong xã hội, vì thế Nhà nước không phải của họ, mà nhà nước là của những người cách mạng.

2. Trên TuầnViệt NamNet có in bài báo kể chuyện một anh lính Sài Gòn .”Anh tên Ngô Công Vò, quê xã Thủy Phù, Hương Thủy, Thừa Thiên – Huế, đi lính cho chế độ Sài Gòn năm 1970. Anh bị thương trong ngày cuối cùng của chiến tranh. Bây giờ dù tàn tật vẫn phải lao động vất vả để nuôi con vừa phải đối mặt chiến tranh khi chiến tranh đã đi qua, và về tình người. Anh kể : ”So với nhiều anh em lính chế độ cũ, tôi còn may mắn hơn nhiều. Nhưng cuộc sống vẫn vất vả lắm. Anh em thương binh phía Bắc còn có chế độ, chứ chúng tôi chẳng có gì, làm việc quần quật mà chẳng đủ nuôi vợ con”.

**Exhibit 10- Public Comments on the Plan Amendment**

Written Comments Received	HACSC Responses
<p>Letter from Adobe Services, a housing services and search agency. The writer expressed concern regarding the rent freeze and requested the Board to reconsider the tool as a cost control measure. The writer noted that rents have risen steeply and in Santa Clara County and because of the tremendous pressure on the rental market, it has become increasingly difficult to find owners who are willing to work with the Section 8 program. Freezing contract rents will intensify this challenge.</p>	<p>Comments are noted.</p>
<p>Joint letter from legal agencies commented on the Plan Amendment as follows:</p> <ol style="list-style-type: none"> <li>1. HACSC should consider reducing administrative costs and not put the burden of the Sequester on Section 8 tenants;</li> <li>2. Outreach to Residents and Tenants- conduct outreach meetings throughout different areas of the County and with translations services provided about the proposed changes and their consequences.</li> <li>3. Proposed Activity #2014-3- Freeze on Contract Rent Increases- no opposition to this plan.</li> <li>4. Proposed Activity #2014-4- Increased Tenant Contribution- 35% of Gross Income. Believe that the proposed increase in rent has a disparate impact on tenants with disabilities, as these tenants have increased medical costs. Without these deductions, tenants with disabilities will be disproportionately affected by the increase in rent.</li> <li>5. HACSC could still achieve significant savings with a lesser increase in the percentage of gross income required to be paid toward rent. HACSC has not shown any cost savings analysis for TTP at any other percentage level, such as 30% or 31%.</li> <li>6. Consider the following- exempt tenants with disabilities from the increased contribution; HACSC could retain a utility allowance; HACSC should make the increased contribution temporary; HACSC should extend the hardship policy past 90 days.</li> <li>7. Revised Activity #2009-14- Payment Standard Changes Between Reexaminations. HACSC should consider a hardship waiver allowing for additional time if the tenant's portion increases by a certain fixed amount, such as \$50. Additionally, tenants who have a 10% or more increase in their rent portion should receive a 60</li> </ol>	<p>Comments are noted; additionally, HACSC is providing the following responses to Comment #:</p> <ol style="list-style-type: none"> <li>2. Upon HUD's approval of the activities that will affect tenant's rents, HACSC will be scheduling county-wide meetings with social service agencies to advise them of the upcoming changes and how they might assist. HACSC will also be sending all affected tenants a flyer that will provide an FAQ on the changes, how they can appeal the decision, hardship policies and resources that might assist them in adjusting to their new rent portion. The flyer will include a telephone number for tenants to call if they have additional questions.</li> <li>4. The ability to deduct out-of-pocket medical expenses is not limited to HACSC's disabled households. HUD regulations require that the expenses be anticipated for the upcoming year and that they be out-of-pocket expenses that exceed 3% of the household's gross income.</li> </ol>

day notice pursuant to Civil Code section 827, which requires housing providers a 60 day notice of rent increases of more than 10%.

Currently, only about 1,000 of HACSC's 9,500 elderly/disabled households receive medical deductions. This option for addressing budget shortfalls was selected over a revised payment standard precisely because our data showed that the 35% gross income option would have a lesser impact on all households earning \$31,000 or less. Other program changes being made at the same time (eliminating the child care deduction; reducing subsidy standard based on family size) will affect other populations, therefore, we disagree that these changes will *disparately* impact the disabled.

5. Materials presented to the Board at its April Board meeting do analyze the difference in savings for the 30%, 35% and 40% gross income options. This material has been available on HACSC's web site since April 2013. The Board selected 35% as the maximum threshold based on the savings needed to address the \$16 million March funding cut. HACSC has noted in the activity that the actual percentage of gross income that tenants will pay toward the rent is variable and can be adjusted upward or downward (NTE 35%) depending on program funding.
7. California Civil Code 827 requires landlords to provide a 60-day notice of rent increases. HACSC does not



	agree that this state law applies to changes in the portion of rent a tenant is required to pay under the Section 8 program. HACSC agrees that more notice to tenants would be ideal, and HACSC is committed to giving its affected program participants as much notice as we can, given the timing of HUD's approval and the need to address our current funding crisis.
Email from an individual who works as a Case Manager at a local Senior Center. The writer expressed support with increasing the tenant contribution to 35% of gross income, asked that HACSC begin tracking participants regarding long-term absences from their unit and increasing case reviews for potential fraud. The writer also wrote in support of term limits for assistance.	Comments are noted.
Petition signed by 24 individuals who identify themselves as Section 8 tenants. The petition states the following: 1. Signers oppose any subsidy cuts or tenant rent increases above current 30%. 2. Signers oppose any change to the current rent calculation method. 3. Signers oppose HACSC as an MTW agency and requests the Agency remove its MTW status.	
Comments Received at Public Hearing	HACSC Responses
In the activity on Increased Tenant Contribution, there might be some ways that are not too expensive and more merciful than requiring persons with little or no money to pay a \$50 minimum rent.	HACSC currently has a minimum rent of \$50. However, under current calculation, this can sometimes be offset by a utility allowance. Applying the utility allowance in the rent calculation can sometimes reduce the \$50 minimum rent to a lower amount. The utility allowance is being eliminated, thus requiring tenants to pay no less than \$50. The utility allowance is not designed to offset 100% of a participant's utility costs.

In the activity on applying new subsidy standards immediately and reducing the tenant notification period from 90-days to 30-days, this notice reduction will create an unnecessary hardship. If someone has to move, 30 days is not enough.	Comment noted. If HUD approval allows sufficient time, HACSC will provide an advance general notice to all program participants regarding the rent changes and will provide a minimum of 30 days notice of their new rent portion.
If rent is raised, it will hurt me, because as it is, I am barely making ends meet. My family members would also be hurt because if the subsidy standards change, and a female and male share a room, that would not work, especially if they are disabled.	Reasonable accommodations would still be available for voucher size changes caused by HACSC's new subsidy standard policy. This would not be affected by the change.
Regarding elimination deductions, it is better to bring documentation on medical expenses. Because of the cuts to other safety net programs, tenants are faced with more out-of-pocket expenses now.	Comments noted. These changes are designed to spread the burden of the funding cuts to all program participants, with the lesser impact on households with \$31,000 or less in income, rather than terminate at least 1,000 households from the program.
As you get older, you have more expenses (medical, dental, glasses, vitamins, etc.). Please continue to take into account medical expenses or at least set rent based on taxes we pay and not gross income.	



### Appendix Three

Appendix Three comprises the Moving to Work Agreements between the Housing Authority of the County of Santa Clara and the U.S. Department of Housing and Urban Development and the Housing Authority of the City of San José and the U.S. Department of Housing and Urban Development.

### **Moving to Work Agreement**

This Moving to Work Demonstration Agreement (Agreement) is entered into on this 26<sup>th</sup> day of FEB by and between the United States of America through the U.S. Department of Housing and Urban Development (HUD) and the **Housing Authority of the County of Santa Clara** (Agency). The term of this Agreement shall begin on the Date of Execution by HUD and shall continue until the end of the Agency's 2018 Fiscal Year, subject to meeting the evaluation criteria described in Section IV, unless such term is otherwise extended by HUD; and

WHEREAS, Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) (1996 Appropriations Act) establishes the statutory framework known as the Public Housing/Section 8 Moving to Work (MTW) demonstration program; and

WHEREAS, Section 204(a) of the 1996 Appropriations Act provides that public housing agencies that administer Section 8 and public housing (Agencies) and the Secretary of HUD (Secretary) shall have the flexibility to design and test various approaches for providing and administering housing assistance that: 1) reduce cost and achieve greater cost effectiveness in Federal expenditures; 2) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and 3) increase housing choices for low-income families (the three statutory objectives); and

WHEREAS, pursuant to Section 204(a) of the 1996 Appropriations Act, HUD may permit Agencies to combine funds appropriated under sections 8 and 9 of the 1937 Act, and may exempt Agencies from provisions of the 1937 Act and implementing regulations thereunder pertaining to Public and Indian Housing and section 8 voucher assistance; and

WHEREAS, pursuant to Section 230 of H.R. 2764, the Consolidated Appropriations Act, 2008, the Secretary of Housing and Urban Development shall increase, pursuant to this section, the number of Moving-to-Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104-134; 110 Stat. 1321-281) by making individually the Alaska Housing Finance Corporation and the housing authorities of the counties of San Bernardino and Santa Clara and the city of San Jose, California, a Moving-to-Work Agency under such section 204; and

WHEREAS, the Secretary determined that the Agency satisfies the Secretary's selection criteria and selected the Agency to participate in MTW; and

WHEREAS, the parties have previously entered into one or more Annual Contributions Contracts (ACCs) setting forth the terms and conditions under which the Agency participates in the public housing and/or Section 8 Housing Choice Voucher programs administered by HUD; and

WHEREAS, the parties agree to execute this Agreement; and

WHEREAS, it is a goal of the MTW demonstration to design and test innovative methods of providing housing and delivering services to low-income families in an efficient and cost effective manner, and HUD and the Agency agree to fully cooperate with each other in order to make the demonstration a success;

NOW, THEREFORE, in reliance upon and in consideration of the mutual representations and obligations hereunder, the parties do agree as follows:

## **I. Statutory Authorizations**

- A. This Agreement waives certain provisions of the United States Housing Act of 1937, as amended (1937 Act), and HUD's implementing requirements and regulations thereunder, as are set forth in the Statement of Authorizations (Attachment C), and the Legacy and Community-Specific Authorizations (Attachment D) only to the extent they are necessary to implement the Agency's Annual MTW Plan. Except as noted in Section I.B. below, this Agreement supersedes the terms and conditions of one or more ACCs between the Agency and HUD, to the extent necessary for the Agency to implement its MTW demonstration initiatives as laid out in the Agency's Annual MTW Plan, as approved by HUD.
- B. Notwithstanding the preceding authority waiving certain provisions of the 1937 Act as necessary to implement the Agency's Annual MTW Plan, the following provisions of the 1937 Act, as otherwise applicable, shall continue to apply to the Agency and/or assistance received pursuant to the 1937 Act:
  1. The terms "low-income families" and "very low-income families" shall continue to be defined by reference to Section 3(b)(2) of the 1937 Act (42 U.S.C. § 1437a(b)(2));
  2. Section 12 of the 1937 Act (42 U.S.C. § 1437j), as amended, shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance; and
  3. Section 18 of the 1937 Act (42 U.S.C. § 1437p, as amended by Section 1002(d) of Public Law 104-19, Section 201(b)(1) of Public Law 104-134, and Section 201(b) of Public Law 104-202), governing demolition and disposition, shall continue to apply to public housing notwithstanding any use of the housing under MTW.
- C. This Agreement only waives certain provisions of the 1937 Act and its implementing regulations. Other federal, state and local requirements applicable to public housing shall continue to apply notwithstanding any term contained in this Agreement or any Authorization granted thereunder. Accordingly, if any requirement applicable to public housing, outside of the 1937 Act, contains a provision that conflicts or is inconsistent with any authorization granted in this Agreement, the MTW Agency remains subject to the terms of that requirement. Such requirements include, but are not limited to, the following: Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local

laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements (including regulations promulgated by HUD thereunder in 24 C.F.R. part 85).

- D. The MTW Agency is authorized to conduct activities in accordance with the Statement of Authorizations (Attachment C) and in accordance with the Legacy and Community-Specific Authorizations (Attachment D), as applicable. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D will supersede those in Attachment C.
- E. Notwithstanding any provision set forth in this MTW Agreement, including without limitations, the term of years and all extensions, renewals and options, and the terms set forth herein otherwise, any federal law that amends, modifies, or changes the aforementioned term of years and/or other terms of this Agreement shall supersede this Restated Agreement such that the provisions of the law shall apply as set forth in the law.

## **II. Requirements and Covenants**

- A. The amount of assistance received under sections 8 or 9 of the 1937 Act by an Agency participating in the demonstration shall not be diminished by the Agency's participation in the MTW demonstration.
- B. The Agency agrees that any HUD assistance that the Agency is authorized to use under the MTW demonstration shall be used in accordance with the Agency's Annual MTW Plans, as may be applicable. The Agency hereby certifies that the Agency's governing board has approved this Agreement, and each Annual MTW Plan issued prior to the date hereof, as applicable, and that a copy of each such board approval has been provided to HUD.
- C. The Agency shall hold at least one public hearing per Annual MTW submission, and make the Annual MTW Plan available for public comment for at least thirty (30) days. The Agency agrees to take into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided.
- D. The Agency shall: (i) ensure that at least 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2) of the 1937 Act, (ii) assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and (iii) maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under the demonstration.
- E. When providing public housing, the Agency will ensure that it is safe, decent, sanitary, and in good repair, according to an inspection protocol established or approved by the Secretary. This in no way precludes the Agency from modifying its own inspection

protocol as authorized in Attachments C and/or D as long as such protocol meets the housing quality standards established or approved by the Secretary.<sup>1</sup>

- F. The Agency agrees to keep project level budgeting and accounting, report financial statements in the Financial Data Schedule (FDS)<sup>2</sup>, and abide by project level management reviews and fees. The Agency will conform to OMB Circular A-87 and the HUD definition of reasonable fees as defined in 24 CFR part 990, and HUD's Financial Management Guidebook 7475.1 and Supplement, as they may be amended.
- G. HUD will not score the Agency under HUD's Public Housing Assessment System (PHAS) or HUD's Section Eight Management Assessment Program (SEMAP), or their successor systems, unless the Agency elects to be scored. If the Agency elects to be scored, the agency will continue to be scored for the duration of the demonstration.
- H. The Agency agrees to cooperate fully with HUD and its contractors in the monitoring and evaluation of the MTW demonstration, to keep records, and to submit reports and other information to HUD as described in the Agreement.
- I. The Agency shall comply with the requirements of the National Environmental Policy Act (NEPA) and other related federal laws and authorities identified in 24 C.F.R. Part 50 or Part 58, as applicable.
- J. The Agency will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 C.F.R. § 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency must make reasonable accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.
- K. The Agency will comply with the terms of any applicable court orders or Voluntary Compliance Agreements that are in existence or may come into existence during the term of the Agreement. The Agency further agrees that it will cooperate fully with any investigation by the HUD Office of Inspector General or any other investigative and law enforcement agencies of the U.S. Government.
- L. Unless otherwise provided herein, this Agreement does not apply to Section 8 assistance that is required:
  - 1. To meet existing contractual obligations of the Agency to a third party (such as Housing Assistance Payment contracts with owners under the Agency's Section 8 Housing Choice Voucher program);
  - 2. For payments to other public housing authorities under Section 8 portability billing procedures; or

---

<sup>1</sup> Agencies are still subject to state and local building codes, and housing codes, and state and local public housing law on inspections.

<sup>2</sup> The Agency agrees to comply with FDS submission requirements, including the requirement to submit project level financial data in the FDS.

3. To meet particular purposes for which HUD has expressly committed the assistance to the Agency.

The aforementioned covenants made by the Agency are not exclusive, as the Agency must also comply with all requirements applicable to public housing other than both those provisions of the 1937 Act, as amended from time to time, and its implementing regulations specifically waived by the Authorizations contained in this Agreement.

### **III. Rent Reform Initiatives**

The Agency shall establish a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration. In developing its rent policy, the Agency must adopt a policy for addressing hardship cases. To meet the Department's purposes of evaluating the MTW demonstration, Agencies may randomly assign new participants into the MTW group, which will provide an alternate program/rent structure, and into a control group, which will continue to operate under the 1937 Act requirements, and collect useful participant data at the point of random assignment.

### **IV. Evaluation**

- A. HUD will consider the following criteria when evaluating whether this Agency shall continue in the MTW Demonstration:
  1. The Agency is in compliance with this Agreement.
  2. The Annual MTW Plans and Reports have been satisfactorily completed and submitted in a timely manner, consistent with this Agreement; and
  3. The Agency has demonstrated, through the Annual MTW Plan and Report, that it has used its MTW designation (i.e., engaged in MTW Activities), as set forth in Section 204 of the 1996 Appropriations Act.
- B. If, after the evaluation during FY 2011 and FY 2014, HUD determines that the Agency fails to meet the above criteria, HUD can terminate this Agreement.

### **V. Amendments and Continuation of Activities**

- A. Amendment of this Agreement. This Agreement may be further amended upon mutual agreement of the Agency and HUD. Proposed amendments by the Agency to the Agreement shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond to the Agency in writing to either approve and execute or disapprove the amendment request. The Statement of Authorizations (Attachment C) may be unilaterally amended by HUD only in order to add to the existing authorizations. The Legacy and Community-Specific Authorizations (Attachment D) may be amended upon mutual agreement between HUD and the Agency. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D supersede the authorizations in Attachment C.

- B. Amendment of the Annual MTW Plan. Amendments to the Annual MTW Plan only need to be made if the proposed MTW activity falls outside the scope of the HUD-approved Annual MTW Plan. An MTW activity is defined as an activity that an Agency participating in the MTW demonstration is authorized to undertake only by means of invoking an authorization included in Attachment C or Attachment D of this Agreement, as opposed to an activity that a non-MTW agency could undertake pursuant to the conventional public housing and Section 8 Housing Choice Voucher programs' statutory and regulatory requirements. Proposed amendments by the Agency to the Annual MTW Plan shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond in writing to either approve or disapprove the amendment request.

The letter requesting any amendment to the Annual MTW Plan should include the following information in relation to the proposed MTW Activity:

1. Description of the proposed activity;
2. Description of how the activity relates to at least one of the three statutory objectives;
3. Identification and discussion of the anticipated impact of the proposed MTW activity on the stated objective;
4. Description of the baselines and benchmarks that the Agency will use to measure the performance and progress of the MTW activities;
5. Description of the data collection process and metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives; and
6. The specific provision of the 1937 Act or regulation that is waived under MTW that authorized the Agency to make this change, when applicable.

C. Continuation of Activities.

1. Not later than one year prior to expiration of this Agreement, the Agency shall submit a transition plan to HUD. It is the Agency's responsibility to plan in such a manner that it will be able to end all features of the MTW Plan upon expiration of the Agreement, as HUD cannot guarantee that it will be able to extend any features of the Plan. The transition plan shall describe plans for phasing out of such authorizations/features. The plan shall also include any proposals of authorizations/features of the Agreement that the Agency wishes to continue beyond the expiration of the Agreement. The Agency shall specify the proposed duration, and shall provide justification for extension of such authorization/features. HUD will respond to the Agency in writing in a timely manner. Only authorizations/features specifically approved for extension shall continue beyond the term of the MTW Agreement. The extended features shall

remain in effect only for the duration and in the manner specified in the approved transition plan.

2. HUD will review and respond to timely-submitted transition plans within 75 days or they are deemed approved. To the extent that HUD has questions or feedback within this 75-day period, HUD will transmit such information within a sufficient time period for the Agency to respond and for HUD to approve a transition plan within 75 days of submission of the plan.

## **VI. Funding**

- A. Funding Methodology. During the term of the MTW demonstration, HUD will provide the Agency with public housing operating subsidies, and modernization or capital funds (including development and replacement housing factor funds), and with tenant-based Section 8 assistance, as provided in Attachment A. If the Agency's Attachment A does not describe the funding methodology for any of these funding streams, the Agency's funding will be calculated according to standard HUD calculations of Agency benefits.
- B. Funding Disbursements. The Agency will receive its public housing operating subsidy and Section 8 tenant-based funding in accordance with the following calculation and disbursement requirements:
  1. Operating Fund subsidies
    - a. HUD shall calculate the allocation of Operating Fund subsidies to the Agency in accordance with Attachment A.
    - b. The Agency may use these funds for any eligible activity permissible under Section 9(e)(1) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
  2. Capital Funds and Other Grants
    - a. HUD shall calculate the allocation of Capital Fund grants (including replacement housing factor fund grants) to the Agency in accordance with Attachment A. Capital Funds will be disbursed in accordance with standard HUD procedures for the disbursement of public housing Capital Fund Grants.
      - (i) In requisitioning grant funds, the Agency will not be required to provide line item detail, but will request the funds using a single MTW line item; provided however, that the Agency may not accelerate draw downs of funds in order to fund reserves.



