



SAN DIEGO
HOUSING
COMMISSION

Moving Forward Moving To Work Program Annual Report for Fiscal Year 2014

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SECTION I – INTRODUCTION

A. Message from the President & CEO

For the San Diego Housing Commission (SDHC), the last year was a year of great achievement and strategic planning for the entire agency.

On July 1, 2013, we moved into full implementation of Path to Success, an innovative program to help our rental assistance participants learn skills allowing them to become more financially self-reliant while also allowing SDHC to serve more people in the program.



We led or participated in initiatives to address homelessness and embraced the Housing First approach, which centers on providing housing quickly and services as needed.

To protect the health of tenants at SDHC-owned apartment buildings, we adopted a Smoke-Free Policy.

To help SDHC identify how it can have the greatest possible impact in our community, SDHC in 2014 completed a Strategic Plan to serve as our roadmap for the next two years.

The plan states this agency’s three principal Goals: Create and Preserve Quality Affordable Housing, Provide Housing Choice Voucher Families with Opportunities to Become More Financially Self-Reliant, and Foster a Culture of Excellence and Innovation at SDHC.

One of the Objectives in the Strategic Plan is to define SDHC’s leadership role in the effort to reduce homelessness in the City of San Diego (City).

In October, we’ll announce SDHC’s three-year Homelessness Action Plan toward the goal of ending homelessness in the City.

I’m thankful for the leadership of our Board of Commissioners and for the teamwork and dedication of SDHC management and employees.

I am also proud we are a “Moving to Work” agency drawing on collaboration and partnerships including the U.S. Department of Housing and Urban Development, the U.S. Department of Veterans Affairs, the Mayor, the San Diego City Council, the County of San Diego, committed community agencies, and our development partners.

Sincerely,

Richard C. Gentry
President & Chief Executive Officer



B. Short-Term and Long-Term MTW Goals

SDHC continues to fulfill the three statutory objectives of the MTW demonstration program by meeting the following goals:

- ✓ Streamlining administrative processes to ensure Federal expenditures are utilized efficiently and effectively;
- ✓ Increasing efforts toward promoting self-sufficiency among Path to Success participants through the SDHC Achievement Academy's workforce readiness programs and services;
- ✓ Creating programs to serve the diverse homeless populations in San Diego;
- ✓ Acquiring, preserving, and/or developing affordable housing units to increase housing choices in San Diego.

In Fiscal Year 2014, SDHC implemented Path to Success, a comprehensive rent reform program providing incentives for Work-Able households to increase income levels while encouraging self-sufficiency. The Achievement Academy assumed a pivotal role in Path to Success by providing work readiness services for Work-Able individuals and assisting with obtaining employment. Under Path to Success, SDHC ensures program participants maximize opportunities and outcomes.

The agency continued to develop affordable housing through the award of project-based vouchers and the provision of gap financing utilizing MTW block grant funds to fund the development of the Churchill, an historic building in downtown San Diego. Once developed, the Churchill will provide 72 affordable units using rental assistance subsidies to provide affordable housing for homeless veterans.

SDHC continues to utilize the MTW designation to increase the effectiveness of the rental assistance programs while leveraging the flexibilities to effect positive change in the community.

In addition to MTW initiatives, the San Diego Housing Commission (SDHC) is implementing a two-year Strategic Plan.

SDHC Strategic Plan

Through a strategic planning process, SDHC created a two-year strategic plan. Three major goals were identified:

- Create and Preserve Quality Affordable Housing;
- Provide Housing Choice Voucher Families with Opportunities for Them to Become More Financially Self-Reliant; and
- Foster a Culture of Excellence and Innovation.

This Strategic Plan, approved by the SDHC Board of Commissioners on January 17, 2014, is intended to provide SDHC with a framework to identify how it can have the greatest possible impact with limited financial resources in the years ahead.

Goal A: Create and Preserve Quality Affordable Housing

Objective 1: Pursue new funding opportunities to decrease reliance on traditional funding sources for the creation and preservation of affordable housing at the lowest possible cost.

Objective 2: Ensure the SDHC real estate portfolio is economically and physically sustainable.

Objective 3: Ensure the most effective and cost-efficient business practices are in place for management of the SDHC loan portfolio.



Objective 4: Define SDHC’s leadership role in the effort to reduce homelessness in the City of San Diego.

Goal B: *Provide Housing Choice Voucher Families with Opportunities for Them to Become More Financially Self-Reliant*

Objective 1: Provide a more comprehensive customer service delivery model for Housing Choice Voucher (HCV) participants.

Objective 2: Increase opportunities at the SDHC Achievement Academy for HCV Work-Able participants to become more financially self-reliant.

Goal C: *Foster a Culture of Excellence and Innovation*

Objective 1: Promote a workplace environment with high employee engagement and retention (Employer of Choice).

Objective 2: Ensure real-time data is available to make agency-wide strategic decisions.

Objective 3: Make certain major decision-making actions are consistent with SDHC’s mission and goals and address the current economic and social conditions.

Objective 4: Raise new funding to support agency-wide work readiness programs and homelessness initiatives.