- (ii) The Agency may use these funds for any eligible activity permissible under Section 9(d)(1) of the 1937 Act, or if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
  - (iii) The Agency is subject to the requirements of Section 9(j) of the 1937 Act with respect to its Capital Fund Grants.
- b. Section 8 Tenant-Based Assistance
  - (i) HUD shall calculate the allocation of Section 8 Housing Choice Voucher funding to the Agency in accordance with Attachment A.
  - (ii) The Agency may use tenant-based Section 8 funds included in the MTW block grant for any eligible activity permissible under Section 8(o) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use the funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
- c. The Agency may submit for HUD consideration and approval alternative schedules for disbursement of public housing operating subsidy and Section 8 tenant-based funding to reduce the number of transactions and to address the time lag between making Housing Assistance Payments (HAP) for the large number of Section 8 participants from other jurisdictions (portables) and reimbursement by those jurisdictions. An Agency's request for consideration and approval of an alternative schedule for disbursement shall be subject to certain administrative limitations, such as only one request will be allowed per year.

## **VII. Administrative Responsibilities**

### **A. Annual MTW Planning and Reporting.**

#### **1. Annual MTW Plans**

- a. If the Agency has ten percent or more of its housing stock in MTW, the Agency will prepare and submit an Annual MTW Plan, in accordance with Attachment B, or equivalent HUD form as approved by OMB, in lieu of the Five (5) year and Annual Plans required by Section 5A of the 1937 Act.
- b. If the Agency has less than ten percent of its housing stock in MTW, the Agency will continue to complete the Five-Year and Annual Plans required by Section 5A of the 1937 Act. The Agency will also complete a Supplemental Annual MTW Plan, based on Attachment B, or equivalent HUD form as approved by OMB. Only information not included in either

the Five-Year Plan or the Annual Plan will need to be included in the Supplemental Annual MTW Plan (herein also referred to as the Annual MTW Plan).

- c. Three (3) copies of the Annual MTW Plan shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- d. The Annual MTW Plan is due not later than seventy-five (75) days prior to the start of the Agency's fiscal year, unless otherwise approved by HUD, except in the first year of this Agreement the Agency may submit an amendment to its MTW Plan if it wants to implement initiatives prior to the due date of the subsequent MTW Plan.
- e. Attachment B of this Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Plan.
- f. The Annual MTW Plan will be submitted to HUD only after:
  - (i) The Agency has provided for citizen participation through public hearing and other appropriate means and is approved by the Board of Commissioners or Directors, as applicable, and
  - (ii) The Agency has taken into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided. To document the foregoing, the Agency will submit with the Annual MTW Plan documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and that the Agency took no less than fifteen (15) days between the public hearing and the approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan. The Agency will submit these documents to HUD in accordance with Attachment B, or equivalent HUD form as approved by OMB, and will keep these documents on file for HUD review.
- g. HUD shall notify the Agency in writing if HUD objects to any provisions or information therein. When the Agency submits its Annual MTW Plan seventy-five (75) days in advance of its fiscal year, HUD will respond to the Agency within seventy-five (75) days. If HUD does not respond to the Agency within seventy-five (75) days after an on-time receipt of the Agency's Annual MTW Plan, the Agency's Annual MTW Plan is approved and the Agency is authorized to implement that Plan. If HUD does not receive the Agency's Annual MTW Plan seventy-five (75) days before the beginning of the Agency's fiscal year, the Agency's Annual MTW Plan is

not approved until HUD responds. Reasons that HUD may object to a provision or information in the Annual MTW Plan include, but are not limited to, the following:

- (i) The information required in Attachment B, or equivalent HUD form as approved by OMB, is not provided or is deemed insufficient;
  - (ii) The Agency's planned MTW activities are not permissible under MTW Authority or are inconsistent with requirements outside the 1937 Act<sup>3</sup>;
  - (iii) The Agency's planned MTW activities do not have a clear connection to the statutory goal of the MTW demonstration, which is to provide Agencies with the flexibility to design and test various approaches for providing and administering housing assistance that: (a) reduce cost and achieves greater cost effectiveness in Federal expenditures; (b) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and (c) increase housing choices for low-income families; or
  - (iv) There are other good cause factors, such as material misrepresentation, in the submission.
- h. Once HUD approves an MTW Activity, the activity shall remain approved as long as it is included in the Agency's Annual MTW Plan submissions subsequent to the initial approval of the MTW Activity. The approval shall remain in effect until such time as the Agency proposes to modify the activity, initiative, or program.

## 2. Annual MTW Reports

- a. The Agency will prepare Annual MTW Reports, which will compare the Agency's activities with its Annual MTW Plan. The Annual MTW Report will provide the information necessary for HUD to assess the Agency's activities, in both regular operations and in activities authorized by MTW.
- b. Three (3) copies of the Annual MTW Report shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- c. The Annual MTW Report will be submitted to HUD for its review annually, no later than ninety (90) days after the end of the Agency's fiscal year.

---

<sup>3</sup> Even if HUD approves a MTW Plan that is inconsistent with an external requirement, such as a state law requirement, the Agency is still subject to the external requirement.

- d. Attachment B of this Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Report.
  - e. HUD shall notify the Agency in writing if HUD requires additional information or clarifications to the information provided in the Annual MTW Report.
  - f. All HUD forms and other reporting mechanisms required by this Agreement, including any required certifications, will, where appropriate, be included in either the Annual MTW Plan or the Annual MTW Report.
3. HUD reserves the right to request, and the Agency agrees to provide, any information required by law or required for sound administration of the public housing and Section 8 Housing Choice Voucher programs.

**B. Other Data Submission Requirements.**

- 1. The Agency will submit HUD-50058 data and/or HUD-50058 MTW (or their replacement forms) data to HUD's Public and Indian Housing Information Center (PIC) system, or its successor. (Note that the use of the HUD-50058 MTW form is restricted to the MTW agencies that have implemented MTW Activities that prevent use of the standard 50058 form.) These submissions will be in compliance with HUD's 50058 and/or 50058 MTW submission requirements for MTW public housing authorities. The Agency will maintain current building and unit information in the development module of the PIC Inventory Management System (IMS).
- 2. The Agency will provide basic data about the Agency (e.g., address, phone number, e-mail address, etc.) to HUD through the PIC/IMS system, or its successor system.
- 3. The Agency will complete an annual audit pursuant to the Office of Management and Budget (OMB) Circular A-133 (including the Compliance Supplement, as determined by the auditor to be relevant to MTW). The A-133 Audit must be submitted to HUD in accordance with HUD regulations; a separate copy of the most recently completed audit must be submitted to the Office of Public Housing Investments, or its successor Headquarters Office responsible for national oversight of the MTW demonstration.
- 4. The Agency will provide data to HUD through FDS, or its successor system, as required by the Public Housing Assessment System (PHAS) regulations and procedures as they may be amended.
- 5. The Agency will provide HUD with an electronic version of the Admissions and Continued Occupancy Policy and Administrative Plan upon HUD's request.
- 6. The Agency will provide HUD with a Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant by including this

as a supplement to Attachment B, or equivalent HUD form as approved by OMB.

In addition to the reporting requirements listed above, the Agency is required to comply with any and all HUD reporting requirements that are not specifically waived by HUD.

- C. Annual MTW Monitoring Site Visit. HUD and/or its contractors will conduct at least one formal Site Visit to the Agency each year. The purpose of these visits will be to confirm reported Agency activities, to review the status and effectiveness of the Agency's MTW strategies, and to identify and resolve outstanding MTW related issues. The Agency shall give HUD and/or its contractors unimpeded access to all requested sources of information including access to files, access to units, and an opportunity to interview Agency staff and assisted residents.
- D. Single Point of Contact. HUD and the Agency shall each appoint a liaison as a single point of contact in implementing the Agreement.

### **VIII. Termination and Default**

- A. If the Agency violates this Agreement, HUD is authorized to take any corrective or remedial action described in this Article VIII for Agency default. HUD will give the Agency written notice of any default. The Agency will have the opportunity to cure such default within 30 days of the date of said notice, or to demonstrate within said time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not susceptible to being cured within said 30 day period, the Agency will demonstrate, to HUD's satisfaction, that the Agency has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Agency must covenant to prosecute such cure diligently and complete such cure within the 90 day period, unless HUD, in its sole judgment, determines that immediate action is necessary, and therefore has discretion to institute the remedies under Section VIII.C. of this Agreement.
- B. The following are reasons that HUD may declare the Agency in default of this Agreement:
  - 1. The Agency has not corrected HUD identified performance deficiencies within a reasonable period of time;
  - 2. Material misrepresentation in the application process that led to the MTW Agreement;
  - 3. Use of funds subject to this Agreement for a purpose other than as authorized by this Agreement;
  - 4. Material noncompliance with legislative, regulatory, or other requirements applicable to this Agreement;
  - 5. Material breach of this Agreement; and/or

6. Material misrepresentation in the Annual MTW Plan or Report submission by the Agency.
- C. If the Agency is in default, HUD may, among other remedies, undertake any one or all of the following remedies:
1. Suspend payment or reimbursement for any MTW activities affected;
  2. Suspend the Agency's authority to make draws or receive or use funds for affected activities;
  3. Change the method of payment to the Agency;
  4. Require additional reporting by the Agency on the deficient areas and the steps being taken to address the deficiencies;
  5. Require the Agency to prepare and follow a HUD-approved schedule of actions and/or a management plan for properly completing the activities approved under this Agreement;
  6. Suspend the MTW waiver authorization for the affected activities;
  7. Prohibit payment or reimbursement for any MTW Activities affected by the default;
  8. Require reimbursement by the Agency to HUD for amounts used in violation of this Agreement;
  9. Reduce/offset the Agency's future funding;
  10. Terminate this Agreement and require the Agency to transition out of MTW;
  11. Take any other corrective or remedial action legally available; and/or
  12. Implement administrative or judicial receivership of part or all of the Agency.
- D. The Agency may choose to terminate this Agreement at any time. Upon HUD's receipt of written notification from the Agency and a copy of a board resolution approving termination, termination will be effective. The Agency will then begin to transition out of MTW, and will work with HUD to establish an orderly phase-out of MTW activities, consistent with Section IV C of this Agreement.

This Agreement, including all Attachments, is effective upon execution, except as otherwise provided herein.


HOUSING AUTHORITY OF THE  
COUNTY OF SANTA CLARA

BY: 

ITS: EXECUTIVE DIRECTOR

Date: 02.26.08

UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

BY: 

ITS: Assistant Secretary

Date: 01.04.08

**ATTACHMENT A**  
**CALCULATION OF SUBSIDIES**  
**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA**

Upon execution of the Moving to Work (MTW) Agreement (MTW Agreement) between the U.S. Department of Housing and Urban Development (HUD) and the Housing Authority of the County of Santa Clara (Agency), HUD will provide the Agency with operating subsidy, capital funds, and Housing Choice Voucher Program assistance as described below.

**A. Operating Subsidy**

1. The calculation of operating subsidy will continue in accordance with applicable operating subsidy formula law and regulations.
2. For operating funds provided in years prior to the execution of the MTW Agreement, the Agency may use any accumulated operating reserves for eligible MTW purposes, subject to applicable provisions of the MTW Agreement.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

**B. Capital Funds Program**

1. The Agency's formula characteristics and grant amounts will continue to be calculated in accordance with applicable law and regulations.
2. For capital funds provided in years prior to the execution of the MTW Agreement, the Agency may submit, and HUD will, as permitted by law, approve, a request to reprogram, by grant year, any unobligated funds for eligible MTW purposes. Such requests will be made in accordance with current procedures governing amendments to the Annual Plan, except that no public consultation will be necessary prior to submission of the request.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

**C. Housing Choice Voucher Program (HCVP) Subsidy**

1. For purposes of the Housing Choice Voucher Program (HCVP) funding, the Initial Year is calendar year 2008 (January 1, 2008 through December 31, 2008).
2. For purposes of the Housing Choice Voucher program funding, the base period for calculating initial funding is federal fiscal year 2007 (October 1, 2006 through September 30, 2007).
3. Initial year (CY 2008) HCVP housing assistance payments (HAP) subsidy will be based on the greater of actual HAP expenses incurred by the Agency as reported in the Voucher



Management System (VMS) in the base period (FFY 2007) or what the Agency received in calendar year 2007. Initial year administrative fees will be based on what the Agency received in calendar year 2007.

4. Funding eligibility for the HCVP HAP in the Initial Year of this agreement will be equal to the amounts determined under the preceding paragraph, adjusted for new units not fully represented in those amounts, and adjusted by the Annual Adjustment Factor (AAF) and by the applicable proration factor. The Administrative Fee funding will be adjusted for new units and by the applicable proration factor. For subsequent years, the HAP subsidy will be equal to the previous year's HAP subsidy eligibility adjusted by the current year's AAF and applicable proration factor percentage. Similarly, the Administrative Fee funding for subsequent years will be equal to the previous year's Administrative Fee eligibility adjusted by the applicable proration factor. Funding eligibility in any year is subject to the requirements of the applicable Appropriations Act as it applies to MTW Agency.

5. If the Agency receives incremental HCVP funding, the Agency must decide to either apply the incremental funding to their MTW block grant or to keep the incremental funding separate, as provided by law. In some cases, incremental funding may not be eligible for inclusion in the block grant as may be dictated by law.

6. All HCVP funding provided by HUD and not restricted under item 5, above, or otherwise prohibited by law in the Initial Year and subsequent years under this agreement may be eligible for inclusion in the MTW flexible block grant.

7. The Agency will be eligible to receive Family Self Sufficiency coordinator funding in accordance with available appropriations and requirements.

8. There will be no year-end settlement of annual funds provided for the MTW HCVP subsidy. All funds provided through this calculation will remain available for authorized purposes.

9. Any sum held by the Agency in the Net Restricted Assets account resulting from HAP funding that exceeded HAP expenses for the period of January 1, 2005 through December 31, 2007, shall remain available and may be used for authorized purposes, subject to applicable provisions of the MTW Agreement and future appropriations statutes. Any sum held by the Agency as excess administrative funds (Net Unrestricted Assets) shall remain available and may be used for authorized purposes subject to applicable provisions of the MTW Agreement and future appropriations statutes.

10. Funding for five-year mainstream vouchers, one-year mainstream vouchers and moderate rehabilitation vouchers, whether new allocations or renewals of existing vouchers, shall not be included in the MTW Block Grant.

11. The Agency will receive administrative fees to administer any incremental vouchers received, including Family Self Sufficiency funding, in accordance with laws and regulations in effect. Such fees will be calculated assuming all vouchers are in use.

12. The Agency's MTW funding for tenant based voucher assistance shall be based solely on dollars and not units.

**Attachment B**

**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**AGENCY**

**Elements for the Annual MTW Plan and Annual MTW Report**

All MTW Agencies will provide the following required elements in their Annual MTW Plans and Reports, consistent with the requirements of Section VII of the Agreement, and will follow the following order and format.

<u><b>Annual MTW Plan</b></u>	<u><b>Annual MTW Report</b></u>
<b>I. Introduction</b>	
A. Table of Contents, which includes all the required elements of the Annual MTW Plan; and	A. Table of Contents, which includes all the required elements of the Annual MTW Report; and
B. Overview of the Agency's MTW goals and objectives for the year, including new and ongoing MTW activities.	B. Overview of the Agency's ongoing MTW goals and objectives.

## II. General Housing Authority Operating Information

Please provide the following:

### A. Housing Stock Information

- Number of public housing units planned;
- General description of any planned significant capital expenditures by development;
- Description of any new public housing units to be added during the year by development (specifying bedroom size);
- Number of units to be removed from the inventory during the year by development specifying the justification for the removal;
- Number of Housing Choice Vouchers (HCV) units authorized;
- Number of HCV units to be project-based, including description of each separate project;
- General description of other housing planned to be managed by the Agency, specifying location, number of units, and type of non-public housing/non-HCV assistance (to include tax credit, state funded, project based Section 8, and market rate); and
- Description of other properties owned or managed by the Agency.

### B. Lease Up Information

- Anticipated number of public housing units planned to be leased;
- Anticipated number of HCV planned to be leased; and
- Description of anticipated issues relating to any potential difficulties in leasing units (HCV or public housing).

### C. Waiting List Information

- Description of anticipated changes in waiting lists (site-based, community-wide, HCV, merged);
- Description of anticipated changes in the number of families on the waiting list(s) and/or opening and closing of the waiting list(s); and
- Date the waiting list was last purged.

Please provide the following:

### A. Housing Stock Information

- Number of public housing units;
- Number of Housing Choice Vouchers utilized;
- General description of number and type of other housing managed by the Agency, specifying location, number of units and type of non-public housing/non-HCV assistance (to include tax credit, state funded, project based Section 8, and market rate); and
- Description of other properties owned or managed by the Agency.

### B. Lease Up Information

- Number of public housing units leased;
- Number of HCV under lease; and
- Description of issues relating to any difficulties in leasing units (HCV or public housing).

### C. Waiting List Information

- Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year;
- Number of families on the waiting list(s), both at the beginning of the fiscal year and at the end of the fiscal year, and if the list(s) are open or closed; and
- Date the waiting list was last purged.

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>III. Long-term MTW Plan</b>	
Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.	Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.
<b>IV. Proposed MTW Activities: HUD approval requested</b> (provide the listed items below grouped by each MTW activity)	
<p>A. Describe each proposed MTW activity;</p> <p>B. Describe how each proposed activity relates to at least one of the three statutory objectives;</p> <p>C. Identify and discuss the anticipated impact of each proposed MTW activity on the stated objective;</p> <p>D. Describe the baselines and proposed benchmarks and metrics that the Agency will use to measure the performance and progress of the MTW activities;</p> <p>E. Describe the data collection process and the proposed metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives;</p> <p>F. Cite the authorization(s) detailed in Attachment C or D of this Agreement that give the Agency the flexibility to conduct the activity, and include the specific citation(s) of the Act or regulation as identified in Attachment C or D of this Agreement that authorize the Agency to make the change; and</p> <p>G. Describe the hardship policy (for rent reform initiatives only).</p>	<p>(All proposed activities that are granted approval by HUD will be reported on in Section V as "ongoing activities.")</p>

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>V. Ongoing MTW Activities: HUD approval previously granted</b> (provide the listed items below grouped by each MTW activity)	
<ul style="list-style-type: none"> <li>A. Describe each ongoing MTW activity applicable for the coming year;</li> <li>B. Describe how each ongoing activity relates to at least one of the three statutory objectives;</li> <li>C. Identify and discuss the anticipated impact of each ongoing MTW activity on the stated objective, if in the first year of completing this revised Plan; or any anticipated changes in the impact (as applicable), if in subsequent years;</li> <li>D. Describe the baselines and benchmarks that the Agency will use to measure the performance and progress of the MTW activities, if in the first year of completing this revised Plan; or any changes in benchmarks (as applicable), if in subsequent years;</li> <li>E. Describe the data collection process and metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives, if in the first year of completing this revised Plan; or any changes in data collection (as applicable), if in subsequent years;</li> <li>F. Cite the authorization(s) detailed in Attachment C or D of this Agreement that give the Agency the flexibility to conduct the activity, and include the specific citation(s) of the Act or regulation as identified in Attachment C or D of this Agreement that authorize the Agency to make the change; and</li> <li>G. Describe the hardship policy (for rent reform initiatives only).</li> </ul>	<ul style="list-style-type: none"> <li>A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued;</li> <li>B. Describe each ongoing and completed (within the FY) MTW activity;</li> <li>C. Describe how each ongoing activity relates to at least one of the three statutory objectives;</li> <li>D. Analyze the actual impact of each ongoing MTW activity on the stated objective;</li> <li>E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance;</li> <li>F. 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;</li> <li>G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to; and</li> <li>H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Agreement) that authorized the Agency to make the change, and briefly describe if and how the waived section of the Act or regulation was necessary to achieve the benchmark.</li> </ul>

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>VI. Sources and Uses of Funding</b>	
<p>A. Provide Consolidated Budget Statement in the same format and level of detail as the unaudited financial statement;</p> <p>B. Planned sources and expenditures by development;</p> <p>C. Description of changes in sources and uses of MTW funding from previously-approved plan; and</p> <p>D. Description of how funding fungibility is planned to be used, if applicable.</p>	<p>A. Unaudited Financial Statement;</p> <p>B. Planned vs. actual financial information by development with a narrative discussion and explanation of the differences;</p> <p>C. Planned vs. actual for all capital activities presented in the Annual MTW Plan with a narrative discussion and explanation of differences;</p> <p>D. Explanation of how funding fungibility was used and narrative explanation of the difference, if applicable.</p>
<b>VII. Administrative</b>	
<p>The Agency will provide the following:</p> <p>A. Board Resolution adopting 50077-MTW, or equivalent form;</p> <p>B. Documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and documentation that the Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;</p> <p>C. Description of any planned or ongoing Agency-directed evaluations of the demonstration, if applicable;</p>	<p>The Agency will provide the following:</p> <p>A. Results of latest Agency-directed evaluations of the demonstration, as applicable;</p> <p>B. Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant, as an attachment to the Report; and</p> <p>C. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, submissions to REAC, or other oversight and monitoring mechanisms, if applicable.</p>

**VIII. Reporting Compliance with Statutory MTW Requirements****Annual  
MTW  
Plan**

If the Agency has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Agreement, as determined by HUD in its review of the previous fiscal year's Annual MTW Report, the Agency will provide a narrative discussion and a plan as to how it will return to compliance. If the Agency is currently in compliance, no discussion or reporting is necessary in this section.