Objective 5: Strengthen customer service delivery through agency-wide operational efficiency.



SECTION II - GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. MTW Report: Housing Stock Information

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of Project
Parker-Kier	22	22	SDHC-owned affordable housing for homeless (11 units) and elderly (11 units) San Diegans. Supportive services are offered by a partnering agency.
Mason Hotel	16	16	Affordable housing co-developed by SDHC and the non-profit affiliate Housing Development Partners. The development serves homeless individuals or individuals at risk of homelessness.

Anticipated Total Number of New Vouchers to be Project-Based *

38

Actual Total Number of New Vouchers that were Project-Based

38

Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *

590

Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year

590

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

303

Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year

277

* From the Plan

Other Changes to the Housing Stock that Occurred During the Fiscal Year

In Fiscal Year 2013, SDHC received final approval from HUD for the transition of 112 units (plus one manager's unit) into the public housing program upon completion of major rehabilitation work. With this approval, SDHC was able to utilize Replacement Housing Factor funds to perform a full rehabilitation of the units, common areas, and amenities. During Fiscal Year 2014, the exterior and interior work was completed at the Otay Villas apartments (78 units), and the units received HUD approval to transition to public housing. The Date of Funding Availability (DOFA) was effective October 31, 2013. Rehabilitation of the remaining 35 units is currently in the architecture and design phase. The revised anticipated date of construction completion and the DOFA for the five remaining scattered sites (Picador) is March 31, 2015.

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



General Description of Actual Capital Fund Expenditures During the Plan Year

Capital Fund 502-07: \$71,633.85 expended on University Canyon administrative expenses, site improvements, and dwelling improvements.
 Capital Fund 501-09: \$1,545,337.98 expended for acquisition and development activities at Vista Verde.
 Capital Fund 501-10: \$1,935,182.00 expended for acquisition and development activities at Otay Villas.
 Capital Fund 501-11: \$1,654,411.00 expended for acquisition and development at Picador.
 Capital Fund 501-12: \$53,776.00 expended on Vista Verde administrative expenses, site improvements, and dwelling improvements.
 Capital Fund 501-13: \$43,480.00 expended on operating funds for Vista Verde.
 RHF 501-10: \$1,935,182.00 expended on the acquisition and rehabilitation of Otay Villas.
 RHF 501-11: \$24,075.70 expended on the acquisition and rehabilitation of Picador.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End

Housing Program *	Total Units	Overview of the Program
Tax Credit	130	SDHC-owned Tax Credit Units at Hotel Sandford are a PBV/Tax Credit combination
Tax Credit	40	SDHC-owned Tax Credit Units at Vista Verde are a Public Housing/Tax Credit combination
State Funded	35	State-owned Rental Housing Construction Program Units, pending conversion to Public Housing
City	3	City-owned units managed by SDHC
Other	1,979	Local Affordable Units

Total Other Housing Owned and/or Managed	2,187
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* **Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

If Other, please describe: SDHC-owned affordable units within the City of San Diego.

SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION



B. MTW Report: Leasing Information

Actual Number of Households Served at the End of the Fiscal Year

Housing Program:	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	91	94
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	280	194
Port-In Vouchers (not absorbed)	0	137
Total Projected and Actual Households Served	371	425

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

** In instances when a Local, Non-Traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of Households served.

Housing Program:	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	1,092	1,128
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	3,363	2,328
Port-In Vouchers (not absorbed)	0	1,644
Total Projected and Annual Unit Months Occupied/Leased	4,455	5,100

- 1) Property-Based Assistance Program includes 131 affordable units created using broader uses of funds authority. Of the 131 affordable units created, approximately 35 to 40 units are occupied with an HCV tenant-based voucher. The discrepancy in actual numbers served is due to an unpredictable fluctuation in the number of tenant-based voucher families residing in the complex.
- 2) Tenant-Based Assistance Programs include the Sponsor-Based Subsidy Program for the Homeless and the Transitional Project-Based Subsidy Program for the Homeless. Due to an historic 98 percent utilization rate among partnering agencies and programmatic turnover, actual unit months leased are less than anticipated.

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

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

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION



Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with 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 by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency's fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	0	133	168	288	0	0	0	0
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	99	135	282	0	0	0	0
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0%	74%	80%	98%	0%	0%	0%	0%

SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION



Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

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 PHA will provide information in the following formats:

Baseline for the Mix of Family Sizes Served

Family Size:	Occupied Number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	12	4,808	0	4,820	35%
2 Person	14	2,867	0	2,881	21%
3 Person	5	2,103	0	2,108	15%
4 Person	4	1,729	0	1,733	13%
5 Person	1	1,139	0	1,140	8%
6+ Person	0	1,093	0	1,093	8%
Totals	36	13,739	0	13,775	100%

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized

N/A

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained **	35%	21%	15%	13%	8%	8%	100%
Number of Households Served by Family Size this Fiscal Year ***	4,743	3,248	2,038	1,642	1,051	1,045	13,767
Percentages of Households Served by Household Size this Fiscal Year ****	34%	24%	15%	12%	8%	8%	100%
Percentage Change	1%	-3%	0%	1%	1%	0%	0%

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages

N/A

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

** The 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.”

*** 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 PHA entered MTW” and “Utilized number of Section 8 Vouchers by family size when PHA entered MTW” in the table immediately above.

**** 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 PHA has made. HUD expects that in the course of the demonstration, PHAs will make decisions that may alter the number of families served.

SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION



Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End

Housing Program

Description of Leasing Issues and Solutions

Housing Choice Voucher Units
Tenant-Based Local, Non-Traditional Units
N/A

In Fiscal Year 2014, SDHC ceased lease up activities in anticipation of decreased funding levels. The resulting voucher utilization rate was 98 percent. SDHC will proactively issue vouchers in Fiscal Year 2015 to increase voucher utilization and maintain lease up percentages for the duration of the fiscal year.
Utilization rates for the Sponsor-Based Subsidy Program and Transitional Project-Based Subsidies for the Homeless were 90 percent and 100 percent respectively. SDHC is monitoring the subsidy utilization for sponsor-based subsidies and anticipates an increase in utilization.
N/A

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End

Activity Name/#	Number of Households Transitioned*	Agency Definition of Self Sufficiency
Family Self Sufficiency Reinvention/2013-2	0	Successful completion of the FSS program.
Transitional Project-Based Subsidies for the Homeless/2013-6	34	Transitioning to stable housing.
Path to Success/2012-1	44	Exiting a rental assistance program due to \$0 assistance rendered or voluntary surrender of assistance.
Sponsor-Based Subsidies for the Homeless/2011-8	0	Receiving a tenant-based voucher.
Households Duplicated Across Activities/Definitions	0	
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	78	

* The number provided here should match the outcome reported where metric SS #8 is used.

SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION



C. MTW Report: Wait List Information

Wait List Information at Fiscal Year End				
Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Federal MTW Housing Choice Voucher Program	Community Wide	49,425	Open	No
Federal MTW Housing Choice Voucher Program	Site-Based	675	Open	No
Federal MTW Public Housing Units	Site-Based	31,897	Open	No
Federal MTW Public Housing Units	Site-Based	20,124	Open	No
Federal MTW Public Housing Units	Site-Based	18,760	Open	No
Federal MTW Public Housing Units	Site-Based	534	Open	No
Tenant-Based Local, Non-Traditional MTW Housing Assistance Program	Other	286	Open	No
Tenant-Based Local, Non-Traditional MTW Housing Assistance Program	Site-Based	124	Open	No

More can be added if needed.

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

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

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

N/A
N/A
N/A

If Local, Non-Traditional Program, please describe:

Sponsor-Based Subsidy Program for the Homeless: SDHC provides subsidies (calculated using the standard HCV calculation with certain MTW flexibilities applied) to partnering agencies providing supportive services and case management to homeless persons.

Transitional Project-Based Subsidy Program for the Homeless: SDHC provides flat subsidies to partnering agencies providing supportive services and case management to homeless persons. A unit must be occupied at least 25 days of a given month to receive a subsidy.

N/A

If Other Wait List Type, please describe:

Partnering agencies administering the Sponsor-Based Subsidy Program for the Homeless (a Tenant-Based Local, Non-Traditional MTW Housing Assistance Program) maintain waitlists for each individual allocation of subsidies.

N/A
N/A

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

N/A



SECTION III - PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

All proposed activities granted approval by HUD are reported on in Section IV as “Approved Activities”.



SECTION IV – APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

IMPLEMENTED ACTIVITIES

2010-1. IMPLEMENT A REVISED INSPECTION PROTOCOL

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009 (Biennial Cycle) and June 1, 2010 (Self-Certification of Repairs)

Activity Description: The activity reduces the number of required inspections by placing qualifying units on a Biennial Inspection Cycle and allowing owners to self-certify Housing Quality Standards for minor fail items. The activity enables SDHC to utilize Federal expenditures more efficiently.

Units passing two consecutive initial and/or annual inspections on the first attempt qualify for placement on the Biennial Inspection Cycle. The unit remains on the biennial cycle as long as the unit continues to pass inspection on the first attempt in subsequent years. Upon a failed inspection, the unit reverts back to the annual inspection cycle until meeting the eligibility requirements for placement back onto the Biennial Inspection Cycle. (In the event of a move-out, the unit will temporarily revert to the annual cycle. If a new MTW participant seeks to move into the unit and the initial inspection is conducted with a pass result on the first attempt, the unit will regain biennial status.)

Moreover, inspectors conducting an annual inspection where only a minor fail item prohibits the unit from receiving a “Pass” result have the discretion to allow the tenant and owner the opportunity to complete a Self-Certification of Repair form in lieu of scheduling a second inspection. When the option is available, the tenant and property owner remedy the minor fail item and return the signed Self-Certification of Repair form to SDHC. The unit is issued a “Pass” status upon receipt of the form. However, the issuance of a Self-Certification of Repair form is considered a “Fail” result with regard to qualifying for placement on the biennial cycle.