**Annual  
MTW  
Report**

The Agency will provide the following:

A. In order to demonstrate that the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved, the Agency will provide information in the following format:

**Initial Incomes of Families Assisted by MTW**

Fiscal Year:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total number of newly admitted families assisted <sup>1</sup>											
Number of families with incomes below 50% of area median											
Percentage of families with incomes below 50% of area median											

<sup>1</sup> “Total number of newly admitted families assisted” is defined as all families that have been admitted to federal housing assistance during the fiscal year in question. Therefore, this does not mean that all families assisted by the housing authority will be captured in this figure. Instead, the figure only captures the initial admittees’ income, just as they begin to receive housing assistance.

**VIII. Reporting Compliance with Statutory MTW Requirements, Continued****Annual  
MTW  
Report,  
cont.**

B. In order to demonstrate that the statutory objective of “continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined” is being achieved, the Agency will provide information in the following formats:

**Baseline for the Number of Eligible Low-Income Families to Be Served**

	<b>Number of families served when Agency entered MTW</b>	<b>Non-MTW adjustments to the number of families served<sup>2</sup></b>	<b>Baseline number of families to be served</b>	<b>Explanations for adjustments to the number of families served</b>
Number of public housing families served				
Number of tenant-based Section 8 families served				
Total number of families served				

**Number of Low-Income Families Served**

<b>Baseline number of families to be served (total number of families)<sup>3</sup></b>	
<b>Total number of families Served this Fiscal Year<sup>4</sup></b>	
<b>Numerical Difference<sup>5</sup></b>	
<b>Percentage Difference</b>	

**Justification for variations in excess of 10% below the baseline number of families to be served (total number of families):**

--

<sup>2</sup> “Non-MTW adjustments to the number of families served” are defined as factors that are outside the control of the Agency. Acceptable “non-MTW adjustments” include, but are not limited to, influences of the economy and of the housing market. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

<sup>3</sup> This number will be the same number in the chart above, at the cross-section of “total number of families served” and “baseline number of families served.”

<sup>4</sup> The methodology used to obtain this figure will be the same methodology used to determine the “Number of families served when Agency entered MTW” in the table immediately above.

<sup>5</sup> The Numerical Difference is considered “MTW adjustments to the number of families served.” This number will reflect adjustments to the number of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.



**VIII. Reporting Compliance with Statutory MTW Requirements, Continued****Annual  
MTW  
Report,  
cont.**

C. In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the Agency will provide information in the following formats:

**Baseline for the Mix of Family Sizes to Be Served**

Family Size	Occupied number of Public Housing units by family size when Agency entered MTW	Utilized number of Section 8 vouchers by family size when Agency entered MTW	Non-MTW adjustments to the distribution of family sizes <sup>6</sup>	Baseline number of family sizes to be maintained	Baseline percentages of family sizes to be maintained
1 person					
2 people					
3 people					
4 people					
5 people					
6+ people					
Totals					100%

Explanations for  
Baseline adjustments  
to the distribution of  
family sizes utilized

**Mix of Family Sizes Served**

	1 person	2 people	3 people	4 people	5 people	6+ people	Total
Baseline percentages of family sizes to be maintained <sup>7</sup>							100%
Number of families served by family size this Fiscal Year <sup>8</sup>							
Percentages of families served by family size this Fiscal Year <sup>9</sup>							100%
Percentage Difference							

Justification and explanation for family size variations of over 5% from the Baseline percentages:

<sup>6</sup> “Non-MTW adjustments to the distribution of family sizes” are defined as factors that are outside the control of the Agency. Acceptable “non-MTW adjustments” include, but are not limited to, demographic changes in the community’s population. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

<sup>7</sup> These numbers in this row will be the same numbers in the chart above listed under the column “Baseline percentages of family sizes to be maintained.”

<sup>8</sup> The methodology used to obtain these figures will be the same methodology used to determine the “Occupied number of Public Housing units by family size when Agency entered MTW” and “Utilized number of Section 8 Vouchers by family size when Agency entered MTW” in the table immediately above.

<sup>9</sup> The “Percentages of families served by family size this fiscal year” will reflect adjustments to the mix of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.

**ATTACHMENT C**  
**STATEMENT OF AUTHORIZATIONS**  
**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**AGENCY**

**A. General Conditions**

1. This Statement of Authorizations describes the activities that the Public Housing Authority (Agency) may carry out under the Moving to Work (MTW) Demonstration program, subject to the terms and conditions of the Moving to Work Demonstration Agreement (Agreement) between the Agency and the U.S. Department of Housing and Urban Development (HUD).
2. Unless otherwise provided in Attachment D of the Agreement, the Agency's MTW Demonstration Program applies to all of the Agency's public housing assisted units (including Agency-owned properties and units comprising a part of mixed-income, mixed finance communities) tenant-based Section 8 voucher assistance (hereinafter referred to as the "Housing Choice Voucher Program"), Section 8 project-based voucher assistance under Section 8(o) and Homeownership units developed using Section 8(y) voucher assistance.
3. The purpose of the Statement of Authorizations is to delegate to the Agency the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance and incentives to self-sufficiency to low, very-low, and extremely low-income families. The authorizations listed in this Attachment C are granted fully without requiring any additional HUD authorizations, as necessary to implement the activities described in the Annual MTW Plan. The Agency may proceed with activities based upon these authorizations once the activity has been included in the Annual MTW Plan, in accordance with Attachment B, and HUD has approved the Plan and activities. HUD will review and approve these documents to ensure that the Annual MTW Plan has provided meaningful citizen participation, taking into account comments from a public hearing and any other comments on the proposed program, as well as providing for, receiving, and meaningfully considering comments from current and prospective residents who would be affected. HUD will also review in order to ascertain that these activities are within the MTW authorizations provided by HUD.
4. The Agency reaffirms that it will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 CFR 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency

must make reasonable modifications and accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.

**B. Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers**

**1. Single Fund Budget with Full Flexibility**

*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

- a. The Agency may combine funding awarded to it annually pursuant to Section 8(o), 9(d) and 9(e) of the 1937 Act into a single, authority-wide funding source ("MTW Funds"). However, section 9(d) funds are still subject to the obligation and expenditure deadlines and requirements provided in section 9(j) despite the fact that they are combined in a single fund. The funding amount for the MTW Funds may be increased by additional allocations of housing choice vouchers to which the Agency is entitled over the term of the Agreement. Special purpose vouchers will not be included in the MTW Funds during their initial term, though some may be included in the MTW Funds upon renewal.
- b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:
  - i. Provision of Capital funds or operating assistance to housing previously developed or operated pursuant to a contract between HUD and the Agency or newly acquired or developed pursuant to section ii below.
  - ii. The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, or other housing as deemed appropriate by the Agency, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration. Such activities may include but are not limited to real property acquisition, site improvement, development of utilities and utility services and energy efficiency systems, conversion, demolition, financing, administration and planning costs, relocation and other related activities; provided, however, that prior HUD

approval is required for the development of any incremental public housing units, pursuant to Section 9(g)(3) of the 1937 Act.

- iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.
  - iv. The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program.
  - v. The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime.
  - vi. The provision of Housing Choice Voucher assistance or project-based rental assistance (under Section 8(o)), alone or in conjunction with other private or public sources of assistance.
  - vii. The preservation of public housing and/or Housing Choice Voucher units currently serving people of low income or the acquisition and/or development of new units for people of low income, provided that all rehabilitation and construction is done in accordance with the requirements of Section 504 of the Rehabilitation Act and where applicable, the design and construction requirements of the Fair Housing Act.
  - viii. If the Agency chooses to establish single fund flexibility, the Agency is authorized to use housing assistance payments for purposes other than payments to owners, so long as these purposes are consistent with other eligible uses of section 8 and section 9 funds.
- c. These activities may be carried out by the Agency, by an entity, agent, or instrumentality of the Agency, a partnership, a grantee, contractor, or other appropriate party or legal entity.
  - d. The Agency's expenditures must comply with OMB Circular A-87, which provides basic guidelines for the use of federal funds, and with this MTW Agreement.
  - e. The Agency may use capital funds (including development and replacement housing factor funds) in accordance with this Agreement.

2. Partnerships with For-Profit and Non-Profit Entities

The Agency may partner with for-profit and non-profit entities, subject to 24 C.F.R. Part 85 and 941.602(d), including, mixed-income, mixed-finance development partners and third party management companies, as well as affiliates and instrumentalities of the Agency ("Agency Partners"), to implement and develop all or some of the initiatives that may comprise the Agency's MTW Demonstration Program. The Agency may, with respect to MTW eligible activity and when working with or partnering with such partners, make available to Agency Partners the least restrictive regulatory requirements allowable based on Agency's participation in the MTW Demonstration Program and that agreements with Agency Partners may reflect the implementation of less restrictive regulatory requirements. *This authorization waives certain provisions of Sections 13 and 35 of the 1937 Act and 24 C.F.R. 941 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

3. Definition of Elderly Family

The Agency is authorized to amend the definition of elderly to include families with a head of household or family member who is at least 55 years old, and must be in compliance with the all Fair Housing Requirements, in particular the Housing for Older Persons Act of 1995. *This authorization waives certain provisions of Section 3 (b)(3) and (G) of the 1937 Act and 24 C.F.R. 5.403 as necessary to implement the Agency's Annual MTW Plan.*

4. Transitional/Conditional Housing Program

The Agency may develop and adopt new short-term transitional housing programs, consistent with an eligible use of section 8 and 9 funds, with supportive services in one or more buildings in collaboration with local community-based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. More specifically, under no circumstances will residents of such programs be required to participate in supportive services that are targeted at persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs developed under this section will not be conditioned on the presence of a disability or a particular disability. This section is not intended to govern the designation of housing that is subject to Section 7 of the 1937 Act. *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

5. Investment Policies

Subject to HUD approval, the Agency is authorized to adopt investment policies consistent with state law to the extent such policies are in compliance with applicable OMB circulars and other federal laws. The Agency shall invest only in securities authorized under state law that will allow the flexibility to invest productively and efficiently. *This authorization waives certain provisions of Section 6(c)(4) of the 1937 Act and 24 C.F.R. 982.156 as necessary to implement the Agency's Annual MTW Plan.*

### **C. Authorizations Related to Public Housing Only**

#### **1. Site Based or Geographic Area Waiting List System**

The Agency is authorized to implement a locally designed waiting list system in lieu of the specific procedural requirements of 24 C.F.R. Part 903 provided that it provides applicants with a reasonable choice of location in accordance with title VI of the Civil Rights Act, the Fair Housing Act, and other applicable civil rights requirements. The Agency may implement additional site-based waiting lists under this MTW Agreement. Such additional site-based waiting lists will be developed, at the Agency's option, to address various situations, including, but not limited to the following: (1) any existing or new or mixed-income, mixed finance communities; (2) any on-site and/or off-site public housing replacement units developed in support of the Agency's redevelopment or HOPE VI efforts, if any; (3) any specially designated public housing or project-based communities; and (4) combining or separating waiting lists for Section 8 tenant-based or project-based assistance, public housing rental communities, homeownership opportunities, and mixed-income, mixed-finance communities. *This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan.*

#### **2. Local Preferences and Admission and Continued Occupancy Policies and Procedures**

The Agency is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act so long as the families assisted qualify as low income, and that the total mix of families assisted meets the requirements of part I.C of the MTW Agreement. The Agency is required to revise the Admissions and Continued Occupancy Policy (ACOP), to implement changes in public housing occupancy policy as a result of the MTW program. Regardless of changes to the Agency's adopted ACOP policies and procedures, the Agency must comply with Sections I(B)(1) and II(D) of this Agreement. The Agency is subject to state and local preferences law. *This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R. 960.206 as necessary to implement the Agency's Annual MTW Plan.*

#### **3. Deconcentration Policy**

The Agency is authorized to develop and adopt a local policy designed to provide for deconcentration and income mixing in public housing communities. *This authorization waives certain provisions of Section 16(3)(B) of the 1937 Act and 24 C.F.R. 903.2 as necessary to implement the Agency's Annual MTW Plan.*

#### **4. Initial, Annual and Interim Income Review Process**

The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. *This authorization 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, as necessary to implement the Agency's Annual MTW Plan.*

5. Use of Public Housing as an Incentive for Economic Progress

The Agency is authorized to modify current public housing occupancy policies to use housing as an incentive for making economic progress, as long as Section II.C. of the MTW Agreement is adhered to. Such modifications may include revising maximum income limits for admission or continued occupancy. Families denied admission or continued occupancy shall continue to be entitled to the right to an informal hearing. *This authorization waives certain provisions of Section 6(c) of the 1937 Act and 24 C.F.R. 960.201, as necessary to implement the Agency's Annual MTW Plan.*

6. Incentives for Underutilized Developments

The Agency is authorized to develop and offer incentives that will attract applicants to developments, or portions thereof, which have been difficult to market. *This authorization waives certain provisions of Section 3(a)(2) and 3(a)(3)(A) of the 1937 Act and 24 C.F.R. 960 subpart B as necessary to implement the Agency's Annual MTW Plan.*

7. Simplification of the Development and Redevelopment Process for Public Housing

*This authorization waives certain provisions of Sections 4, 5, 9, 24, 32 and 35 of the 1937 Act and 24 C.F.R. 941 as necessary to implement the Agency's Annual MTW Plan.*

- a. The Agency may, at its own discretion, allow any authorizations and regulatory relief granted to the Agency pursuant to this MTW Agreement to inure to the benefit of the Agency's Partners with respect to MTW eligible activities, and HUD hereby agrees to the amendment of any and all evidentiaries necessary to implement the least restrictive regulatory requirements allowable.
- b. The Agency is authorized to establish reasonable low-income homeownership programs, such as a lease-to-own program, that are not limited by the existing public housing homeownership requirements, provided that units can only be sold to current public housing residents and that any disposition of current public housing units must be approved in advance by HUD. Any disposition application will be submitted and processed in accordance with this Agreement.

8. Streamlined Demolition and Disposition Procedures

The Agency may choose to follow HUD's "Streamlined Processing Instructions for Disposition, Demolition, and Disposition/Demolition Applications from MTW Agencies."

9. Simplification of Property Management Practices

The Agency is authorized to simplify property management practices as follows:

- a. The Agency is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. *This authorization waives certain provisions of Section 6 (f) of the 1937 Act and 24 C.F.R. 902-Subpart B as necessary to implement the Agency's Annual MTW Plan.*

- b. The Agency is authorized to develop and adopt a new form of local lease and establish community rules, grievance procedures, tenant self-sufficiency requirements and reasonable tenant fees based on proven private management models (subject to State and local laws), provided that no-cause evictions are not permitted. *This authorization waives certain provisions of Section 6 (l) of the 1937 Act and 24 C.F.R. 966 Subparts A and B as necessary to implement the Agency's Annual MTW Plan.*

10. Special Admissions and Occupancy Policies for Certain Public Housing Communities

The Agency is authorized to involve a broad spectrum of community stakeholders, including advocacy groups, in a process to explore and adopt reasonable restrictions for occupancy of specific public housing buildings in the Agency's inventory. Buildings, or portions of buildings (floors, units), may be designated as Smoke-Free, Pet-Free or Assisted Living (or other similar reservations). The Agency may establish admissions preferences in order to establish these special occupancy requirements. A key goal of this initiative will be to ensure that the Agency is able to maintain and improve the quality of life in the Agency communities. These reservations or policies must not have a disparate impact on protected classes and must be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. Any such designations or policies will include adequate safeguards for the disabled, including protections for disabled persons who are Agency residents and those seeking housing assistance. Residents can voluntarily participate in any of the services provided. Once adopted, the designations or policies will be updated and reviewed as part of the Annual MTW Plan and Report submitted by the Agency for HUD's review. In particular, the Agency will review the demographic make-up of its current resident population and applicants to assess the need for and support any changes to its designations or policies. *This authorization waives certain provisions of Sections 3, 6, 7, 16, and 31 of the 1937 Act and 24 C.F.R. 945 subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency's Annual MTW Plan.*

11. Rent Policies and Term Limits

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

12. Design Guidelines

The Agency is authorized to establish reasonable and modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities that will replace HUD guidelines with guidelines that reflect local marketplace conditions for quality construction in its locality so long as all units meet housing quality standards approved by the Secretary. *This authorization waives certain provisions of Sections 4, 5, and 9 of the 1937 Act and 24 C.F.R. 941.202, 941.203, 941.401, and 941.403 as*



*necessary to implement the Agency's Annual MTW Plan.*

**13. Site Acquisition**

The agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. *This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.*

**14. Commercial Business Venture**

The Agency is authorized to enter into commercial business ventures as part of its neighborhood revitalization or affordable housing strategies or other strategies designed to serve as catalysts for revitalization of public housing or surrounding communities. Any venture must be consistent with eligible uses of funds under Sections 8 and 9 of the 1937 Act. *This authorization waives certain provisions of 24 C.F.R. 941 subpart F as necessary to implement the Agency's Annual MTW Plan.*

**15. Available Property**

The Agency is authorized to make available public housing property including dwelling and non-dwelling spaces and vacant land for the purpose of providing services, programs and capital improvements that benefit residents and program participants. *This authorization waives certain provisions of Section 9 of the 1937 Act and 24 C.F.R. 990 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

**16. Total Development Cost (TDC) limits**

The agency is authorized to establish reasonable cost formulas for development and redevelopment activities that will replace HUD's TDC limits in order to reflect local marketplace conditions for quality construction in its locality. *This authorization waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306 as necessary to implement the Agency's Annual MTW Plan.*

**D. Authorizations Related to Section 8 Housing Choice Vouchers Only**

**1. Operational Policies and Procedures**

The Agency is authorized to determine the following basic operational policies and procedures for all Section 8 assistance the Agency is provided under section 8(o) of the 1937 Act:

- a. The Agency is authorized to determine the term and content of Housing Assistance Payment (HAP) contracts to owners during the term of the MTW demonstration. However, any revised HAP contract must include language noting that the funding for the contract is subject to the availability of Appropriations. *This authorization waives certain provisions of Section 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to determine the length of the lease period, when vouchers expire and when vouchers will be reissued. *This authorization waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan;*

- c. The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan;*
- d. The Agency is authorized to determine a damage claim and/or vacancy loss policy and payment policy for occupied units that differs from the policy requirements currently mandated in the 1937 Act and its implementing regulations. Damage and vacancy authority are subject to state and local laws. *This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan;*
- e. The Agency is authorized to determine the percentage of housing voucher assistance that it is permitted to project-base, and criteria for expending funds for physical improvements on those units that differs from the percentage and criteria requirements currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 as necessary to implement the Agency's Annual MTW Plan;*
- f. The Agency is authorized to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations, as well as shared living facilities. If the Agency chooses to use this authorization, it will need to provide a transition plan to both the affected residents and HUD prior to the end of the demonstration. *This authorization waives certain provisions of Section 8(p) of the 1937 Act and 24 C.F.R. 983.53-54 and 982 Subparts H and M as necessary to implement the Agency's Annual MTW Plan; and*
- g. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. *This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan.*

## 2. Rent Policies and Term Limits

- a. The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

- b. The Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451 and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan;*
- c. The Agency is authorized to develop a local process to determine rent reasonableness that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(10) of the 1937 Act and 24 C.F.R. 982.507 as necessary to implement the Agency's Annual MTW Plan; and*
- d. The Agency is authorized to implement term limits for HCV units designated as part of the MTW demonstration. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13)(F)-(G) of the 1937 Act and 24 C.F.R. 982 Subpart L and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan.*

### 3. Eligibility of Participants

- a. The Agency is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirements that i) at least 75 percent of those assisted under the demonstration are "very low-income" as defined in section 3(b)(2) of the 1937 Act, ii) substantially the same number of low-income persons are assisted under the demonstration as would be without the MTW authorizations contained herein, and iii) a comparable mix of families are assisted under the Agreement as would have been otherwise in Section I.C. of the MTW Agreement are met. *This authorization 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 as necessary to implement the Agency's Annual MTW Plan; and*
- b. The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of 24 C.F.R. 982.516 and 982 Subpart E, as necessary to implement the Agency's Annual MTW Plan.*

### 4. Waiting List Policies

The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act*

and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

5. Ability to Certify Housing Quality Standards

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

6. Local Process to Determine Eligibility

The Agency is authorized to adopt a local process for determining whether units meet certain eligibility requirements, provided such requirements are part of the 1937 Act. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 Subpart D as necessary to implement the Agency's Annual MTW Plan.* This includes, but is not limited to, the following:

- a. The minimum expenditure requirement and the timing of rehabilitation and construction of units.
- b. The type of funds that may be used to rehabilitate or construct units.
- c. Procedures to determine whether or not units meet the Agency's requirements regarding rehabilitation and construction, including what information is required to be submitted by owners to the Agency.

7. Establishment of an Agency MTW Section 8 Project-Based Program

The Agency is authorized to develop and adopt a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance, which includes the components set forth below:

- a. The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. *This authorization waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to establish a reasonable competitive process or utilize an existing local competitive process for project-basing leased housing assistance at units that meet existing Housing Quality Standards, or any standards developed by the Agency pursuant to this MTW Agreement and approved by the Secretary, and that are owned by non-profit, or for-profit housing entities. *This authorization waives certain provisions of 24 C.F.R. 983.51 as necessary to implement the*

*Agency's Annual MTW Plan;*

- c. The Agency is authorized to duly adopt, according to the requirements of local law, alternate standards for determining the location of existing, newly constructed or substantially rehabilitated housing to receive subsidy; provided, however, *that in lieu of the Site Selection Standards currently set forth in 24 C.F.R. Section 983.57*, the agency will comply with the following requirements:
  - i. The Agency will comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and implementing regulations thereto, in determining the location of newly constructed or acquired public housing units.
  - ii. Units may be located in the agency's jurisdiction, including within, but not limited to, the following types of urban areas: (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities, (2) an area where public housing units were previously constructed and were demolished, (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing, (4) in connection with a HOPE VI or other HUD funded master planned development, (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area, or (6) relocating units to an area with a lower concentration of public housing units.
  - iii. Conduct a housing needs analysis indicating that there is a real need for the housing in the area; and
  - iv. When developing or substantially rehabilitating six or more Section 8 project-based units, the agency will: (1) advise current residents of the subject properties and representative community groups in the vicinity of the subject property by letter to resident organizations and by public meeting, of the agency's revitalization plan; and (2) certify to HUD in its Annual MTW Report that the comments from Residents and representative community groups have been considered in the revitalization plan. Documentation evidencing that the agency has met the stated requirements will be maintained at the housing authority and submitted to HUD in its Annual MTW Report.
- d. All units that receive project-based Section 8 assistance must meet either (i) existing HQS standards established by the Secretary or (ii) a local standard for communities receiving project-based Section 8 assistance developed by the Agency and approved by the Secretary pursuant to this MTW Agreement, as applicable. *This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982 Subpart I as necessary to implement the Agency's Annual MTW Plan.*

## 8. Homeownership Program

- a. The Agency is authorized to establish reasonable Section 8 homeownership programs that are not limited by the existing Section 8 homeownership requirements. *This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan; and*
- b. The Agency is authorized to permit current public housing residents who are on a merged waiting list to obtain a Section 8 homeownership voucher. *This authorization waives certain provisions of Sections 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.*

## E. Authorizations Related to Family Self Sufficiency

The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the Agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

## ATTACHMENT D

# **LEGACY AND COMMUNITY-SPECIFIC AUTHORIZATIONS** **TO** **AMENDED AND RESTATED MOVING TO WORK AGREEMENT** **BETWEEN** **U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT** **AND THE** **HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA**

### A. Relationship between Housing Authorities

The Housing Authority of the City of San Jose (HASJ) has agreed that on HASJ's behalf the Housing Authority of the County of Santa Clara (HACSC) may submit Annual MTW Plans, Annual MTW Reports and any other MTW documents relating to HASJ's MTW Agreement, and may take any actions authorized by HASJ's MTW Agreement. The actions HACSC may take under this Agreement or HASJ's MTW Agreement may include, without limitation, use of any MTW Funds originally committed to HACSC or HASJ, for any purpose and in any manner authorized for either HACSC or HASJ under either MTW Agreement. Annual MTW Plans and Annual MTW Reports may be consolidated to cover the MTW activities of both HACSC and HASJ. Notwithstanding such consolidation, HACSC and HASJ shall continue to provide separate reports regarding program activities, including financial reports, to the extent required by HUD.

### B. Approved Public Housing Disposition Application

HACSC received HUD approval on September 26, 2007, to dispose of all of its public housing. The authorizations in this Agreement with respect to public housing are applicable until disposition. Notwithstanding any other provision of this Agreement, HACSC shall continue to adhere to the terms and conditions of HUD's disposition approval, except that in addition to other authorized uses HACSC may use any net proceeds resulting from the disposition for any purpose authorized under this Agreement.

### C. Type and Frequency of Inspections for Voucher Program

HACSC is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. *This authorization waives certain provisions of Section 8(o) of the 1937 Act and 24 C.F.R. 982 and 985 as necessary to implement the Agency's Annual MTW Plan.*

### D. Reporting on Other Families Served

Notwithstanding anything to the contrary in Attachment B, HACSC will not report on or otherwise consider "Other families served" for purposes of measuring and determining

compliance with MTW requirements regarding number of eligible low-income families and mix of family sizes to be served.



**FIRST AMENDMENT**  
**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA**

This First Amendment to the Moving to Work ("MTW") Agreement ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and the Housing Authority of the County of Santa Clara ("Agency") and is effective on the date of execution by HUD. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

Attachment A to the Agreement is amended as follows:

The following language is added to the end of paragraph C.4 of Attachment A to the MTW Agreement:

Commencing with calendar year 2010, administrative fee eligibility for each calendar year will be calculated in accordance with the appropriations requirements (including Continuing Resolutions where applicable) for that calendar year. This methodology will apply only to those vouchers for which administrative fees are not already included in a combined calculation of both housing assistance and administrative fees. In every year, fee eligibility will be pro-rated at the same level as applies to all other agencies. Administrative fees for vouchers added to the agency's inventory after the base period will be paid according to each year's appropriation requirements.

Attachment D is amended as follows:

Add the following language is added to Attachment D to the MTW Agreement:

**Use of MTW Funds**

The Agency and HUD acknowledge that Section 204(a) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) provides that an agency participating in the MTW demonstration program may combine public housing operating and capital funds provided under Section 9 of the U.S. Housing Act of 1937 (the "1937 Act") and voucher program funds provided under Section 8 of the 1937 Act "to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve."

The Agency and HUD further acknowledge that the terms of the agreement under which the Agency participated in the MTW demonstration program prior to the Amended and Restated

MTW Agreement (the "Original MTW Agreement") did not state that the use of such combined public housing operating and capital funds and voucher program funds (collectively, "MTW Funds") was restricted to those uses specified in Sections 8 and 9 of the 1937 Act.

The Agency and HUD hereby agree that they do not intend for the Amended and Restated MTW Agreement to limit or restrict the authority to use MTW Funds as provided by the Original MTW Agreement, that notwithstanding any language to the contrary, those provisions in this Agreement or its attachments that restrict the use of funds to Sections 8 and 9 are repealed, and the Agency may use MTW Funds to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work, whether or not any such use is authorized by Sections 8 or 9 of the 1937 Act, provided such uses are consistent with other requirements of the MTW statute [i.e., including but not limited to the requirements to maintain a comparable mix of families and serve substantially the same number of families as would have been assisted if the Agency were not in the MTW demonstration, assuring that housing assisted under the demonstration meets housing quality standards established or approved by the Secretary, that at least 75 percent of the families assisted be very low income families, that the agency has established a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, that the requirements of sections 12 of the 1937 Act are applied to any housing assisted under the demonstration other than housing assisted solely because of occupancy by families receiving tenant-based assistance, and that Section 18 of the 1937 Act shall continue to apply to public housing notwithstanding the use of any use of the housing under the demonstration] and have been proposed in an Agency's Annual MTW Plan and approved by HUD.

Notwithstanding the above, such funds remain Federal funds, and are subject to any and all other Federal requirements outside of the 1937 Act (e.g., including but not limited to Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements), as modified from time to time.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized representatives.

HOUSING AUTHORITY OF THE COUNTY OF  
SANTA CLARA

By: \_\_\_\_\_

Name: Alex Sanchez

Its: Executive Director

Date: \_\_\_\_\_

4/23/10

04/06/2010

UNITED STATES DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

By: 

Name: Sandra B. Henriquez

Its: Assistant Secretary

Date: 04/30/2010

**SECOND AMENDMENT**

**TO**

**MOVING TO WORK AGREEMENT**

**BETWEEN**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**AND**

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA**

This Second Amendment to the Moving to Work ("MTW") Agreement ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and the Housing Authority of the County of Santa Clara ("Agency") and is effective on the date of execution by HUD. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

Attachment D is amended as follows:

Add the following language is added to Attachment D to the MTW Agreement:

**Resident on the Board of Commissioners**

The Agency is authorized to utilize a resident of a dwelling unit assisted by a project-based voucher as a resident member of the Agency's Board of Commissioners. The participation of this individual shall constitute sufficient service of residents on the Board of Commissioners, provided that any state law requirements shall remain applicable. *This authorization waives certain provisions of Section 2(b) of the 1937 Act and 24 C.F.R. 964 Subpart E as necessary to implement the Agency's Annual MTW Plan.*

IN WITNESS WHEREOF, the parties have caused this Second Amendment to be executed by their duly authorized representatives.

HOUSING AUTHORITY OF THE COUNTY OF  
SANTA CLARA

By: 

Name: Alex Sanchez

Its: Executive Director

Date: 10/5/11

UNITED STATES DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

By:

*Ar* *Sandra B. Henriquez*

Name:

Sandra B. Henriquez

Its:

Assitant Secretary for PIH

Date:

11/18/11

### **THIRD AMENDMENT**

**TO**

#### **AMENDED AND RESTATED MOVING TO WORK AGREEMENT BETWEEN U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND**

#### **HOUSING AUTHORITY OF THE COUNTY OF SANTA CLARA**

This third Amendment to the Moving to Work (“MTW”) Agreement (“Agreement”) is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development (“HUD”) and the Housing Authority of the County of Santa Clara (“Agency”) and is effective on the date of execution by HUD. Unless otherwise defined, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

Attachment D is amended as follows: The following language is added to the Housing Authority of the County of Santa Clara’s Attachment D:

#### **Use of Replacement Housing Factor Funds for Development**

The Agency and HUD acknowledge that Section B(1)(a) of Attachment C of this Agreement regarding the ability to combine funds awarded annually pursuant to Section 8(o), 9(d) and 9(e) of the U.S. Housing Act of 1937 (“1937 Act”) into a single, authority-wide funding source (“MTW Funds”) is inclusive of replacement housing factor (“RHF”) funds provided for at 24 CFR 905.10(i) provided the conditions detailed below are met. The Agency may exercise one of the following options in the administration of RHF funds.

- 1) Option 1: The Agency may administer its RHF awards outside of its MTW Funds. These funds must be used in accordance with RHF requirements and may accumulate under an approved RHF Plan or be subject to the two-year obligation and four year expenditure deadlines. The Agency would be eligible for second increment RHF funds, which would be administered outside of the agency’s MTW Funds.
- 2) Option 2: The Agency may combine its first increment RHF funds in its MTW Funds and use the funds for any purpose allowable in this Agreement and approved in an MTW Plan, as detailed in Section B(1)(e) of Attachment C of this Agreement. Obligation and expenditure requirements of Section 9(j) of the 1937 Act still apply to these funds. If administering first increment RHF funds in this way, the Agency forgoes eligibility for second increment RHF funds.
- 3) Option 3: If the Agency combines its first increment RHF funds in its MTW Funds pursuant to Option 2, but wants to receive a second increment of RHF funds, while the Agency may use the funds for any purpose allowable in this Agreement and approved in an MTW Plan, the Agency must spend a portion of its MTW Funds for construction of new public and/or affordable housing. The amount of MTW Funds the Agency must spend on construction of new public and/or affordable units must be equal to or greater than the total amount of RHF funds included in the MTW Funds. In addition, the number of new public and/or affordable

units it constructs must be equal to or greater than the number of public housing units the Agency would have developed if it had not included its RHF funds in its MTW Funds. This is referred to as the “Proportionality Test.” [For example, if an Agency deposits \$500,000 of RHF funds in its MTW Block Grant, the Agency must spend at least \$500,000 of its MTW Block Grant funds on the construction of new public and/or affordable housing. The specific number of new public and/or affordable housing units that must be constructed is determined by dividing \$500,000 by the Total Development Cost (TDC) limit applicable to the type of new units being developed. For example, if the Agency is developing 2-bedroom townhomes and the TDC for these types of units is \$220,000, the Agency must construct a minimum of three new 2-bedroom townhomes ( $\$500,000 \div \$220,000 = 2.7$ .) This calculation must be done for each year that RHF funds are received by the PHA and included in the MTW Block Grant.]

- i) The applicable TDC will be either the HUD TDC limit for the year in which construction of the units commences or an alternate TDC approved by HUD as part of the MTW approval process.
- ii) The new public and/or affordable units required to be developed may be developed directly by the Agency or developed through a Mixed-Finance transaction.
- iii) Any project which includes construction of public housing units must be approved by HUD following either the Development process (units owned by the Agency) or the Mixed-Finance process (units owned by an entity other than the Agency).
- iv) The Agency must show significant progress on construction of the new public and/or affordable units required during the first increment of RHF funds in order to receive the second increment of RHF funds.
- v) If an Agency chooses to include second increment RHF funds in its MTW Block Grant, then second increment RHF funds will be subject to the Proportionality Test and the same requirements as first increment funds regarding the amount of MTW Block Grant funds that must be spent on the construction of new public and/or affordable housing and the number of units which must be constructed.
- vi) Leveraging requirements still apply to the second increment RHF funds.
- vii) The 2-year obligation and 4-year expenditure deadlines are still applicable to both the first and second increment RHF funds deposited into the MTW Block Grant.
- viii) The new units constructed must be consistent with the MTW Statute and Agreement. In order to develop affordable (non-public housing) units, an Agency must have received prior HUD authority to implement local, non-traditional activities.
- ix) Prior to implementing Option 3, an Agency must amend their MTW Agreements to allow for deposit of RHF Funds in the MTW Block Grant and the receipt of second increment RHF Funds (a standard HUD Amendment must be used).

- x) Prior to implementing Option 3, an Agency must include the development of the new public and/or affordable units in their MTW Plan and include RHF funds in Section 7, the Sources and Uses Chart.
- xi) As long as the Agency has included in its MTW Plan the construction of the new public and/or affordable units and its intention to combine RHF funds in the MTW Block Grant and receive second increment RHF funds, the Agency does not need to submit an RHF Plan to HUD. However, the MTW Plan must include the information required in an RHF Plan, as prescribed by HUD.
- xii) The Agency must include in its annual MTW Report an update on the amount of RHF funds included in the MTW Block Grant, the amount of funds spent on construction of new public and/or affordable housing, the number of units being constructed, and the status of construction. The Agency must show significant progress on construction of units during the first increment of RHF funds in order to receive second increment RHF funds.

Notwithstanding the above, such funds remain Federal funds, and are subject to any and all other Federal requirements outside of the 1937 Act (e.g., including but not limited to Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements), as modified from time to time.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be executed by their duly authorized representatives.

HOUSING AUTHORITY OF THE COUNTY  
OF SANTA CLARA

By:  Name:  
Alex Sanchez Its: Executive Director

Date: 5/30/2012

UNITED STATES DEPARTMENT OF HOUSING AND  
URBAN DEVELOPMENT

By:  Name:  
Sandra B. Henriquez Its: Assistant Secretary, Public and  
Indian Housing

Date: 06/08/2012



### **Moving to Work Agreement**

This Moving to Work Demonstration Agreement (Agreement) is entered into on this ~~26<sup>th</sup>~~ day of ~~FEB~~ by and between the United States of America through the U.S. Department of Housing and Urban Development (HUD) and the **Housing Authority of the City of San Jose** (Agency). The term of this Agreement shall begin on the Date of Execution by HUD and shall continue until the end of the Agency's 2018 Fiscal Year, subject to meeting the evaluation criteria described in Section IV, unless such term is otherwise extended by HUD; and

WHEREAS, Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) (1996 Appropriations Act) establishes the statutory framework known as the Public Housing/Section 8 Moving to Work (MTW) demonstration program; and

WHEREAS, Section 204(a) of the 1996 Appropriations Act provides that public housing agencies that administer Section 8 and public housing (Agencies) and the Secretary of HUD (Secretary) shall have the flexibility to design and test various approaches for providing and administering housing assistance that: 1) reduce cost and achieve greater cost effectiveness in Federal expenditures; 2) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and 3) increase housing choices for low-income families (the three statutory objectives); and

WHEREAS, pursuant to Section 204(a) of the 1996 Appropriations Act, HUD may permit Agencies to combine funds appropriated under sections 8 and 9 of the 1937 Act, and may exempt Agencies from provisions of the 1937 Act and implementing regulations thereunder pertaining to Public and Indian Housing and section 8 voucher assistance; and

WHEREAS, pursuant to Section 230 of H.R. 2764, the Consolidated Appropriations Act, 2008, the Secretary of Housing and Urban Development shall increase, pursuant to this section, the number of Moving-to-Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104-134; 110 Stat. 1321-281) by making individually the Alaska Housing Finance Corporation and the housing authorities of the counties of San Bernardino and Santa Clara and the city of San Jose, California, a Moving-to-Work Agency under such section 204; and

WHEREAS, the Secretary determined that the Agency satisfies the Secretary's selection criteria and selected the Agency to participate in MTW; and

WHEREAS, the parties have previously entered into one or more Annual Contributions Contracts (ACCs) setting forth the terms and conditions under which the Agency participates in the public housing and/or Section 8 Housing Choice Voucher programs administered by HUD; and

WHEREAS, the parties agree to execute this Agreement; and

WHEREAS, it is a goal of the MTW demonstration to design and test innovative methods of providing housing and delivering services to low-income families in an efficient and cost effective manner, and HUD and the Agency agree to fully cooperate with each other in order to make the demonstration a success;

NOW, THEREFORE, in reliance upon and in consideration of the mutual representations and obligations hereunder, the parties do agree as follows:

## **I. Statutory Authorizations**

- A. This Agreement waives certain provisions of the United States Housing Act of 1937, as amended (1937 Act), and HUD's implementing requirements and regulations thereunder, as are set forth in the Statement of Authorizations (Attachment C), and the Legacy and Community-Specific Authorizations (Attachment D) only to the extent they are necessary to implement the Agency's Annual MTW Plan. Except as noted in Section I.B. below, this Agreement supersedes the terms and conditions of one or more ACCs between the Agency and HUD, to the extent necessary for the Agency to implement its MTW demonstration initiatives as laid out in the Agency's Annual MTW Plan, as approved by HUD.
- B. Notwithstanding the preceding authority waiving certain provisions of the 1937 Act as necessary to implement the Agency's Annual MTW Plan, the following provisions of the 1937 Act, as otherwise applicable, shall continue to apply to the Agency and/or assistance received pursuant to the 1937 Act:
  1. The terms "low-income families" and "very low-income families" shall continue to be defined by reference to Section 3(b)(2) of the 1937 Act (42 U.S.C. § 1437a(b)(2));
  2. Section 12 of the 1937 Act (42 U.S.C. § 1437j), as amended, shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance; and
  3. Section 18 of the 1937 Act (42 U.S.C. § 1437p, as amended by Section 1002(d) of Public Law 104-19, Section 201(b)(1) of Public Law 104-134, and Section 201(b) of Public Law 104-202), governing demolition and disposition, shall continue to apply to public housing notwithstanding any use of the housing under MTW.
- C. This Agreement only waives certain provisions of the 1937 Act and its implementing regulations. Other federal, state and local requirements applicable to public housing shall continue to apply notwithstanding any term contained in this Agreement or any Authorization granted thereunder. Accordingly, if any requirement applicable to public housing, outside of the 1937 Act, contains a provision that conflicts or is inconsistent with any authorization granted in this Agreement, the MTW Agency remains subject to the terms of that requirement. Such requirements include, but are not limited to, the following: Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local

laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements (including regulations promulgated by HUD thereunder in 24 C.F.R. part 85).

- D. The MTW Agency is authorized to conduct activities in accordance with the Statement of Authorizations (Attachment C) and in accordance with the Legacy and Community-Specific Authorizations (Attachment D), as applicable. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D will supersede those in Attachment C.
- E. Notwithstanding any provision set forth in this MTW Agreement, including without limitations, the term of years and all extensions, renewals and options, and the terms set forth herein otherwise, any federal law that amends, modifies, or changes the aforementioned term of years and/or other terms of this Agreement shall supersede this Restated Agreement such that the provisions of the law shall apply as set forth in the law.