In Fiscal Year 2015, SDHC intends to remove the qualifying criteria from the inspections protocol and implement a biennial inspections cycle for all tenant-based participants, including the FUP, VASH, and NED programs. Note: FUP, VASH, and NED currently utilize the revised inspection protocol with the qualifying criteria. The implementation date is tentatively scheduled for January 1, 2015 although the date is subject to change. SDHC expects to revise benchmarks accordingly and will report the changes in the Fiscal Year 2015 MTW Annual Report per HUD Form-50900 requirements.

Impact of Activity: Using the revised inspection protocol, SDHC predicted saving 1.5 Full Time Equivalents (FTEs) due to the overall reduction of mandatory Housing Quality Standards (HQS) inspections utilizing the capacity of the Self-Certification of Repair process and the Biennial Inspection Cycle system. At the conclusion of Fiscal Year 2014, SDHC reduced the total number of inspections by 3,199 when compared to baseline numbers which translated into an approximate savings of 1 FTE. In Fiscal Year 2014, the additional savings enabled the inspections department to assume the responsibility of scheduling the HQS inspections, formally a function of the Information Technology department.

Implement a Revised Inspection Protocol						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$544,779		\$451,737		\$458,406	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,133		12,548		12,734	No

Hardship Requests: N/A

SECTION IV – APPROVED MTW ACTIVITIES



Explanation of Challenges: Inspections increased slightly in Fiscal Year 2014 over previous fiscal year levels due to new project-based developments under HAP requiring initial inspections; inspecting project-based local, non-traditional units created using the MTW block grant; and pulling families from the HCV waitlist to increase the voucher utilization rate. For these reasons, inspections increased and benchmarks were not achieved in Fiscal Year 2014. The inability to achieve benchmarks is not due to a failure of the initiative and related internal processes, but rather a product of circumstances. The initiative is proceeding according to expectation.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-2. AUTHORIZE SDHC TO INSPECT AND DETERMINE RENT REASONABLENESS FOR SDHC-OWNED PROPERTIES

Plan Year Identified: Fiscal Year 2010

Implementation Date: July 13, 2009

Activity Description: Federal regulations require an outside inspection contractor to perform HQS inspections and rent reasonableness determinations on Public Housing Authority-owned units receiving Federal subsidies for housing programs. SDHC owns over 2,000 affordable housing units in which the regulations under standard HQS requirements may apply. In order to reduce cost and achieve greater cost effectiveness in Federal expenditures, SDHC received permission from HUD to conduct inspections and determine rent reasonableness for SDHC-owned units using MTW waivers.

Impact of Activity: SDHC conducted 1,327 inspections on SDHC-owned units during Fiscal Year 2014. The cost for a third-party vendor to conduct inspections per regulations is \$38,307. As a result of the initiative, SDHC saved \$7,786, thus SDHC more efficiently and effectively utilized Federal expenditures.

Authorize SDHC to Inspect and Determine Rent Reasonableness for SDHC-Owned Properties						
Metric	Baseline #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$128,716		< \$34,500		\$30,521	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-3. TRIENNIAL REEXAMINATIONS FOR ELDERLY AND DISABLED FAMILIES

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Activity Description: Households defined as Elderly/Disabled according to SDHC's local definition participate in a Triennial Reexamination Cycle. In an Elderly/Disabled household, 100 percent of the adult household members are either ages 55 or older, verified as disabled, or a full-time student ages 18 to 24 (excluding the head, spouse, and co-head). A household may have any type of income source and still qualify for the triennial reexamination cycle, a modification from the original activity which stated only Social Security or

SECTION IV – APPROVED MTW ACTIVITIES



SSI benefits were allowable sources of income. COLA updates to social security and veteran's benefits are processed in the "off" years when the family is not receiving a full reexamination of income and household circumstances. Elderly/Disabled households are still able to request an interim certification for a decrease in income or change in medical expenses as necessary during the year.

In Fiscal Year 2016, SDHC intends to close the Triennial Reexaminations for Elderly and Disabled Families activity and implement biennial reexaminations for the Elderly/Disabled population instead. The elimination of COLAs will further streamline the reexamination process. No changes to staffing levels are expected since eliminating COLAs in combination with the biennial reexamination cycle is predicted to be impact neutral.

Impact of Activity: The Triennial Recertification Cycle initiative targeted reducing staff time and thereby achieving greater cost effectiveness in Federal expenditures by decreasing the number of annual certifications required for the Elderly/Disabled households. As a result of the initiative, SDHC reallocated four full-time equivalents to other areas within the Rental Assistance Division. The Quality Assurance Team was created to function as a quality control mechanism, and two staff were reassigned to MTW programs: A Choice Communities Housing Assistant and a Home of Your Own Housing Assistant.

Implement Triennial Income Recertifications for Elderly and Disabled Families						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$295,000		< \$213,660		\$181,145	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	9,500		< 6,850		5,811	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-4. CHOICE COMMUNITIES

Plan Year Identified: Fiscal Year 2010

Implementation Date: January 1, 2010 (Security Deposit Program, Affordability Cap, and Mobility Counseling) and June 1, 2010 (Payment Standards)

Activity Description: The Choice Communities initiative focuses on providing incentives and assistance to MTW program participants aspiring to move out of high- and medium-poverty areas into low-poverty areas. SDHC uses a four-pronged approach containing the following elements:

1. Eliminating the 40% affordability cap on family share at the time of initial lease up in low-poverty neighborhoods.
2. Creating a security deposit loan program for families moving to low-poverty areas.
3. Providing resources, information, and guidance to families expressing interest in moving to low-poverty neighborhoods.
4. Increasing the payment standards in low-poverty areas.