## **II. Requirements and Covenants**

- A. The amount of assistance received under sections 8 or 9 of the 1937 Act by an Agency participating in the demonstration shall not be diminished by the Agency's participation in the MTW demonstration.
- B. The Agency agrees that any HUD assistance that the Agency is authorized to use under the MTW demonstration shall be used in accordance with the Agency's Annual MTW Plans, as may be applicable. The Agency hereby certifies that the Agency's governing board has approved this Agreement, and each Annual MTW Plan issued prior to the date hereof, as applicable, and that a copy of each such board approval has been provided to HUD.
- C. The Agency shall hold at least one public hearing per Annual MTW submission, and make the Annual MTW Plan available for public comment for at least thirty (30) days. The Agency agrees to take into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided.
- D. The Agency shall: (i) ensure that at least 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2) of the 1937 Act, (ii) assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and (iii) maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under the demonstration.
- E. When providing public housing, the Agency will ensure that it is safe, decent, sanitary, and in good repair, according to an inspection protocol established or approved by the Secretary. This in no way precludes the Agency from modifying its own inspection

protocol as authorized in Attachments C and/or D as long as such protocol meets the housing quality standards established or approved by the Secretary.<sup>1</sup>

- F. The Agency agrees to keep project level budgeting and accounting, report financial statements in the Financial Data Schedule (FDS)<sup>2</sup>, and abide by project level management reviews and fees. The Agency will conform to OMB Circular A-87 and the HUD definition of reasonable fees as defined in 24 CFR part 990, and HUD's Financial Management Guidebook 7475.1 and Supplement, as they may be amended.
- G. HUD will not score the Agency under HUD's Public Housing Assessment System (PHAS) or HUD's Section Eight Management Assessment Program (SEMAP), or their successor systems, unless the Agency elects to be scored. If the Agency elects to be scored, the agency will continue to be scored for the duration of the demonstration.
- H. The Agency agrees to cooperate fully with HUD and its contractors in the monitoring and evaluation of the MTW demonstration, to keep records, and to submit reports and other information to HUD as described in the Agreement.
- I. The Agency shall comply with the requirements of the National Environmental Policy Act (NEPA) and other related federal laws and authorities identified in 24 C.F.R. Part 50 or Part 58, as applicable.
- J. The Agency will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 C.F.R. § 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency must make reasonable accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.
- K. The Agency will comply with the terms of any applicable court orders or Voluntary Compliance Agreements that are in existence or may come into existence during the term of the Agreement. The Agency further agrees that it will cooperate fully with any investigation by the HUD Office of Inspector General or any other investigative and law enforcement agencies of the U.S. Government.
- L. Unless otherwise provided herein, this Agreement does not apply to Section 8 assistance that is required:
  - 1. To meet existing contractual obligations of the Agency to a third party (such as Housing Assistance Payment contracts with owners under the Agency's Section 8 Housing Choice Voucher program);
  - 2. For payments to other public housing authorities under Section 8 portability billing procedures; or

---

<sup>1</sup> Agencies are still subject to state and local building codes, and housing codes, and state and local public housing law on inspections.

<sup>2</sup> The Agency agrees to comply with FDS submission requirements, including the requirement to submit project level financial data in the FDS.

3. To meet particular purposes for which HUD has expressly committed the assistance to the Agency.

The aforementioned covenants made by the Agency are not exclusive, as the Agency must also comply with all requirements applicable to public housing other than both those provisions of the 1937 Act, as amended from time to time, and its implementing regulations specifically waived by the Authorizations contained in this Agreement.

### **III. Rent Reform Initiatives**

The Agency shall establish a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration. In developing its rent policy, the Agency must adopt a policy for addressing hardship cases. To meet the Department's purposes of evaluating the MTW demonstration, Agencies may randomly assign new participants into the MTW group, which will provide an alternate program/rent structure, and into a control group, which will continue to operate under the 1937 Act requirements, and collect useful participant data at the point of random assignment.

### **IV. Evaluation**

- A. HUD will consider the following criteria when evaluating whether this Agency shall continue in the MTW Demonstration:
  1. The Agency is in compliance with this Agreement.
  2. The Annual MTW Plans and Reports have been satisfactorily completed and submitted in a timely manner, consistent with this Agreement; and
  3. The Agency has demonstrated, through the Annual MTW Plan and Report, that it has used its MTW designation (i.e., engaged in MTW Activities), as set forth in Section 204 of the 1996 Appropriations Act.
- B. If, after the evaluation during FY 2011 and FY 2014, HUD determines that the Agency fails to meet the above criteria, HUD can terminate this Agreement.

### **V. Amendments and Continuation of Activities**

- A. Amendment of this Agreement. This Agreement may be further amended upon mutual agreement of the Agency and HUD. Proposed amendments by the Agency to the Agreement shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond to the Agency in writing to either approve and execute or disapprove the amendment request. The Statement of Authorizations (Attachment C) may be unilaterally amended by HUD only in order to add to the existing authorizations. The Legacy and Community-Specific Authorizations (Attachment D) may be amended upon mutual agreement between HUD and the Agency. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D supersede the authorizations in Attachment C.

- B. Amendment of the Annual MTW Plan. Amendments to the Annual MTW Plan only need to be made if the proposed MTW activity falls outside the scope of the HUD-approved Annual MTW Plan. An MTW activity is defined as an activity that an Agency participating in the MTW demonstration is authorized to undertake only by means of invoking an authorization included in Attachment C or Attachment D of this Agreement, as opposed to an activity that a non-MTW agency could undertake pursuant to the conventional public housing and Section 8 Housing Choice Voucher programs' statutory and regulatory requirements. Proposed amendments by the Agency to the Annual MTW Plan shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond in writing to either approve or disapprove the amendment request.

The letter requesting any amendment to the Annual MTW Plan should include the following information in relation to the proposed MTW Activity:

1. Description of the proposed activity;
2. Description of how the activity relates to at least one of the three statutory objectives;
3. Identification and discussion of the anticipated impact of the proposed MTW activity on the stated objective;
4. Description of the baselines and benchmarks that the Agency will use to measure the performance and progress of the MTW activities;
5. Description of the data collection process and metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives; and
6. The specific provision of the 1937 Act or regulation that is waived under MTW that authorized the Agency to make this change, when applicable.

C. Continuation of Activities.

1. Not later than one year prior to expiration of this Agreement, the Agency shall submit a transition plan to HUD. It is the Agency's responsibility to plan in such a manner that it will be able to end all features of the MTW Plan upon expiration of the Agreement, as HUD cannot guarantee that it will be able to extend any features of the Plan. The transition plan shall describe plans for phasing out of such authorizations/features. The plan shall also include any proposals of authorizations/features of the Agreement that the Agency wishes to continue beyond the expiration of the Agreement. The Agency shall specify the proposed duration, and shall provide justification for extension of such authorization/features. HUD will respond to the Agency in writing in a timely manner. Only authorizations/features specifically approved for extension shall continue beyond the term of the MTW Agreement. The extended features shall

remain in effect only for the duration and in the manner specified in the approved transition plan.

2. HUD will review and respond to timely-submitted transition plans within 75 days or they are deemed approved. To the extent that HUD has questions or feedback within this 75-day period, HUD will transmit such information within a sufficient time period for the Agency to respond and for HUD to approve a transition plan within 75 days of submission of the plan.

## **VI. Funding**

- A. Funding Methodology. During the term of the MTW demonstration, HUD will provide the Agency with public housing operating subsidies, and modernization or capital funds (including development and replacement housing factor funds), and with tenant-based Section 8 assistance, as provided in Attachment A. If the Agency's Attachment A does not describe the funding methodology for any of these funding streams, the Agency's funding will be calculated according to standard HUD calculations of Agency benefits.
- B. Funding Disbursements. The Agency will receive its public housing operating subsidy and Section 8 tenant-based funding in accordance with the following calculation and disbursement requirements:
  1. Operating Fund subsidies
    - a. HUD shall calculate the allocation of Operating Fund subsidies to the Agency in accordance with Attachment A.
    - b. The Agency may use these funds for any eligible activity permissible under Section 9(e)(1) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
  2. Capital Funds and Other Grants
    - a. HUD shall calculate the allocation of Capital Fund grants (including replacement housing factor fund grants) to the Agency in accordance with Attachment A. Capital Funds will be disbursed in accordance with standard HUD procedures for the disbursement of public housing Capital Fund Grants.
      - (i) In requisitioning grant funds, the Agency will not be required to provide line item detail, but will request the funds using a single MTW line item; provided however, that the Agency may not accelerate draw downs of funds in order to fund reserves.

- (ii) The Agency may use these funds for any eligible activity permissible under Section 9(d)(1) of the 1937 Act, or if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
  - (iii) The Agency is subject to the requirements of Section 9(j) of the 1937 Act with respect to its Capital Fund Grants.
- b. Section 8 Tenant-Based Assistance
  - (i) HUD shall calculate the allocation of Section 8 Housing Choice Voucher funding to the Agency in accordance with Attachment A.
  - (ii) The Agency may use tenant-based Section 8 funds included in the MTW block grant for any eligible activity permissible under Section 8(o) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use the funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Agreement.
- c. The Agency may submit for HUD consideration and approval alternative schedules for disbursement of public housing operating subsidy and Section 8 tenant-based funding to reduce the number of transactions and to address the time lag between making Housing Assistance Payments (HAP) for the large number of Section 8 participants from other jurisdictions (portables) and reimbursement by those jurisdictions. An Agency's request for consideration and approval of an alternative schedule for disbursement shall be subject to certain administrative limitations, such as only one request will be allowed per year.

## **VII. Administrative Responsibilities**

### **A. Annual MTW Planning and Reporting.**

#### **1. Annual MTW Plans**

- a. If the Agency has ten percent or more of its housing stock in MTW, the Agency will prepare and submit an Annual MTW Plan, in accordance with Attachment B, or equivalent HUD form as approved by OMB, in lieu of the Five (5) year and Annual Plans required by Section 5A of the 1937 Act.
- b. If the Agency has less than ten percent of its housing stock in MTW, the Agency will continue to complete the Five-Year and Annual Plans required by Section 5A of the 1937 Act. The Agency will also complete a Supplemental Annual MTW Plan, based on Attachment B, or equivalent HUD form as approved by OMB. Only information not included in either



the Five-Year Plan or the Annual Plan will need to be included in the Supplemental Annual MTW Plan (herein also referred to as the Annual MTW Plan).

- c. Three (3) copies of the Annual MTW Plan shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- d. The Annual MTW Plan is due not later than seventy-five (75) days prior to the start of the Agency's fiscal year, unless otherwise approved by HUD, except in the first year of this Agreement the Agency may submit an amendment to its MTW Plan if it wants to implement initiatives prior to the due date of the subsequent MTW Plan.
- e. Attachment B of this Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Plan.
- f. The Annual MTW Plan will be submitted to HUD only after:
  - (i) The Agency has provided for citizen participation through public hearing and other appropriate means and is approved by the Board of Commissioners or Directors, as applicable, and
  - (ii) The Agency has taken into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided. To document the foregoing, the Agency will submit with the Annual MTW Plan documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and that the Agency took no less than fifteen (15) days between the public hearing and the approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan. The Agency will submit these documents to HUD in accordance with Attachment B, or equivalent HUD form as approved by OMB, and will keep these documents on file for HUD review.
- g. HUD shall notify the Agency in writing if HUD objects to any provisions or information therein. When the Agency submits its Annual MTW Plan seventy-five (75) days in advance of its fiscal year, HUD will respond to the Agency within seventy-five (75) days. If HUD does not respond to the Agency within seventy-five (75) days after an on-time receipt of the Agency's Annual MTW Plan, the Agency's Annual MTW Plan is approved and the Agency is authorized to implement that Plan. If HUD does not receive the Agency's Annual MTW Plan seventy-five (75) days before the beginning of the Agency's fiscal year, the Agency's Annual MTW Plan is

not approved until HUD responds. Reasons that HUD may object to a provision or information in the Annual MTW Plan include, but are not limited to, the following:

- (i) The information required in Attachment B, or equivalent HUD form as approved by OMB, is not provided or is deemed insufficient;
  - (ii) The Agency's planned MTW activities are not permissible under MTW Authority or are inconsistent with requirements outside the 1937 Act<sup>3</sup>;
  - (iii) The Agency's planned MTW activities do not have a clear connection to the statutory goal of the MTW demonstration, which is to provide Agencies with the flexibility to design and test various approaches for providing and administering housing assistance that: (a) reduce cost and achieves greater cost effectiveness in Federal expenditures; (b) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and (c) increase housing choices for low-income families; or
  - (iv) There are other good cause factors, such as material misrepresentation, in the submission.
- h. Once HUD approves an MTW Activity, the activity shall remain approved as long as it is included in the Agency's Annual MTW Plan submissions subsequent to the initial approval of the MTW Activity. The approval shall remain in effect until such time as the Agency proposes to modify the activity, initiative, or program.

## 2. Annual MTW Reports

- a. The Agency will prepare Annual MTW Reports, which will compare the Agency's activities with its Annual MTW Plan. The Annual MTW Report will provide the information necessary for HUD to assess the Agency's activities, in both regular operations and in activities authorized by MTW.
- b. Three (3) copies of the Annual MTW Report shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- c. The Annual MTW Report will be submitted to HUD for its review annually, no later than ninety (90) days after the end of the Agency's fiscal year.

---

<sup>3</sup> Even if HUD approves a MTW Plan that is inconsistent with an external requirement, such as a state law requirement, the Agency is still subject to the external requirement.

- d. Attachment B of this Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Report.
  - e. HUD shall notify the Agency in writing if HUD requires additional information or clarifications to the information provided in the Annual MTW Report.
  - f. All HUD forms and other reporting mechanisms required by this Agreement, including any required certifications, will, where appropriate, be included in either the Annual MTW Plan or the Annual MTW Report.
3. HUD reserves the right to request, and the Agency agrees to provide, any information required by law or required for sound administration of the public housing and Section 8 Housing Choice Voucher programs.

**B. Other Data Submission Requirements.**

- 1. The Agency will submit HUD-50058 data and/or HUD-50058 MTW (or their replacement forms) data to HUD's Public and Indian Housing Information Center (PIC) system, or its successor. (Note that the use of the HUD-50058 MTW form is restricted to the MTW agencies that have implemented MTW Activities that prevent use of the standard 50058 form.) These submissions will be in compliance with HUD's 50058 and/or 50058 MTW submission requirements for MTW public housing authorities. The Agency will maintain current building and unit information in the development module of the PIC Inventory Management System (IMS).
- 2. The Agency will provide basic data about the Agency (e.g., address, phone number, e-mail address, etc.) to HUD through the PIC/IMS system, or its successor system.
- 3. The Agency will complete an annual audit pursuant to the Office of Management and Budget (OMB) Circular A-133 (including the Compliance Supplement, as determined by the auditor to be relevant to MTW). The A-133 Audit must be submitted to HUD in accordance with HUD regulations; a separate copy of the most recently completed audit must be submitted to the Office of Public Housing Investments, or its successor Headquarters Office responsible for national oversight of the MTW demonstration.
- 4. The Agency will provide data to HUD through FDS, or its successor system, as required by the Public Housing Assessment System (PHAS) regulations and procedures as they may be amended.
- 5. The Agency will provide HUD with an electronic version of the Admissions and Continued Occupancy Policy and Administrative Plan upon HUD's request.
- 6. The Agency will provide HUD with a Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant by including this

as a supplement to Attachment B, or equivalent HUD form as approved by OMB.

In addition to the reporting requirements listed above, the Agency is required to comply with any and all HUD reporting requirements that are not specifically waived by HUD.

- C. Annual MTW Monitoring Site Visit. HUD and/or its contractors will conduct at least one formal Site Visit to the Agency each year. The purpose of these visits will be to confirm reported Agency activities, to review the status and effectiveness of the Agency's MTW strategies, and to identify and resolve outstanding MTW related issues. The Agency shall give HUD and/or its contractors unimpeded access to all requested sources of information including access to files, access to units, and an opportunity to interview Agency staff and assisted residents.
- D. Single Point of Contact. HUD and the Agency shall each appoint a liaison as a single point of contact in implementing the Agreement.

### **VIII. Termination and Default**

- A. If the Agency violates this Agreement, HUD is authorized to take any corrective or remedial action described in this Article VIII for Agency default. HUD will give the Agency written notice of any default. The Agency will have the opportunity to cure such default within 30 days of the date of said notice, or to demonstrate within said time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not susceptible to being cured within said 30 day period, the Agency will demonstrate, to HUD's satisfaction, that the Agency has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Agency must covenant to prosecute such cure diligently and complete such cure within the 90 day period, unless HUD, in its sole judgment, determines that immediate action is necessary, and therefore has discretion to institute the remedies under Section VIII.C. of this Agreement.
- B. The following are reasons that HUD may declare the Agency in default of this Agreement:
  - 1. The Agency has not corrected HUD identified performance deficiencies within a reasonable period of time;
  - 2. Material misrepresentation in the application process that led to the MTW Agreement;
  - 3. Use of funds subject to this Agreement for a purpose other than as authorized by this Agreement;
  - 4. Material noncompliance with legislative, regulatory, or other requirements applicable to this Agreement;
  - 5. Material breach of this Agreement; and/or

6. Material misrepresentation in the Annual MTW Plan or Report submission by the Agency.
- C. If the Agency is in default, HUD may, among other remedies, undertake any one or all of the following remedies:
1. Suspend payment or reimbursement for any MTW activities affected;
  2. Suspend the Agency's authority to make draws or receive or use funds for affected activities;
  3. Change the method of payment to the Agency;
  4. Require additional reporting by the Agency on the deficient areas and the steps being taken to address the deficiencies;
  5. Require the Agency to prepare and follow a HUD-approved schedule of actions and/or a management plan for properly completing the activities approved under this Agreement;
  6. Suspend the MTW waiver authorization for the affected activities;
  7. Prohibit payment or reimbursement for any MTW Activities affected by the default;
  8. Require reimbursement by the Agency to HUD for amounts used in violation of this Agreement;
  9. Reduce/offset the Agency's future funding;
  10. Terminate this Agreement and require the Agency to transition out of MTW;
  11. Take any other corrective or remedial action legally available; and/or
  12. Implement administrative or judicial receivership of part or all of the Agency.
- D. The Agency may choose to terminate this Agreement at any time. Upon HUD's receipt of written notification from the Agency and a copy of a board resolution approving termination, termination will be effective. The Agency will then begin to transition out of MTW, and will work with HUD to establish an orderly phase-out of MTW activities, consistent with Section IV C of this Agreement.

This Agreement, including all Attachments, is effective upon execution, except as otherwise provided herein.


HOUSING AUTHORITY OF THE  
CITY OF SAN JOSE

BY: 

ITS: EXECUTIVE DIRECTOR

Date: 02.28.08

UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

BY: 

ITS: Assistant Secretary

Date: 01.04.08

## **ATTACHMENT A**

### **Moving to Work Agreement**

#### **Calculation of Subsidies**

Upon execution of the Moving to Work (MTW) Agreement (MTW Agreement) between the U.S. Department of Housing and Urban Development (HUD) and the Housing Authority of the City of San Jose (Agency), HUD will provide the Agency with operating subsidy, capital funds, and Housing Choice Voucher Program assistance as described below.

##### **A. Operating Subsidy**

1. The calculation of operating subsidy will continue in accordance with applicable operating subsidy formula law and regulations.
2. At the time of execution of the MTW Agreement, the Agency has no public housing.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

##### **B. Capital Funds Program**

1. The Agency's formula characteristics and grant amounts will continue to be calculated in accordance with applicable law and regulations.
2. At the time of execution of the MTW Agreement, the Agency has no public housing.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

##### **C. Housing Choice Voucher Program (HCVP) Subsidy**

1. For purposes of the Housing Choice Voucher Program (HCVP) funding, the Initial Year is calendar year 2008 (January 1, 2008 through December 31, 2008).
2. For purposes of the Housing Choice Voucher program funding, the base period for calculating initial funding is federal fiscal year 2007 (October 1, 2006 through September 30, 2007).
3. Initial year (CY 2008) HCVP housing assistance payments (HAP) subsidy will be based on the greater of actual HAP expenses incurred by the Agency as reported in the Voucher Management System (VMS) in the base period (FFY 2007) or what the Agency received in calendar year 2007. Initial year administrative fees will be based on what the Agency received in calendar year 2007.
4. Funding eligibility for the HCVP HAP in the Initial Year of this agreement will be equal to the amounts determined under the preceding paragraph, adjusted for new units not fully represented in those amounts, and adjusted by the Annual Adjustment Factor (AAF) and by the applicable proration factor. The Administrative Fee funding will be adjusted for new units and by the applicable proration factor. For subsequent years, the HAP subsidy will be equal to the previous year's HAP subsidy eligibility adjusted by the current year's AAF and applicable proration factor percentage. Similarly, the Administrative Fee funding for subsequent years will be equal to the previous year's Administrative Fee eligibility adjusted by the applicable proration factor.

Funding eligibility in any year is subject to the requirements of the applicable Appropriations Act as it applies to MTW Agency.

5. If the Agency receives incremental HCVP funding, the Agency must decide to either apply the incremental funding to their MTW block grant or to keep the incremental funding separate, as provided by law. In some cases, incremental funding may not be eligible for inclusion in the block grant as may be dictated by law.

6. All HCVP funding provided by HUD and not restricted under item 5, above, or otherwise prohibited by law in the Initial Year and subsequent years under this agreement may be eligible for inclusion in the MTW flexible block grant.

7. The Agency will be eligible to receive Family Self Sufficiency coordinator funding in accordance with available appropriations and requirements.

8. There will be no year-end settlement of annual funds provided for the MTW HCVP subsidy. All funds provided through this calculation will remain available for authorized purposes.

9. Any sum held by the Agency in the Net Restricted Assets account resulting from HAP funding that exceeded HAP expenses for the period of January 1, 2005 through December 31, 2007, shall remain available and may be used for authorized purposes, subject to applicable provisions of the MTW Agreement and future appropriations statutes. Any sum held by the Agency as excess administrative funds (Net Unrestricted Assets) shall remain available and may be used for authorized purposes subject to applicable provisions of the MTW Agreement and future appropriations statutes.

10. Funding for five-year mainstream vouchers, one-year mainstream vouchers and moderate rehabilitation vouchers, whether new allocations or renewals of existing vouchers, shall not be included in the MTW Block Grant.

11. The Agency will receive administrative fees to administer any incremental vouchers received, including Family Self Sufficiency funding, in accordance with laws and regulations in effect. Such fees will be calculated assuming all vouchers are in use.

12. The Agency's MTW funding for tenant based voucher assistance shall be based solely on dollars and not units.



**Attachment B**

**TO**

**MOVING TO WORK AGREEMENT**

**BETWEEN**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**AND**

**AGENCY**

**Elements for the Annual MTW Plan and Annual MTW Report**

All MTW Agencies will provide the following required elements in their Annual MTW Plans and Reports, consistent with the requirements of Section VII of the Agreement, and will follow the following order and format.

<u><b>Annual MTW Plan</b></u>	<u><b>Annual MTW Report</b></u>
<b>I. Introduction</b>	
A. Table of Contents, which includes all the required elements of the Annual MTW Plan; and	A. Table of Contents, which includes all the required elements of the Annual MTW Report; and
B. Overview of the Agency's MTW goals and objectives for the year, including new and ongoing MTW activities.	B. Overview of the Agency's ongoing MTW goals and objectives.

## II. General Housing Authority Operating Information

Please provide the following:

### A. Housing Stock Information

- Number of public housing units planned;
- General description of any planned significant capital expenditures by development;
- Description of any new public housing units to be added during the year by development (specifying bedroom size);
- Number of units to be removed from the inventory during the year by development specifying the justification for the removal;
- Number of Housing Choice Vouchers (HCV) units authorized;
- Number of HCV units to be project-based, including description of each separate project;
- General description of other housing planned to be managed by the Agency, specifying location, number of units, and type of non-public housing/non-HCV assistance (to include tax credit, state funded, project based Section 8, and market rate); and
- Description of other properties owned or managed by the Agency.

### B. Lease Up Information

- Anticipated number of public housing units planned to be leased;
- Anticipated number of HCV planned to be leased; and
- Description of anticipated issues relating to any potential difficulties in leasing units (HCV or public housing).

### C. Waiting List Information

- Description of anticipated changes in waiting lists (site-based, community-wide, HCV, merged);
- Description of anticipated changes in the number of families on the waiting list(s) and/or opening and closing of the waiting list(s); and
- Date the waiting list was last purged.

Please provide the following:

### A. Housing Stock Information

- Number of public housing units;
- Number of Housing Choice Vouchers utilized;
- General description of number and type of other housing managed by the Agency, specifying location, number of units and type of non-public housing/non-HCV assistance (to include tax credit, state funded, project based Section 8, and market rate); and
- Description of other properties owned or managed by the Agency.

### B. Lease Up Information

- Number of public housing units leased;
- Number of HCV under lease; and
- Description of issues relating to any difficulties in leasing units (HCV or public housing).

### C. Waiting List Information

- Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year;
- Number of families on the waiting list(s), both at the beginning of the fiscal year and at the end of the fiscal year, and if the list(s) are open or closed; and
- Date the waiting list was last purged.

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>III. Long-term MTW Plan</b>	
Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.	Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.
<b>IV. Proposed MTW Activities: HUD approval requested</b> (provide the listed items below grouped by each MTW activity)	
<p>A. Describe each proposed MTW activity;</p> <p>B. Describe how each proposed activity relates to at least one of the three statutory objectives;</p> <p>C. Identify and discuss the anticipated impact of each proposed MTW activity on the stated objective;</p> <p>D. Describe the baselines and proposed benchmarks and metrics that the Agency will use to measure the performance and progress of the MTW activities;</p> <p>E. Describe the data collection process and the proposed metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives;</p> <p>F. Cite the authorization(s) detailed in Attachment C or D of this Agreement that give the Agency the flexibility to conduct the activity, and include the specific citation(s) of the Act or regulation as identified in Attachment C or D of this Agreement that authorize the Agency to make the change; and</p> <p>G. Describe the hardship policy (for rent reform initiatives only).</p>	<p>(All proposed activities that are granted approval by HUD will be reported on in Section V as "ongoing activities.")</p>

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>V. Ongoing MTW Activities: HUD approval previously granted</b> (provide the listed items below grouped by each MTW activity)	
<p>A. Describe each ongoing MTW activity applicable for the coming year;</p> <p>B. Describe how each ongoing activity relates to at least one of the three statutory objectives;</p> <p>C. Identify and discuss the anticipated impact of each ongoing MTW activity on the stated objective, if in the first year of completing this revised Plan; or any anticipated changes in the impact (as applicable), if in subsequent years;</p> <p>D. Describe the baselines and benchmarks that the Agency will use to measure the performance and progress of the MTW activities, if in the first year of completing this revised Plan; or any changes in benchmarks (as applicable), if in subsequent years;</p> <p>E. Describe the data collection process and metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives, if in the first year of completing this revised Plan; or any changes in data collection (as applicable), if in subsequent years;</p> <p>F. Cite the authorization(s) detailed in Attachment C or D of this Agreement that give the Agency the flexibility to conduct the activity, and include the specific citation(s) of the Act or regulation as identified in Attachment C or D of this Agreement that authorize the Agency to make the change; and</p> <p>G. Describe the hardship policy (for rent reform initiatives only).</p>	<p>A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued;</p> <p>B. Describe each ongoing and completed (within the FY) MTW activity;</p> <p>C. Describe how each ongoing activity relates to at least one of the three statutory objectives;</p> <p>D. Analyze the actual impact of each ongoing MTW activity on the stated objective;</p> <p>E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance;</p> <p>F. 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;</p> <p>G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to; and</p> <p>H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Agreement) that authorized the Agency to make the change, and briefly describe if and how the waived section of the Act or regulation was necessary to achieve the benchmark.</p>

<u>Annual MTW Plan</u>	<u>Annual MTW Report</u>
<b>VI. Sources and Uses of Funding</b>	
<p>A. Provide Consolidated Budget Statement in the same format and level of detail as the unaudited financial statement;</p> <p>B. Planned sources and expenditures by development;</p> <p>C. Description of changes in sources and uses of MTW funding from previously-approved plan; and</p> <p>D. Description of how funding fungibility is planned to be used, if applicable.</p>	<p>A. Unaudited Financial Statement;</p> <p>B. Planned vs. actual financial information by development with a narrative discussion and explanation of the differences;</p> <p>C. Planned vs. actual for all capital activities presented in the Annual MTW Plan with a narrative discussion and explanation of differences;</p> <p>D. Explanation of how funding fungibility was used and narrative explanation of the difference, if applicable.</p>
<b>VII. Administrative</b>	
<p>The Agency will provide the following:</p> <p>A. Board Resolution adopting 50077-MTW, or equivalent form;</p> <p>B. Documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and documentation that the Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;</p> <p>C. Description of any planned or ongoing Agency-directed evaluations of the demonstration, if applicable;</p>	<p>The Agency will provide the following:</p> <p>A. Results of latest Agency-directed evaluations of the demonstration, as applicable;</p> <p>B. Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant, as an attachment to the Report; and</p> <p>C. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, submissions to REAC, or other oversight and monitoring mechanisms, if applicable.</p>

**VIII. Reporting Compliance with Statutory MTW Requirements****Annual  
MTW  
Plan**

If the Agency has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Agreement, as determined by HUD in its review of the previous fiscal year's Annual MTW Report, the Agency will provide a narrative discussion and a plan as to how it will return to compliance. If the Agency is currently in compliance, no discussion or reporting is necessary in this section.

**Annual  
MTW  
Report**

The Agency will provide the following:

A. In order to demonstrate that the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved, the Agency will provide information in the following format:

**Initial Incomes of Families Assisted by MTW**

Fiscal Year:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total number of newly admitted families assisted <sup>1</sup>											
Number of families with incomes below 50% of area median											
Percentage of families with incomes below 50% of area median											

<sup>1</sup> “Total number of newly admitted families assisted” is defined as all families that have been admitted to federal housing assistance during the fiscal year in question. Therefore, this does not mean that all families assisted by the housing authority will be captured in this figure. Instead, the figure only captures the initial admittees’ income, just as they begin to receive housing assistance.

**VIII. Reporting Compliance with Statutory MTW Requirements, Continued****Annual  
MTW  
Report,  
cont.**

B. In order to demonstrate that the statutory objective of “continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined” is being achieved, the Agency will provide information in the following formats:

**Baseline for the Number of Eligible Low-Income Families to Be Served**

	Number of families served when Agency entered MTW	Non-MTW adjustments to the number of families served <sup>2</sup>	Baseline number of families to be served	Explanations for adjustments to the number of families served
Number of public housing families served				
Number of tenant-based Section 8 families served				
Total number of families served				

**Number of Low-Income Families Served**

Baseline number of families to be served (total number of families) <sup>3</sup>	
Total number of families Served this Fiscal Year <sup>4</sup>	
Numerical Difference <sup>5</sup>	
Percentage Difference	

Justification for variations in excess of 10% below the baseline number of families to be served (total number of families):

--

<sup>2</sup> “Non-MTW adjustments to the number of families served” are defined as factors that are outside the control of the Agency. Acceptable “non-MTW adjustments” include, but are not limited to, influences of the economy and of the housing market. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

<sup>3</sup> This number will be the same number in the chart above, at the cross-section of “total number of families served” and “baseline number of families served.”

<sup>4</sup> The methodology used to obtain this figure will be the same methodology used to determine the “Number of families served when Agency entered MTW” in the table immediately above.

<sup>5</sup> The Numerical Difference is considered “MTW adjustments to the number of families served.” This number will reflect adjustments to the number of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.

**VIII. Reporting Compliance with Statutory MTW Requirements, Continued****Annual  
MTW  
Report,  
cont.**

C. In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the Agency will provide information in the following formats:

**Baseline for the Mix of Family Sizes to Be Served**

Family Size	Occupied number of Public Housing units by family size when Agency entered MTW	Utilized number of Section 8 vouchers by family size when Agency entered MTW	Non-MTW adjustments to the distribution of family sizes <sup>6</sup>	Baseline number of family sizes to be maintained	Baseline percentages of family sizes to be maintained
1 person					
2 people					
3 people					
4 people					
5 people					
6+ people					
Totals					100%

Explanations for  
Baseline adjustments  
to the distribution of  
family sizes utilized

**Mix of Family Sizes Served**

	1 person	2 people	3 people	4 people	5 people	6+ people	Total
<b>Baseline percentages of family sizes to be maintained<sup>7</sup></b>							100%
<b>Number of families served by family size this Fiscal Year<sup>8</sup></b>							
<b>Percentages of families served by family size this Fiscal Year<sup>9</sup></b>							100%
<b>Percentage Difference</b>							

Justification and explanation for family size variations of over 5% from the Baseline percentages:

<sup>6</sup> “Non-MTW adjustments to the distribution of family sizes” are defined as factors that are outside the control of the Agency. Acceptable “non-MTW adjustments” include, but are not limited to, demographic changes in the community’s population. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

<sup>7</sup> These numbers in this row will be the same numbers in the chart above listed under the column “Baseline percentages of family sizes to be maintained.”

<sup>8</sup> The methodology used to obtain these figures will be the same methodology used to determine the “Occupied number of Public Housing units by family size when Agency entered MTW” and “Utilized number of Section 8 Vouchers by family size when Agency entered MTW” in the table immediately above.

<sup>9</sup> The “Percentages of families served by family size this fiscal year” will reflect adjustments to the mix of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.



**ATTACHMENT C**  
**STATEMENT OF AUTHORIZATIONS**  
**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**AGENCY**

**A. General Conditions**

1. This Statement of Authorizations describes the activities that the Public Housing Authority (Agency) may carry out under the Moving to Work (MTW) Demonstration program, subject to the terms and conditions of the Moving to Work Demonstration Agreement (Agreement) between the Agency and the U.S. Department of Housing and Urban Development (HUD).
2. Unless otherwise provided in Attachment D of the Agreement, the Agency's MTW Demonstration Program applies to all of the Agency's public housing assisted units (including Agency-owned properties and units comprising a part of mixed-income, mixed finance communities) tenant-based Section 8 voucher assistance (hereinafter referred to as the "Housing Choice Voucher Program"), Section 8 project-based voucher assistance under Section 8(o) and Homeownership units developed using Section 8(y) voucher assistance.
3. The purpose of the Statement of Authorizations is to delegate to the Agency the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance and incentives to self-sufficiency to low, very-low, and extremely low-income families. The authorizations listed in this Attachment C are granted fully without requiring any additional HUD authorizations, as necessary to implement the activities described in the Annual MTW Plan. The Agency may proceed with activities based upon these authorizations once the activity has been included in the Annual MTW Plan, in accordance with Attachment B, and HUD has approved the Plan and activities. HUD will review and approve these documents to ensure that the Annual MTW Plan has provided meaningful citizen participation, taking into account comments from a public hearing and any other comments on the proposed program, as well as providing for, receiving, and meaningfully considering comments from current and prospective residents who would be affected. HUD will also review in order to ascertain that these activities are within the MTW authorizations provided by HUD.
4. The Agency reaffirms that it will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 CFR 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency

must make reasonable modifications and accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.

**B. Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers**

**1. Single Fund Budget with Full Flexibility**

*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

- a. The Agency may combine funding awarded to it annually pursuant to Section 8(o), 9(d) and 9(e) of the 1937 Act into a single, authority-wide funding source ("MTW Funds"). However, section 9(d) funds are still subject to the obligation and expenditure deadlines and requirements provided in section 9(j) despite the fact that they are combined in a single fund. The funding amount for the MTW Funds may be increased by additional allocations of housing choice vouchers to which the Agency is entitled over the term of the Agreement. Special purpose vouchers will not be included in the MTW Funds during their initial term, though some may be included in the MTW Funds upon renewal.
- b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:
  - i. Provision of Capital funds or operating assistance to housing previously developed or operated pursuant to a contract between HUD and the Agency or newly acquired or developed pursuant to section ii below.
  - ii. The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, or other housing as deemed appropriate by the Agency, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration. Such activities may include but are not limited to real property acquisition, site improvement, development of utilities and utility services and energy efficiency systems, conversion, demolition, financing, administration and planning costs, relocation and other related activities; provided, however, that prior HUD

approval is required for the development of any incremental public housing units, pursuant to Section 9(g)(3) of the 1937 Act.

- iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.
  - iv. The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program.
  - v. The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime.
  - vi. The provision of Housing Choice Voucher assistance or project-based rental assistance (under Section 8(o)), alone or in conjunction with other private or public sources of assistance.
  - vii. The preservation of public housing and/or Housing Choice Voucher units currently serving people of low income or the acquisition and/or development of new units for people of low income, provided that all rehabilitation and construction is done in accordance with the requirements of Section 504 of the Rehabilitation Act and where applicable, the design and construction requirements of the Fair Housing Act.
  - viii. If the Agency chooses to establish single fund flexibility, the Agency is authorized to use housing assistance payments for purposes other than payments to owners, so long as these purposes are consistent with other eligible uses of section 8 and section 9 funds.
- c. These activities may be carried out by the Agency, by an entity, agent, or instrumentality of the Agency, a partnership, a grantee, contractor, or other appropriate party or legal entity.
  - d. The Agency's expenditures must comply with OMB Circular A-87, which provides basic guidelines for the use of federal funds, and with this MTW Agreement.
  - e. The Agency may use capital funds (including development and replacement housing factor funds) in accordance with this Agreement.

2. Partnerships with For-Profit and Non-Profit Entities

The Agency may partner with for-profit and non-profit entities, subject to 24 C.F.R. Part 85 and 941.602(d), including, mixed-income, mixed-finance development partners and third party management companies, as well as affiliates and instrumentalities of the Agency ("Agency Partners"), to implement and develop all or some of the initiatives that may comprise the Agency's MTW Demonstration Program. The Agency may, with respect to MTW eligible activity and when working with or partnering with such partners, make available to Agency Partners the least restrictive regulatory requirements allowable based on Agency's participation in the MTW Demonstration Program and that agreements with Agency Partners may reflect the implementation of less restrictive regulatory requirements. *This authorization waives certain provisions of Sections 13 and 35 of the 1937 Act and 24 C.F.R. 941 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

3. Definition of Elderly Family

The Agency is authorized to amend the definition of elderly to include families with a head of household or family member who is at least 55 years old, and must be in compliance with the all Fair Housing Requirements, in particular the Housing for Older Persons Act of 1995. *This authorization waives certain provisions of Section 3 (b)(3) and (G) of the 1937 Act and 24 C.F.R. 5.403 as necessary to implement the Agency's Annual MTW Plan.*

4. Transitional/Conditional Housing Program

The Agency may develop and adopt new short-term transitional housing programs, consistent with an eligible use of section 8 and 9 funds, with supportive services in one or more buildings in collaboration with local community-based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. More specifically, under no circumstances will residents of such programs be required to participate in supportive services that are targeted at persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs developed under this section will not be conditioned on the presence of a disability or a particular disability. This section is not intended to govern the designation of housing that is subject to Section 7 of the 1937 Act. *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

5. Investment Policies

Subject to HUD approval, the Agency is authorized to adopt investment policies consistent with state law to the extent such policies are in compliance with applicable OMB circulars and other federal laws. The Agency shall invest only in securities authorized under state law that will allow the flexibility to invest productively and efficiently. *This authorization waives certain provisions of Section 6(c)(4) of the 1937 Act and 24 C.F.R. 982.156 as necessary to implement the Agency's Annual MTW Plan.*

### **C. Authorizations Related to Public Housing Only**

#### **1. Site Based or Geographic Area Waiting List System**

The Agency is authorized to implement a locally designed waiting list system in lieu of the specific procedural requirements of 24 C.F.R. Part 903 provided that it provides applicants with a reasonable choice of location in accordance with title VI of the Civil Rights Act, the Fair Housing Act, and other applicable civil rights requirements. The Agency may implement additional site-based waiting lists under this MTW Agreement. Such additional site-based waiting lists will be developed, at the Agency's option, to address various situations, including, but not limited to the following: (1) any existing or new or mixed-income, mixed finance communities; (2) any on-site and/or off-site public housing replacement units developed in support of the Agency's redevelopment or HOPE VI efforts, if any; (3) any specially designated public housing or project-based communities; and (4) combining or separating waiting lists for Section 8 tenant-based or project-based assistance, public housing rental communities, homeownership opportunities, and mixed-income, mixed-finance communities. *This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan.*

#### **2. Local Preferences and Admission and Continued Occupancy Policies and Procedures**

The Agency is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act so long as the families assisted qualify as low income, and that the total mix of families assisted meets the requirements of part I.C of the MTW Agreement. The Agency is required to revise the Admissions and Continued Occupancy Policy (ACOP), to implement changes in public housing occupancy policy as a result of the MTW program. Regardless of changes to the Agency's adopted ACOP policies and procedures, the Agency must comply with Sections I(B)(1) and II(D) of this Agreement. The Agency is subject to state and local preferences law. *This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R. 960.206 as necessary to implement the Agency's Annual MTW Plan.*

#### **3. Deconcentration Policy**

The Agency is authorized to develop and adopt a local policy designed to provide for deconcentration and income mixing in public housing communities. *This authorization waives certain provisions of Section 16(3)(B) of the 1937 Act and 24 C.F.R. 903.2 as necessary to implement the Agency's Annual MTW Plan.*

#### **4. Initial, Annual and Interim Income Review Process**

The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. *This authorization 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, as necessary to implement the Agency's Annual MTW Plan.*

5. Use of Public Housing as an Incentive for Economic Progress

The Agency is authorized to modify current public housing occupancy policies to use housing as an incentive for making economic progress, as long as Section II.C. of the MTW Agreement is adhered to. Such modifications may include revising maximum income limits for admission or continued occupancy. Families denied admission or continued occupancy shall continue to be entitled to the right to an informal hearing. *This authorization waives certain provisions of Section 6(c) of the 1937 Act and 24 C.F.R. 960.201, as necessary to implement the Agency's Annual MTW Plan.*

6. Incentives for Underutilized Developments

The Agency is authorized to develop and offer incentives that will attract applicants to developments, or portions thereof, which have been difficult to market. *This authorization waives certain provisions of Section 3(a)(2) and 3(a)(3)(A) of the 1937 Act and 24 C.F.R. 960 subpart B as necessary to implement the Agency's Annual MTW Plan.*

7. Simplification of the Development and Redevelopment Process for Public Housing

*This authorization waives certain provisions of Sections 4, 5, 9, 24, 32 and 35 of the 1937 Act and 24 C.F.R. 941 as necessary to implement the Agency's Annual MTW Plan.*

- a. The Agency may, at its own discretion, allow any authorizations and regulatory relief granted to the Agency pursuant to this MTW Agreement to inure to the benefit of the Agency's Partners with respect to MTW eligible activities, and HUD hereby agrees to the amendment of any and all evidentiaries necessary to implement the least restrictive regulatory requirements allowable.
- b. The Agency is authorized to establish reasonable low-income homeownership programs, such as a lease-to-own program, that are not limited by the existing public housing homeownership requirements, provided that units can only be sold to current public housing residents and that any disposition of current public housing units must be approved in advance by HUD. Any disposition application will be submitted and processed in accordance with this Agreement.