Nine zip codes were identified as target areas for participants seeking to relocate to an area of low-poverty. Informational flyers concerning the Choice Communities program are disseminated via move packets with instructions to contact the assigned Choice Communities Housing Assistant (CCHA) for further details.

SECTION IV – APPROVED MTW ACTIVITIES



Occupancy staff members also educate clients about the opportunities under the Choice Communities initiative when receiving telephone calls as well as make referrals to the CCHA. In January 2011, the *Choice Communities: Moving for Opportunities* booklet was posted online to serve as an accessible reference for participants interested in moving to areas of low-poverty. The booklet is updated on an annual basis, as needed.

Impact of Activity: To date, 244 households have moved out of high/medium-poverty areas into low-poverty areas since implementation of the activity in January 2010. Out of the 244 households, four families moved out of Choice Communities during Fiscal Year 2014. One family voluntarily surrendered the voucher, one family ported out, and two families moved into other areas in SDHC's jurisdiction. Four percent of total moves processed during the fiscal year resulted in families moving out of high/medium poverty areas into Choice Communities.

One hundred percent of the 44 families moving to Choice Communities during Fiscal Year 2014 received services aimed to increase housing choice while 31 of the families participated in the Security Deposit Loan Program. Total dollars loaned in the fiscal year equaled \$38,400 with a cumulative total of \$173,459 since program implementation. Approximately 14 percent of the families relocating to Choice Communities exceeded the 40 percent affordability cap at move-in.

Choice Communities						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	33		300		234	No
HC #7: Households Assisted by Services that Increase Housing Choice Number of households receiving services aimed to increase housing choice (increase).	0		750		730	No

Hardship Requests: N/A

Explanation of Challenges: SDHC averages around 50 moves per year into Choice Communities from high/medium poverty areas of San Diego. If moves into the low-poverty areas continue at this annual rate, benchmarks for metric HC #5 will be achieved in Fiscal Year 2016. SDHC continues to provide households information concerning Choice Communities in move/port-in packets, on the agency's website, and via the CCHA. SDHC anticipates achieving benchmarks for HC #7 at the close of Fiscal Year 2015.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-5. STANDARDIZE UTILITY ALLOWANCES BY UNIT SIZE

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Activity Description: The activity authorizes a simplified utility allowance structure where the utility allowance amount is based on whether or not the family is responsible for the water portion of the utilities. In the first year of implementation, SDHC offered a hardship for families experiencing a monthly increase of \$50 or more in the family share. The standardized utility allowance schedule reduces the administrative burden related to applying the correct utility allowances during the rent calculation process as well as reduces administrative errors.

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Please see the chart below for a review of the utility allowance amounts used for the purposes of the initiative:

MTW Standard Utility Allowance*		
Bedrooms	Sewer/Water Included	Sewer/Water Not Included
0	\$49	\$18
1	\$49	\$25
2	\$83	\$36
3	\$113	\$49
4	\$154	\$68
5	\$176	\$72
6	\$192	\$94

*Excluding \$0 Utility Allowance Households

Impact of Activity: The utility allowance calculation was simplified in order to streamline certification and leasing processes as well as reduce the complexity of the utility allowance for ease of administration, especially as related to landlords and tenants. The streamlined utility allowance is only offered to tenants currently responsible for utilities as prescribed in the lease and HAP contract. The activity has had a positive impact on program administration; calculation error rates were reduced and significant staff time savings were seen as a result of the implementation.

At the close of Fiscal Year 2014, zero families requested a hardship exemption due to the new policy. SDHC does not anticipate receiving any hardship requests since three years have elapsed since implementation of the activity. However, the hardship policy remains in effect in the event a household requests the hardship in the future.

Standardize Utility Allowance by Unit Size						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$31,710		\$6,330		\$3,329	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	1,057		211		111	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		11%		5.5%	3%	Yes

Hardship Requests: Zero hardship requests received.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-6. SIMPLIFY INCOME AND ASSET VERIFICATION SYSTEMS

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Activity Description: The income and asset verification policy was simplified in order to streamline verification processes related to conducting annual and interim certifications. The revised verification policy contains two

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main components: Allowing program participants to self-certify the total cash surrender value of all assets when less than \$10,000 and restructuring the order of the verification hierarchy. Using the new verification system, staff was not required to issue third-party verifications to verify income and assets and was able to rely on review of documents and UIV as the preferred method of verification. EIV reports are utilized according to HUD requirements while applying the flexibilities afforded SDHC via (1) the MTW activity modifying EIV requirements related to the income report review schedule and (2) the biennial and triennial reexamination cycles.