8. Streamlined Demolition and Disposition Procedures

The Agency may choose to follow HUD's "Streamlined Processing Instructions for Disposition, Demolition, and Disposition/Demolition Applications from MTW Agencies."

9. Simplification of Property Management Practices

The Agency is authorized to simplify property management practices as follows:

- a. The Agency is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. *This authorization waives certain provisions of Section 6 (f) of the 1937 Act and 24 C.F.R. 902-Subpart B as necessary to implement the Agency's Annual MTW Plan.*

- b. The Agency is authorized to develop and adopt a new form of local lease and establish community rules, grievance procedures, tenant self-sufficiency requirements and reasonable tenant fees based on proven private management models (subject to State and local laws), provided that no-cause evictions are not permitted. *This authorization waives certain provisions of Section 6 (l) of the 1937 Act and 24 C.F.R. 966 Subparts A and B as necessary to implement the Agency's Annual MTW Plan.*

10. Special Admissions and Occupancy Policies for Certain Public Housing Communities

The Agency is authorized to involve a broad spectrum of community stakeholders, including advocacy groups, in a process to explore and adopt reasonable restrictions for occupancy of specific public housing buildings in the Agency's inventory. Buildings, or portions of buildings (floors, units), may be designated as Smoke-Free, Pet-Free or Assisted Living (or other similar reservations). The Agency may establish admissions preferences in order to establish these special occupancy requirements. A key goal of this initiative will be to ensure that the Agency is able to maintain and improve the quality of life in the Agency communities. These reservations or policies must not have a disparate impact on protected classes and must be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. Any such designations or policies will include adequate safeguards for the disabled, including protections for disabled persons who are Agency residents and those seeking housing assistance. Residents can voluntarily participate in any of the services provided. Once adopted, the designations or policies will be updated and reviewed as part of the Annual MTW Plan and Report submitted by the Agency for HUD's review. In particular, the Agency will review the demographic make-up of its current resident population and applicants to assess the need for and support any changes to its designations or policies. *This authorization waives certain provisions of Sections 3, 6, 7, 16, and 31 of the 1937 Act and 24 C.F.R. 945 subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency's Annual MTW Plan.*

11. Rent Policies and Term Limits

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

12. Design Guidelines

The Agency is authorized to establish reasonable and modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities that will replace HUD guidelines with guidelines that reflect local marketplace conditions for quality construction in its locality so long as all units meet housing quality standards approved by the Secretary. *This authorization waives certain provisions of Sections 4, 5, and 9 of the 1937 Act and 24 C.F.R. 941.202, 941.203, 941.401, and 941.403 as*

*necessary to implement the Agency's Annual MTW Plan.*

13. Site Acquisition

The agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. *This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.*

14. Commercial Business Venture

The Agency is authorized to enter into commercial business ventures as part of its neighborhood revitalization or affordable housing strategies or other strategies designed to serve as catalysts for revitalization of public housing or surrounding communities. Any venture must be consistent with eligible uses of funds under Sections 8 and 9 of the 1937 Act. *This authorization waives certain provisions of 24 C.F.R. 941 subpart F as necessary to implement the Agency's Annual MTW Plan.*

15. Available Property

The Agency is authorized to make available public housing property including dwelling and non-dwelling spaces and vacant land for the purpose of providing services, programs and capital improvements that benefit residents and program participants. *This authorization waives certain provisions of Section 9 of the 1937 Act and 24 C.F.R. 990 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

16. Total Development Cost (TDC) limits

The agency is authorized to establish reasonable cost formulas for development and redevelopment activities that will replace HUD's TDC limits in order to reflect local marketplace conditions for quality construction in its locality. *This authorization waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306 as necessary to implement the Agency's Annual MTW Plan.*

**D. Authorizations Related to Section 8 Housing Choice Vouchers Only**

1. Operational Policies and Procedures

The Agency is authorized to determine the following basic operational policies and procedures for all Section 8 assistance the Agency is provided under section 8(o) of the 1937 Act:

- a. The Agency is authorized to determine the term and content of Housing Assistance Payment (HAP) contracts to owners during the term of the MTW demonstration. However, any revised HAP contract must include language noting that the funding for the contract is subject to the availability of Appropriations. *This authorization waives certain provisions of Section 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to determine the length of the lease period, when vouchers expire and when vouchers will be reissued. *This authorization waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan;*



- c. The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan;*
- d. The Agency is authorized to determine a damage claim and/or vacancy loss policy and payment policy for occupied units that differs from the policy requirements currently mandated in the 1937 Act and its implementing regulations. Damage and vacancy authority are subject to state and local laws. *This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan;*
- e. The Agency is authorized to determine the percentage of housing voucher assistance that it is permitted to project-base, and criteria for expending funds for physical improvements on those units that differs from the percentage and criteria requirements currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 as necessary to implement the Agency's Annual MTW Plan;*
- f. The Agency is authorized to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations, as well as shared living facilities. If the Agency chooses to use this authorization, it will need to provide a transition plan to both the affected residents and HUD prior to the end of the demonstration. *This authorization waives certain provisions of Section 8(p) of the 1937 Act and 24 C.F.R. 983.53-54 and 982 Subparts H and M as necessary to implement the Agency's Annual MTW Plan; and*
- g. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. *This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan.*

## 2. Rent Policies and Term Limits

- a. The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

- b. The Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451 and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan;*
- c. The Agency is authorized to develop a local process to determine rent reasonableness that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(10) of the 1937 Act and 24 C.F.R. 982.507 as necessary to implement the Agency's Annual MTW Plan; and*
- d. The Agency is authorized to implement term limits for HCV units designated as part of the MTW demonstration. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13)(F)-(G) of the 1937 Act and 24 C.F.R. 982 Subpart L and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan.*

### 3. Eligibility of Participants

- a. The Agency is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirements that i) at least 75 percent of those assisted under the demonstration are "very low-income" as defined in section 3(b)(2) of the 1937 Act, ii) substantially the same number of low-income persons are assisted under the demonstration as would be without the MTW authorizations contained herein, and iii) a comparable mix of families are assisted under the Agreement as would have been otherwise in Section I.C. of the MTW Agreement are met. *This authorization 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 as necessary to implement the Agency's Annual MTW Plan; and*
- b. The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of 24 C.F.R. 982.516 and 982 Subpart E, as necessary to implement the Agency's Annual MTW Plan.*

### 4. Waiting List Policies

The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act*

and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

5. Ability to Certify Housing Quality Standards

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

6. Local Process to Determine Eligibility

The Agency is authorized to adopt a local process for determining whether units meet certain eligibility requirements, provided such requirements are part of the 1937 Act. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 Subpart D as necessary to implement the Agency's Annual MTW Plan.* This includes, but is not limited to, the following:

- a. The minimum expenditure requirement and the timing of rehabilitation and construction of units.
- b. The type of funds that may be used to rehabilitate or construct units.
- c. Procedures to determine whether or not units meet the Agency's requirements regarding rehabilitation and construction, including what information is required to be submitted by owners to the Agency.

7. Establishment of an Agency MTW Section 8 Project-Based Program

The Agency is authorized to develop and adopt a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance, which includes the components set forth below:

- a. The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. *This authorization waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to establish a reasonable competitive process or utilize an existing local competitive process for project-basing leased housing assistance at units that meet existing Housing Quality Standards, or any standards developed by the Agency pursuant to this MTW Agreement and approved by the Secretary, and that are owned by non-profit, or for-profit housing entities. *This authorization waives certain provisions of 24 C.F.R. 983.51 as necessary to implement the*

*Agency's Annual MTW Plan;*

- c. The Agency is authorized to duly adopt, according to the requirements of local law, alternate standards for determining the location of existing, newly constructed or substantially rehabilitated housing to receive subsidy; provided, however, *that in lieu of the Site Selection Standards currently set forth in 24 C.F.R. Section 983.57*, the agency will comply with the following requirements:
  - i. The Agency will comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and implementing regulations thereto, in determining the location of newly constructed or acquired public housing units.
  - ii. Units may be located in the agency's jurisdiction, including within, but not limited to, the following types of urban areas: (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities, (2) an area where public housing units were previously constructed and were demolished, (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing, (4) in connection with a HOPE VI or other HUD funded master planned development, (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area, or (6) relocating units to an area with a lower concentration of public housing units.
  - iii. Conduct a housing needs analysis indicating that there is a real need for the housing in the area; and
  - iv. When developing or substantially rehabilitating six or more Section 8 project-based units, the agency will: (1) advise current residents of the subject properties and representative community groups in the vicinity of the subject property by letter to resident organizations and by public meeting, of the agency's revitalization plan; and (2) certify to HUD in its Annual MTW Report that the comments from Residents and representative community groups have been considered in the revitalization plan. Documentation evidencing that the agency has met the stated requirements will be maintained at the housing authority and submitted to HUD in its Annual MTW Report.
- d. All units that receive project-based Section 8 assistance must meet either (i) existing HQS standards established by the Secretary or (ii) a local standard for communities receiving project-based Section 8 assistance developed by the Agency and approved by the Secretary pursuant to this MTW Agreement, as applicable. *This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982 Subpart I as necessary to implement the Agency's Annual MTW Plan.*

## 8. Homeownership Program

- a. The Agency is authorized to establish reasonable Section 8 homeownership programs that are not limited by the existing Section 8 homeownership requirements. *This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan; and*
- b. The Agency is authorized to permit current public housing residents who are on a merged waiting list to obtain a Section 8 homeownership voucher. *This authorization waives certain provisions of Sections 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.*

## E. Authorizations Related to Family Self Sufficiency

The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the Agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

## ATTACHMENT D

### LEGACY AND COMMUNITY-SPECIFIC AUTHORIZATIONS

#### TO AMENDED AND RESTATED MOVING TO WORK AGREEMENT BETWEEN U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND THE HOUSING AUTHORITY OF THE CITY OF SAN JOSE

##### A. Relationship between Housing Authorities

The Housing Authority of the City of San Jose (HASJ) has agreed that on HASJ's behalf the Housing Authority of the County of Santa Clara (HACSC) may submit Annual MTW Plans, Annual MTW Reports and any other MTW documents relating to HASJ's MTW Agreement, and may take any actions authorized by HASJ's MTW Agreement. The actions HACSC may take under its MTW Agreement or HASJ's MTW Agreement may include, without limitation, use of any MTW Funds originally committed to HACSC or HASJ, for any purpose and in any manner authorized for either HACSC or HASJ under either MTW Agreement. Annual MTW Plans and Annual MTW Reports may be consolidated to cover the MTW activities of both HACSC and HASJ. HASJ will give HUD at least one year's notice of any revocation or material modification of this agreement with HACSC. Notwithstanding such consolidation, HACSC and HASJ shall continue to provide separate reports regarding program activities, including financial reports, to the extent required by HUD.

##### B. Type and Frequency of Inspections for Voucher Program

HASJ is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. *This authorization waives certain provisions of Section 8(o) of the 1937 Act and 24 C.F.R. 982 and 985 as necessary to implement the Agency's Annual MTW Plan.*

##### C. Reporting on Other Families Served

Notwithstanding anything to the contrary in Attachment B, HASJ will not report on or otherwise consider "Other families served" for purposes of measuring and determining compliance with MTW requirements regarding number of eligible low-income families and mix of family sizes to be served.

**FIRST AMENDMENT**  
**TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**HOUSING AUTHORITY OF THE CITY OF SAN JOSE**

This First Amendment to the Moving to Work ("MTW") Agreement ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and the Housing Authority of the City of San Jose ("Agency") and is effective on the date of execution by HUD. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

Attachment A to the Agreement is amended as follows:

The following language is added to the end of paragraph C.4 of Attachment A to the MTW Agreement:

Commencing with calendar year 2010, administrative fee eligibility for each calendar year will be calculated in accordance with the appropriations requirements (including Continuing Resolutions where applicable) for that calendar year. This methodology will apply only to those vouchers for which administrative fees are not already included in a combined calculation of both housing assistance and administrative fees. In every year, fee eligibility will be pro-rated at the same level as applies to all other agencies. Administrative fees for vouchers added to the agency's inventory after the base period will be paid according to each year's appropriation requirements.

Attachment D is amended as follows:

Add the following language is added to Attachment D to the MTW Agreement:

**Use of MTW Funds**

The Agency and HUD acknowledge that Section 204(a) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) provides that an agency participating in the MTW demonstration program may combine public housing operating and capital funds provided under Section 9 of the U.S. Housing Act of 1937 (the "1937 Act") and voucher program funds provided under Section 8 of the 1937 Act "to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve."

The Agency and HUD further acknowledge that the terms of the agreement under which the Agency participated in the MTW demonstration program prior to the Amended and Restated MTW Agreement (the "Original MTW Agreement") did not state that the use of such combined


public housing operating and capital funds and voucher program funds (collectively, "MTW Funds") was restricted to those uses specified in Sections 8 and 9 of the 1937 Act.

The Agency and HUD hereby agree that they do not intend for the Amended and Restated MTW Agreement to limit or restrict the authority to use MTW Funds as provided by the Original MTW Agreement, that notwithstanding any language to the contrary, those provisions in this Agreement or its attachments that restrict the use of funds to Sections 8 and 9 are repealed, and the Agency may use MTW Funds to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work, whether or not any such use is authorized by Sections 8 or 9 of the 1937 Act, provided such uses are consistent with other requirements of the MTW statute [i.e., including but not limited to the requirements to maintain a comparable mix of families and serve substantially the same number of families as would have been assisted if the Agency were not in the MTW demonstration, assuring that housing assisted under the demonstration meets housing quality standards established or approved by the Secretary, that at least 75 percent of the families assisted be very low income families, that the agency has established a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, that the requirements of sections 12 of the 1937 Act are applied to any housing assisted under the demonstration other than housing assisted solely because of occupancy by families receiving tenant-based assistance, and that Section 18 of the 1937 Act shall continue to apply to public housing notwithstanding the use of any use of the housing under the demonstration] and have been proposed in an Agency's Annual MTW Plan and approved by HUD.

Notwithstanding the above, such funds remain Federal funds, and are subject to any and all other Federal requirements outside of the 1937 Act (e.g., including but not limited to Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements), as modified from time to time.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized representatives.

HOUSING AUTHORITY OF THE CITY OF SAN JOSE

By: 

Name: Alex Sanchez

Its: Executive Director

Date: 4/23/10



04/06/2010

UNITED STATES DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

By:

Name: Sandra B. Henriquez

Its: Assistant Secretary

Date:

04/30/2010

## Appendix Four

**Comparison of HUD Family Self-Sufficiency Program and  
Proposed Focus Forward Program**



In Fiscal Year (FY) 2014 HACSC is proposing a pilot program as an alternative to the HUD Family Self Sufficiency Program called the 'Focus Forward' program. Although both programs are voluntary and are designed to encourage growth in economic self-sufficiency, there are some distinct differences which are outlined in the below chart.

Program Element	Family Self Sufficiency (FSS) Program or Housing Choice Voucher Regulation(s) Being Waived	Reason Supporting the Change	Proposed Focus Forward Program Change
FSS Contract of Participation	24 CFR 984.303 (a): General. HACSC is requesting a waiver of the HUD regulation that requires the head of the FSS family to enter into the contract.	HACSC plans to make the Focus Forward Program available to any family with at least one 'work-focused' family member. If that family member is not the Head of Household, the Head must agree to the program changes, including the Tiered Rent Schedule.	Family members who volunteer for the Focus Forward Program <sup>1</sup> will sign a contract of participation similar to the form HUD-52650 FSS Program Contract of Participation. If the Head of Household is not the participating family member(s), they must sign an agreement to the program.
	24 CFR 984.303 (b): Form and Content of Contract. HACSC is requesting a waiver of the HUD regulations that require that the contract be in a form prescribed by HUD (Form HUD-52650).		This contract will explain the terms of the program including family responsibilities and will include an individual training and services plan that will establish self-sufficiency goals.
	24 CFR 984.303 (b) (2): HACSC is requesting waiver of the interim goal requirement that if the family receives welfare, they must become independent of welfare at least one year before the expiration of the contract.		If the family receives welfare, HACSC will set an interim goal of independence from welfare at least six months before the expiration of the contract. The contracted family member (and not the Head) must seek and maintain suitable employment or be engaged in activities that will lead to employment (job training, education) during the term of the contract.
	24 CFR 984.303 (b) (4): Employment Obligation. HACSC is proposing to waive the requirement that the Head of the FSS family be required to seek and maintain employment during the contract term.		

<sup>1</sup> Current Family Self Sufficiency (FSS) Program participants will continue under current HUD FSS regulations and will not be impacted by this activity.

Comparison of HUD Family Self-Sufficiency Program and  
Proposed Focus Forward Program

Program Element	Family Self Sufficiency (FSS) Program or Housing Choice Voucher Regulation(s) Being Waived	Reason Supporting the Change	Proposed Focus Forward Program Change
<b>Term of the Contract</b>	24 CFR 984.303 (c) & (d): Contract of Participation and Contract Extension. HACSC is requesting a waiver of the HUD regulation that sets the contract term of five years and allows extensions for a period not to exceed two years.	<p>The traditional FSS program was originally designed in 1990 to be a five year program with an end goal of "no longer receiving Section 8, public or Indian housing assistance, or any Federal, State, or local rent or homeownership subsidies."</p> <p>Studies<sup>2</sup> of the traditional FSS Program show a drop-out rate of more than 50%, on average, during the five-year term of contract. Some studies suggest that the long-term delay of program rewards serves as a disincentive to program completion.</p> <p>HACSC believes that by establishing an accelerated goal completion timeline, during which the participant receives monetary incentives and more focused, meaningful attention in support of their goals, participants will be more motivated to complete the program because they are able to see more immediate and tangible benefits.</p>	HACSC is proposing a two-year contract term, with an optional third year of work preparation and transition, if necessary. Although leaving subsidized assistance is a worthy goal for some of its program participants, HACSC is developing the Focus Forward Program as a shorter term program with an overall goal of improving the income growth capacity of our clients.

<sup>2</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *Evaluation of the Family Self-Sufficiency Program: Prospective Study*, prepared by Planmatics, Inc., February 2011; and MDRC, *Working Toward Self-Sufficiency: Early Findings from a Program for Housing Voucher Recipients in New York City*, December 2012.

**Comparison of HUD Family Self-Sufficiency Program and  
Proposed Focus Forward Program**

Program Element	Family Self Sufficiency (FSS) Program or Housing Choice Voucher Regulation(s) Being Waived	Reason Supporting the Change	Proposed Focus Forward Program Change
FSS Program Action Plan	24 CFR 984.201: Action Plan. HACSC is requesting a waiver to the regulations regarding the FSS Action Plan.	HACSC will keep its current Action Plan for its traditional FSS Program. In addition, the Agency will create a document similar to an Action Plan for the Focus Forward Program.	The Focus Forward 'Action Plan' will be developed in consultation with stakeholders and community partners, will include at least the minimum HUD-regulated requirements for an FSS Action Plan and will be available to the public for review once completed.
Calculation of Family Rent	24 CFR 984.304 (a) (2): Calculation of Family Rent. HACSC is requesting a waiver to the regulation that requires FSS Program participants rent to be calculated in accordance with the 24 CFR 982.505 regulations.	HACSC proposes to use the Focus Forward Program as a means to introduce a simplification to the current rent calculation process that will encourage participants to build income (within income bands), is more user friendly and empowers participants to take greater responsibility and decision-making control for their personal housing choices.	HACSC plans to combine the enhanced services Focus Forward participants will receive with a simplified rent calculation method using a Tiered Rent Schedule. The schedule is designed to encourage income growth within income bands by setting the tenant's rent portion at the lowest income of each band.

**Comparison of HUD Family Self-Sufficiency Program and  
Proposed Focus Forward Program**

Program Element	Family Self Sufficiency (FSS) Program or Housing Choice Voucher Regulation(s) Being Waived	Reason Supporting the Change	Proposed Focus Forward Program Change
Incentives	24 CFR 984.305 (a), (b) & (c): FSS Account. HACSC is asking for a waiver on the regulations that stipulate how an FSS account and its funds are accounted, reported, computed and disbursed and under what circumstances FSS account funds are forfeited.	<p>The traditional FSS Program provides no ongoing program incentives or rewards but pays any accumulated FSS account funds upon program graduation. A recent study<sup>3</sup> of the traditional FSS Program has shown that better results can be obtained by pairing the traditional FSS Program with monetary incentives received during the term of the contract.</p> <p>The traditional FSS Program escrow calculation process is lengthy and administratively burdensome. The calculation must be completed any time during the term of the contract that the family reports an increase in income and requires the tracking and/or application of the:</p> <ul style="list-style-type: none"> <li>• Amount of the family's earned income at the time of program entrance;</li> <li>• Family's Total Tenant Payment at the time of program entrance;</li> <li>• Current, local Area Median Income for Low and Very-Low Income families.</li> </ul>	<p>HACSC's Focus Forward Program will:</p> <ul style="list-style-type: none"> <li>• Provide immediate and ongoing participation incentives for all participants upon program entrance and during the term of their contract as long as the participant is actively pursuing their self-sufficiency goals.</li> <li>• Pay an additional bonus upon program graduation for those families who do choose to leave housing assistance.</li> </ul>

<sup>3</sup> MDRC, *Working Toward Self-Sufficiency: Early Findings from a Program for Housing Voucher Recipients in New York City*, December 2012.

**Comparison of HUD Family Self-Sufficiency Program and  
Proposed Focus Forward Program**

Program Element	Family Self Sufficiency (FSS) Program or Housing Choice Voucher Regulation(s) Being Waived	Reason Supporting the Change	Proposed Focus Forward Program Change
<b>Portability</b>	24 CFR 984.306: Section 8 Residency and Portability Requirements. HACSC is asking for a waiver that allows FSS Program families to relocate to another Housing Authority jurisdiction while continuing under HACSC's Focus Forward Program.	Because the Focus Forward Program is a unique alternative to the traditional FSS Program, receiving Housing Authorities cannot be asked to adopt the program. Therefore, HACSC will not continue Focus Forward contracts if the participating family moves out of Santa Clara County.	HACSC will allow Focus Forward participants to port to another Housing Authority jurisdiction, but they will lose the benefits of the Focus Forward Program upon termination of their current HAP contract.
<b>Regularly Scheduled Reexamination</b>	24 CFR 982.516: Family Income and Composition: Regular and Interim Reexaminations. HACSC is asking for an amendment to its policy on an alternate reexamination schedule (every two or three years, depending on income sources) for Focus Forward Program participants in an active contract.	In addition to providing immediate and ongoing rent portion reductions for all participants upon program entrance, the reduced rent portion will not increase during the term of the contract of participation.	HACSC will not increase a Focus Forward participant's rent portion while they are under a contract of participation. If their regularly scheduled reexamination is due during the two-year participation period, it will be re-scheduled for immediately following the termination of the contract.





Tiered Rent Schedule		
Gross Annual Income	Gross Monthly Income	Tenant Rent
\$0 - \$2,999	\$0- \$249	\$10
\$3,000 - \$4,999	\$250- \$416	\$40
\$5,000 - \$9,999	\$417 - \$833	\$105
\$10,000 - \$14,999	\$834 - 1,250	\$217
\$15,000 - \$19,999	\$1,251 - \$1,666	\$344
\$20,000 - \$24,999	\$1,667 - \$2,083	\$458
\$25,000 - \$29,999	\$2,084 - \$2,500	\$573
\$30,000 - \$34,999	\$2,501- \$2,916	\$688
\$35,000 - \$39,999	\$2,917 - \$3,333	\$817
\$40,000 - \$44,999	\$3,334 - \$3,750	\$933
\$45,000 - \$49,999	\$3,751 - \$4,166	\$1,050
\$50,000 - \$54,999	\$4,167 - \$4,583	\$1,167
\$55,000 - \$59,999	\$4,584 - \$5,000	\$1,283
\$60,000 - \$64,999	\$5,001 - \$5,416	\$1,400
\$65,000 - \$69,999	\$5,417 - \$5,833	\$1,517
\$70,000 - \$74,999	\$5,834 - \$6,250	\$1,633
\$75,000 - \$79,999	\$6,251 - \$6,666	\$1,813
\$80,000 - \$84,999	\$6,667 - \$7,083	\$1,933
\$85,000 - \$89,999	\$7,084 - \$7,500	\$2,054
\$90,000 - \$94,999	\$7,501 - \$7,916	\$2,175
\$95,000 - \$99,999	\$7,917 - \$8,333	\$2,296

Graduation Bonus	
Monthly HAP Paid At Time of Focus Forward Graduation	Graduation Bonus
\$0- \$200	\$3,000
\$201- \$400	\$4,500
\$401- \$600	\$7,500
\$601- \$800	\$10,500
\$801- \$1,000	\$13,500
\$1,000+	\$15,000

DRAFT

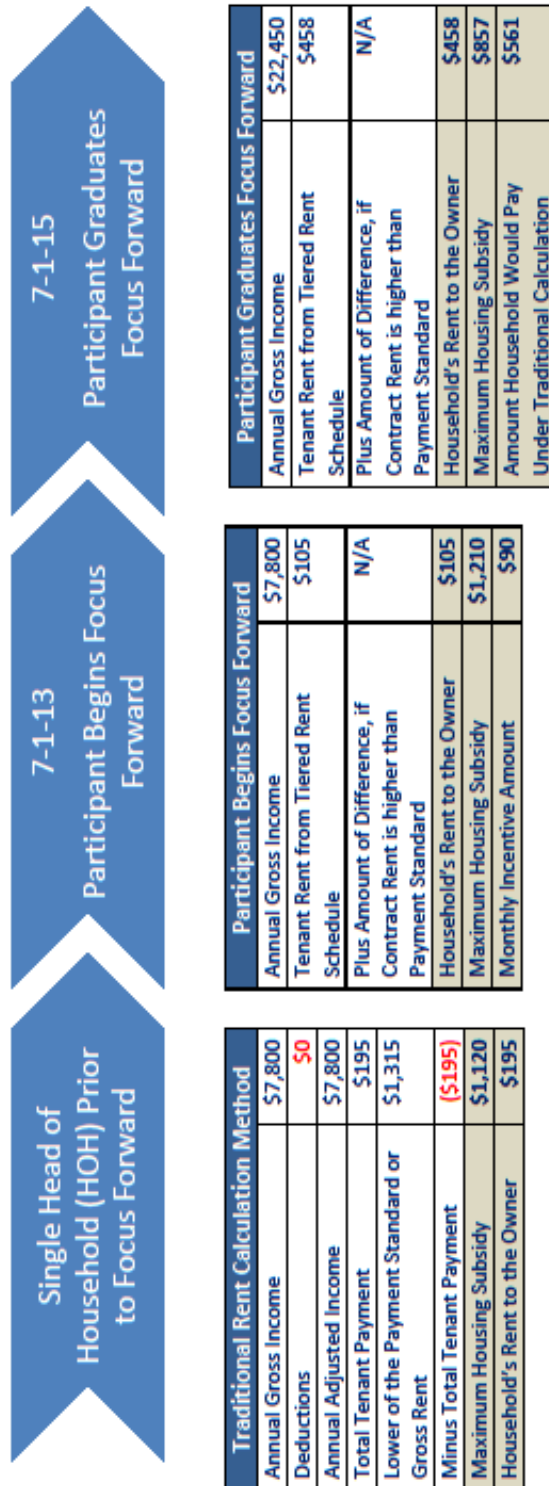
Note: If the household's contract rent is more than their applicable Payment Standard, the household will pay the Tenant Rent as shown on the chart plus the difference between the contract rent and Payment Standard.



## FOCUS FORWARD PROGRAM CASE STUDY #1

### Case Study #1:

Participant: Single Head of Household  
 Subsidy Size: One Bedroom  
 Applicable Payment Standard: \$1,315  
 Contract Rent: \$1,315  
 Utility Allowance: \$30  
 Gross Contract Rent: \$1,345

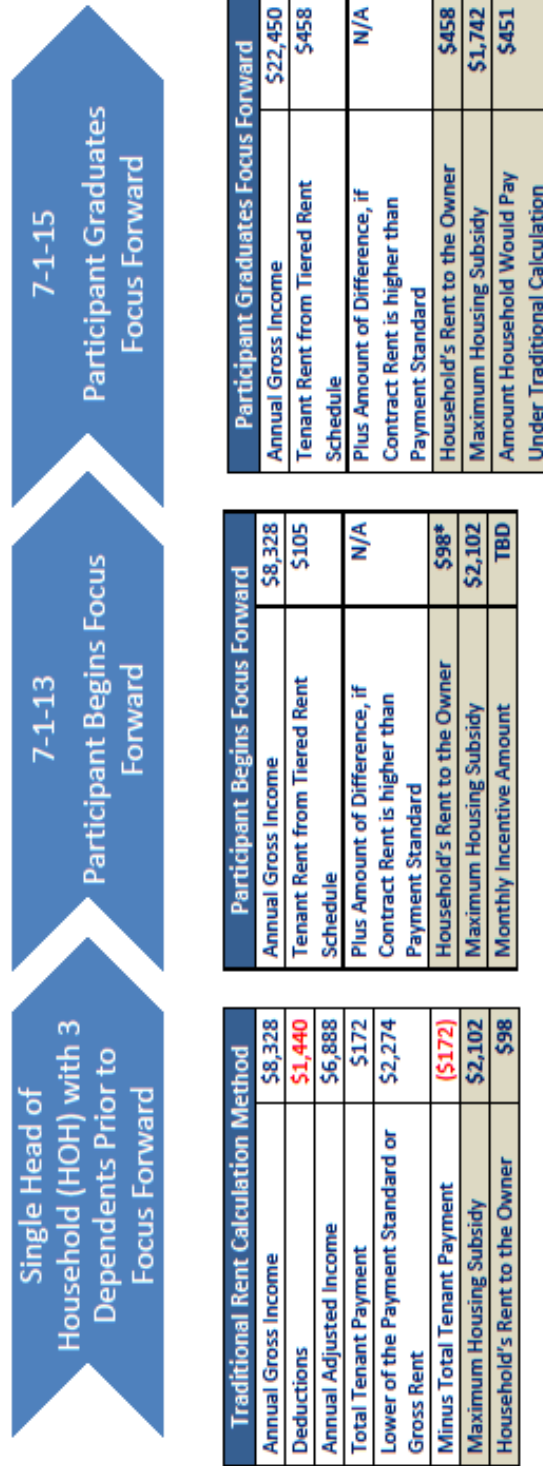




## **FOCUS FORWARD PROGRAM CASE STUDY #2**

### Case Study #2:

Participant: Single Head of Household with Three Dependents  
 Subsidy Size: Three Bedrooms  
 Applicable Payment Standard: \$2,274  
 Contract Rent: \$2,200  
 Utility Allowance: \$163  
 Gross Contract Rent: \$2,363



\* If during the Focus Forward contract term, a participant's rent portion would increase by applying the Tiered Rent Schedule, their rent to the owner would remain the same as it is under the traditional calculation method, and the household would receive a monthly monetary participation incentive.

Rev. 3-13-13

## Appendix Five

## Increased Tenant Contribution-35% of Gross Income

**DRAFT**

## Comparison of 90% Payment Standard Option vs. Increased Tenant Contribution Option

Income Range	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	Number of Households
\$0 - \$31,999	35% TRO	35% TRO	35% TRO	35% TRO	35% TRO	35% TRO	14,951
\$32,000 - \$39,999	35% TRO	90% FMR	35% TRO	35% TRO	35% TRO	35% TRO	700
\$40,000 - \$44,999	35% TRO	90% FMR	35% TRO	35% TRO	35% TRO	35% TRO	294
\$45,000 - \$49,999	90% FMR	90% FMR	35% TRO	90% FMR	35% TRO	35% TRO	218
\$50,000 - \$54,999	90% FMR	90% FMR	35% TRO	90% FMR	35% TRO	35% TRO	157
\$55,000 - \$57,999	90% FMR	90% FMR	35% TRO	90% FMR	90% FMR	35% TRO	50
\$58,000+	90% FMR	90% FMR	90% FMR	90% FMR	90% FMR	90% FMR	192

Using income range and unit size, chart demonstrates which of the two proposed options has the least financial impact to households.

**Note:** Studios and Single Room Occupancy (SRO) unit sizes are not included in chart as these households qualify for a minimum of a 1-bedroom voucher.

## Projected Cost Savings Case Study

### Elderly and/or Disabled Households

Current Household Information			
Elderly/Disabled H/H:	Yes	Gross Income:	\$11,997
Number in Family/Minors:	1/0	Medical/Child Care Expense:	\$0
Voucher Size:	1	TTP:	\$290
Payment Standard:	\$1315	TRO %:	26%
Change with Cost Savings Measures Applied			
Subsidy Size Change		Subsidy Size Change & Payment Standard at 90% of FMR	
Voucher Size:	1	Voucher Size:	1
Payment Standard:	\$1,315	Payment Standard:	\$1,136
HAP:	\$985	HAP:	\$846
TRO:	\$260	TRO:	\$399
		Subsidy Size Change & TRO @ 35% of Gross Income, \$50 Min Rent	
		Voucher Size:	1
		Payment Standard:	\$1,315
		HAP:	\$895
		TRO:	\$350

Current Household Information			
Elderly/Disabled H/H:	Yes	Gross Income:	\$12,907
Number in Family/Minors:	1/0	Medical/Child Care Expense:	\$707
Voucher Size:	1	TTP:	\$305
Payment Standard:	\$1315	TRO %:	27%
Change with Cost Savings Measures Applied			
Subsidy Size Change		Subsidy Size Change & Payment Standard at 90% of FMR	
Voucher Size:	1	Voucher Size:	1
Payment Standard:	\$1,315	Payment Standard:	\$1,136
HAP:	\$1010	HAP:	\$831
TRO:	\$290	TRO:	\$469
		Subsidy Size Change & TRO @ 35% of Gross Income, \$50 Min Rent	
		Voucher Size:	1
		Payment Standard:	\$1,315
		HAP:	\$924
		TRO:	\$376

FMR: Fair Market Rent      HAP: Housing Assistance Payment      TRO: Tenant Rent to Owner      TTP: Total Tenant Payment

## Projected Cost Savings Case Study

### Single Adult with Minors

<b>Current Household Information</b>			
Elderly/Disabled H/H:	No	Gross Income:	\$1500
Number in Family/Minors:	4/3	Medical/Child Care Expense:	\$0
Voucher Size:	3	TTP:	\$50^
Payment Standard:	\$2,274	TRO %:	2%
<b>Change with Cost Savings Measures Applied</b>			
<b>Subsidy Size Change</b>		<b>Subsidy Size Change &amp; Payment Standard at 90% of FMR</b>	
Voucher Size:	3	Voucher Size:	3
Payment Standard:	\$2,274	Payment Standard:	\$2,043
HAP:	\$2,181	HAP:	\$1,993
TRO:	\$3	TRO:	\$191
		<b>Subsidy Size Change &amp; TRO @ 35% of Gross Income, \$50 Min Rent</b>	
		Voucher Size:	3
		Payment Standard:	\$2,274
		HAP:	\$2,134
		TRO:	\$50^

^Subject to \$50 Minimum Rent

<b>Current Household Information</b>			
Elderly/Disabled H/H:	Yes	Gross Income:	\$23,592
Number in Family/Minors:	3/2	Medical/Child Care Expense:	\$0
Voucher Size:	3	TTP:	\$556
Payment Standard:	\$2,274	TRO %:	21%
<b>Change with Cost Savings Measures Applied</b>			
<b>Subsidy Size Change</b>		<b>Subsidy Size Change &amp; Payment Standard at 90% of FMR</b>	
Voucher Size:	2	Voucher Size:	2
Payment Standard:	\$1,581	Payment Standard:	\$1,449
HAP:	\$1,025	HAP:	\$893
TRO:	\$975	TRO:	\$1,107
		<b>Subsidy Size Change &amp; TRO @ 35% of Gross Income, \$50 Min Rent</b>	
		Voucher Size:	2
		Payment Standard:	\$1,581
		HAP:	\$893
		TRO:	\$1,107*

\*Higher percent of income being paid than set amount as contract rent exceeds the payment standard. Actual 35% of gross income is \$688.

FMR: Fair Market Rent

HAP: Housing Assistance Payment

TRO: Tenant Rent to Owner

TTP: Total Tenant Payment

## Projected Cost Savings Case Study

### Large Households

<b>Current Household Information</b>				
Elderly/Disabled H/H:	No	Gross Income:	\$54,757	Unit Size: 5
Number in Family/Minors:	7/5	Medical/Child Care Expense:	\$0	Contract Rent: \$2,500
Voucher Size:	5	TTP:	\$1,309	HAP: \$1,467
Payment Standard:	\$2,878	TRO %:	23%	TRO: \$1,033
<b>Change with Cost Savings Measures Applied</b>				
<b>Subsidy Size Change</b>		<b>Subsidy Size Change &amp; Payment Standard at 90% of FMR</b>		<b>Subsidy Size Change &amp; TRO @ 35% of Gross Income, \$50 Min Rent</b>
Voucher Size:	4	Voucher Size:	4	Voucher Size: 4
Payment Standard:	\$2,503	Payment Standard:	\$2,317	Payment Standard: \$2,503
HAP:	\$1,194	HAP:	\$1,008	HAP: \$903
TRO:	\$1,306	TRO:	\$1,492	TRO: \$1,597

<b>Current Household Information</b>				
Elderly/Disabled H/H:	No	Gross Income:	\$28,872	Unit Size: 4
Number in Family/Minors:	5/3	Medical/Child Care Expense:	\$0	Contract Rent: \$2,476
Voucher Size:	4	TTP:	\$674	HAP: \$1,829
Payment Standard:	\$2,503	TRO %:	27%	TRO: \$647
<b>Change with Cost Savings Measures Applied</b>				
<b>Subsidy Size Change</b>		<b>Subsidy Size Change &amp; Payment Standard at 90% of FMR</b>		<b>Subsidy Size Change &amp; TRO @ 35% of Gross Income, \$50 Min Rent</b>
Voucher Size:	3	Voucher Size:	3	Voucher Size: 3
Payment Standard:	\$2,274	Payment Standard:	\$2,043	Payment Standard: \$2,274
HAP:	\$1,600	HAP:	\$1,369	HAP: \$1,432
TRO:	\$876	TRO:	\$1,107	TRO: \$1,044*

\*Higher percent of income being paid than set amount as contract rent exceeds the payment standard. Actual 35% of gross income is \$842.

FMR: Fair Market Rent      HAP: Housing Assistance Payment      TRO: Tenant Rent to Owner      TTP: Total Tenant Payment



## DRAFT- Analysis of 35% Tenant Contribution (Proposed MTW Activity 2014-4)

HAP* Savings- 35% Tenant Contribution		
	Current	35% Tenant Contribution†
Households Subject to Minimum Rent	603	343
Average TRO	\$369	\$472
Average TRO Increase	N/A	\$102
Average HAP	\$1,232	\$1,130
Total Monthly HAP	\$20,412,251	\$17,946,909
Total Annual HAP	\$244,947,012	\$215,362,908
Annual HAP Savings	N/A	\$29,584,104
Monthly HAP Savings	N/A	\$2,465,342

Average TRO** by Population Type- 35% Tenant Contribution		
	Elderly/Disabled Households	Non Elderly/Disabled Households
Number of Households	9,284	7,278
Percent of Population	56%	44%
Current Average TRO	\$348	\$396
TRO Average @ 35% Tenant Contribution	\$435	\$518

Dollar Amount of TRO** Increases -35% Tenant Contribution		
TRO Increase Bands	All Households	
<\$50		3,440
\$51-\$75		1,735
\$76-\$100		3,290
\$101-\$150		3,361
\$151-\$200		1,798
\$201-\$250		1,153
\$251+		1,785
Total		16,562

† HAP savings are based on the application of 35% tenant contribution once new, more restrictive subsidy standards are applied.

\* HAP= Housing Assistance Payment

\*\* TRO= Tenant Rent to Owner