Impact of Activity: The effect of the initiative was a significant reduction in the number of third party verifications sent on behalf of the participant. Also, since staff no longer was required to verify assets totaling less than \$10,000 (99% of all MTW households have assets with a cash surrender value less than \$10,000), significant staff savings resulted from the initiative.

The number of asset-related third-party verifications decreased further due to the Fiscal Year 2011 activity removing retirement accounts as an asset. The initial number of households with assets \$10,000 or greater was 410. During Fiscal Year 2014, the number of households with countable assets reduced even further to 63 as a result of the initiative.

Simplify Income and Asset Verification Systems to Reduce Administrative Costs						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$17,040		< \$3,345		\$1,180	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	568		< 112		39	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		13%		7%	0.3%	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: During Fiscal Year 2010 and Fiscal Year 2011, SDHC utilized a manual tracking log completed by staff on a monthly basis to capture the number of third-party verifications issued to verify sources of income and assets. Although an accurate method of data collection, the tracking log proved to create an administrative burden for staff required to track these instances. In response, SDHC instituted an alternative data collection methodology requiring staff to only complete the tracking log for one cycle over the course of the applicable fiscal year. The collected data is then trended over the course of 12 months using full collections of historical data as a baseline of comparison. The revised method was suggested and approved by HUD during the Fiscal Year 2011 MTW annual site visit.

2010-7. ADOPT A LOCAL INTERIM CERTIFICATION POLICY

Plan Year Identified: Fiscal Year 2010

Implementation Date: July 1, 2011

Activity Description: The local interim policy was created to encourage non-elderly/non-disabled households to maintain current sources of income, thus encouraging self-sufficiency and economic independence.

Changes enacted under the local interim policy include the following elements:



- If the decrease in income is a result of loss of employment, the participant must apply for unemployment benefits (UIB). An interim will not be processed until the household provides proof of the UIB determination.
- The household is only allowed one decrease in the rent portion in a 12 month period due to a reduction in income; multiple decreases within the 12 months are not processed.
- All household income, including new income obtained since the last full reexamination is considered for purposes of determining eligibility for the decrease in income interim and will be used in the rent calculation if the interim is processed.
- The loss of income must result in a reduction of the rent portion by more than 20 percent. A household does not qualify for an interim adjustment if the change in the rent portion is less than 21 percent.
- An interim will not be processed due to a decrease of public assistance income resulting from a finding of fraud or a failure to comply with work/school requirements.
- The loss of the income source must be through no fault of the program participant. A voluntary loss of income, such as terminating employment without good cause, are not considered an eligible “decrease of income” for purposes of granting a decrease of income interim.

In addition to the changes enacted through MTW flexibility, SDHC revised additional components of the decrease of income interim policy. The following revisions do not require MTW authority:

- The decrease of income must be expected to last more than 90 days, a change from the previous 60 day threshold.
- The decrease of income interim will be effective the first of the month following the receipt of all required documents from the households, not the first of the month following the written request per the preceding policy.
- If determined eligible for an interim reduction in the rent portion and the interim reexamination is processed, the household must report any increase in income within ten (10) days of the increase. The prior policy did not contain this requirement.

Please note: The local interim policy and the flexibilities waived using MTW authority are not applicable to elderly/disabled households.

The hardship exemption was created in response to the interim policy limiting the number of decrease of income interims. All requests are reviewed on a case-by-case basis. The eligibility criterion for a hardship approval is as follows:

1. The participant household must provide proof of the inability to continue paying the current rent portion because of a financial hardship, including:
 - The family's income has decreased because of loss of employment through no fault of the family, and the family demonstrates efforts towards regaining employment;
 - A death has occurred in the family which eliminates a prior source of income; or
 - Other circumstances determined to warrant an exemption by SDHC.
2. The qualifying financial hardship is long-term (a minimum of 4 months).

A written hardship request and supporting documentation is reviewed by designated staff within the rental assistance department, and a determination is completed based upon the aforementioned criteria and a preponderance of evidence supporting the household's contention.

Impact of Activity: All benchmarks were attained during Fiscal Year 2014 with the exception of the benchmarks measuring the annual income levels of Work-Able families. Although the benchmark was not achieved, the fluctuation in the year-to-date totals as compared to the baseline numbers was not statistically significant. Thus, the household income amounts remained stable, a secondary accomplishment related to the

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initiative. In relation to utilizing Federal expenditures more efficiently and effectively, SDHC reduced staff hours required to process decrease of income interims to generate a 20 percent reduction in cost.

As a separate metric, SDHC also measured the average annual income of Work-Able families to determine if other sources of income were obtained in lieu of earned income. The resulting annual average calculated at \$19,985 at the close of the fiscal year, a five percent increase over the baseline measurement of \$18,971.

Adopt a Local Interim Recertification Policy						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$20,831		\$22,914		\$20,573	No
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$21,000		< \$20,160		\$16,775	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	700		< 672		559	Yes

Hardship Requests: During Fiscal Year 2014, 45 households requested a hardship exemption for this component of the local interim policy, and 12 households received approval for the exemption.

Explanation of Challenges: To address SS #1, the Rental Assistance Division and the Achievement Academy created a referral system wherein a household requesting an interim decrease to income is referred to the Achievement Academy when a reduction in income is reported. The referral system was implemented effective April 1, 2014. At the close of the fiscal year, 222 participants were referred to the Achievement Academy and subsequently contacted by Achievement Academy staff. As a result, 64 participants attended an orientation, and 9 participants were assigned to a Workforce Readiness Specialist to engage in work-readiness supportive services. As the referral system continues into Fiscal Year 2015 and more households are engaged by staff, SDHC anticipates the average earned income of Work-Able families will increase.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-8. ESTABLISH AN HCV HOMEOWNERSHIP PROGRAM USING BLOCK GRANT FUNDS

Plan Year Identified: Fiscal Year 2010

Implementation Date: October 1, 2009

Activity Description: The HCV Homeownership Program, known locally as *Home of Your Own (HYO)*, was constructed to promote the utilization of a two-mortgage model to assist qualifying HCV participants with purchasing a home using a voucher. Participants purchasing a home under the HCV Homeownership Program continue to receive Housing Assistance Payments to assist with a portion of the mortgage payment. SDHC also provides for a down payment assistance/repairs grant of an amount equal to 24 months of Housing Assistance Payments if the participant purchases a foreclosed unit, as an incentive to purchase such units. A secondary foreclosure incentive provides two months of mortgage payments for use towards the purchase of the home. Other programs offered by SDHC may be used in conjunction with the HCV Homeownership Program for qualifying households, such as another down payment assistance grant and soft-second mortgages.

The *Home of Your Own* program will be placed on hold beginning July 1, 2014.



Impact of Activity: In Fiscal Year 2014, sixteen households purchased homes through the *Home of Your Own* program for a total of 37 homes purchased since implementation; four homes were foreclosures and 33 homes were regular market rate homes. In Fiscal Year 2013, one family participating in the *Home of Your Own* program attained self-sufficiency. The participant identified an opportunity to refinance the home purchase resulting in the family achieving zero HAP status. The participant voluntarily surrendered the homeownership voucher. An aggregate of 36 homeowners remain on the *Home of Your Own* program. Even though the program is placed on hold effective July 1, 2014, SDHC will continue to provide payments towards the mortgages per the contractual agreements.

Establish an HCV Homeownership Program Using Block Grant Funds						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$39,760		\$43,637		\$40,832	No
HC #6: Increase in Homeownership Opportunities Number of households that purchased a home as a result of the activity (increase).	0		6		37	Yes

Hardship Requests: N/A

Explanation of Challenges: Although the average earned income of homeowners is less than benchmark levels, households did experience a three percent increase over baseline levels. During the HYO qualifying process, SDHC thoroughly evaluates the ability of the family to maintain mortgage payments at the termination of the Housing Assistance Payment. SDHC predicts families will experience increases to income levels, but successful homeownership is not contingent upon such income increases.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2010-9. EXPAND THE PROJECT-BASED VOUCHER PROGRAM

Plan Year Identified: Fiscal Year 2010

Implementation Date: September 1, 2009

Activity Description: Under the initiative, local non-profits and developers compete for the opportunity to receive a project-based allocation of vouchers, at times coupled with the provision of supportive services. SDHC may award the project-based vouchers using a non-competitive process if the competitive process does not yield viable proposals meeting SDHC’s objective. SDHC utilizes flexibilities from an existing initiative from the Fiscal Year 2011 Plan allowing SDHC to project-base units in SDHC-owned developments without a competitive process. All flexibilities contained in this initiative apply to SDHC-owned units as well.

SDHC uses the following MTW flexibilities and strategies to increase housing choice in San Diego:

1. Collaborate with local developers and non-profit housing providers by creating long-term subsidies by means of project-based vouchers, in exchange for the creation of affordable housing for designated low-income populations.
2. Designate greater than 20 percent of SDHC’s voucher allocation as PBV with a maximum allotment of 5 percent of total vouchers authorized as PBV per year.
3. Expand the use of project-based vouchers by increasing the permissible percentage of subsidized units in a single development from 25 percent to 100 percent.



4. In conjunction with programs such as the Neighborhood Stabilization Program, SDHC may apply creative measures utilizing project-based vouchers to increase housing opportunities in vacant and foreclosed properties in the community.
5. Allow for project-specific waiting lists maintained by the owners or non-profit providers in compliance with agency standards.

The selected partners are authorized to conduct initial and on-going eligibility determinations while assisting the residents with completing paperwork and gathering verification documents. (SDHC recognizes certain confidential verification sources, such as EIV, are not accessible to the partnering agencies. For this reason, SDHC continues to generate and analyze these types of documents and reports.) In such instances, the finalized packets are forwarded to SDHC staff for review, final eligibility determination, certification processing, quality control auditing, and submission of the HUD-50058.

SDHC maintains responsibility for calculating the tenant's rent portion. The rent calculation methodology utilized for PBV participants parallels the calculation used for tenant-based voucher participants, including the application of rent reform activities designed under the MTW program.

A referral service may be used to place homeless individuals into project-based units. Discussions are currently underway to assess the feasibility of a referral mechanism with the possibility of requiring the use of the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions.

Impact of Activity: Expanding the Project-Based Voucher Program allowed SDHC to allocate an additional 400 vouchers to provide housing to homeless and low-income families. The vouchers supplement the baseline of 39 project-based vouchers of which 33 served low-income families and 6 served the homeless. Of the project-based vouchers dedicated to the initiative, an additional 200 vouchers serve each population respectively, or a total of 233 dedicated to low-income families and 206 dedicated to the homeless.

Designating additional vouchers increased the range of housing options and housing opportunities to underserved families in San Diego. Of the vouchers committed as project-based vouchers thus far:

- Thirteen percent are committed in developments formerly vacant and/or foreclosed
- Fifty-one percent are committed in existing developments or new construction
- Thirty-five percent are committed within SDHC-owned properties

SDHC committed 204 project-based vouchers during Fiscal Year 2014 for a total of 590 committed or under a HAP contract. The table summarizes the voucher commitments to date:

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Project-Based Developments				
Contract Effective Date	Development Name	Total No. of Units in Development	Total No. Project Based Units Authorized in Development	% of Project Based Units Authorized in Development
2/1/2002	Becky's House*	9	2	22%
7/1/2002	Take Wing*	33	8	24%
12/23/2002	Hollywood Palms*	94	23	24%
7/1/2005	Leah Residence*	24	14	58%
9/1/2009	Townsppeople	24	9	38%
1/1/2010	Stepping Stone	8	6	75%
2/1/2010	Potiker	200	36	18%
4/28/2010	Alabama Manor	67	15	22%
4/28/2010	Meade (SDHC-Owned)	30	14	47%
5/1/2010	Santa Margarita (SDHC-Owned)	32	19	59%
10/15/2010	Courtyard (SDHC-Owned)	37	7	19%
11/1/2010	Hotel Sanford (SDHC-Owned)	130	39	30%
1/31/2013	Connections Housing	223	73	33%
5/14/2013	Mason Hotel (SDHC-Owned)	17	16	94%
6/1/2013	Parker-Kier (SDHC-Owned)	33	22	67%
TBD	Celadon	250	88	35%
TBD	Atmosphere	205	51	25%
TBD	Alpha Square	201	76	38%
TBD	Churchill (SDHC-Owned)	72	72	100%
	Total:	1,689	590	35%

Outcomes of the activity are as follows:

Expand the Project-Based Voucher Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #4: Displacement Prevention Number of homeless households at or below 80% AMI that would lose assistance or need to move (decrease).	0		88		0	No
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0		88		0	No

Hardship Requests: N/A

Explanation of Challenges: SDHC expects to achieve benchmarks by June 30, 2016. Given four project-based developments are in varying stages of completion, SDHC anticipates zero issues with meeting and possibly superseding target levels.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-1. ALLOW LOWER RENTS FOR NON-ASSISTED UNITS IN SDHC-OWNED DEVELOPMENTS

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Activity Description: SDHC received authorization to use a revised rent reasonableness protocol to determine rent reasonableness for assisted units in SDHC-owned developments. Rent reasonableness for voucher assisted units are determined by comparisons to similar units in the surrounding neighborhoods rather than within the development.

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Impact of Activity: SDHC utilizes this flexibility at a number of SDHC-owned developments, preserving those developments and ensuring over 2,100 households residing in SDHC-owned developments maintain quality affordable housing. In total, those SDHC-owned developments provide 2,187 units of affordable housing in San Diego, 79 of which are designated as PBV units.

Of the 2,108 units not designated as PBV, a total of 124 units were leased with rents determined by comparisons to similar units in the surrounding neighborhoods, rather than within the development.

Allow Lower Rents for Non-Assisted Units in SDHC-Owned Developments						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		90		1,984	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-2. AUTHORIZE COMMITMENT OF PBV TO SDHC-OWNED UNITS

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Activity Description: Affordable units within SDHC-owned developments are limited to either tenant-based voucher assisted households with incomes not exceeding 80 percent of the Area Median Income (AMI) at initial occupancy or non-assisted households with average incomes conducive to affording the full contract rent. To preserve and improve the affordable units, SDHC received authority to commit project-based vouchers to SDHC-owned properties with neither a competitive process nor HUD approval.

The activity also utilizes waivers allowing SDHC to conduct HQS inspections and rent reasonableness determinations for SDHC-owned units in project-based developments. Although the number of HQS and rent reasonableness determinations does not historically represent significant administrative savings, the ability to conduct the inspections/determinations internally offers flexibility and additional options during the overall assignment process among SDHC staff and contractors.

Impact of Activity: During Fiscal Year 2014, SDHC committed 72 additional project-based vouchers to SDHC-owned units for an aggregate total of 217 project-based vouchers in SDHC-owned PBV developments. The initiative further increased the number of affordable units available in the City of San Diego, therefore increasing housing choice for low-income families.



SDHC-Owned Project-Based Developments				
Effective Date	Development Name	Total No. of Units in Development	Total No. Project Based Units Authorized in Development	% of Project Based Units Authorized in Development
4/28/2010	Meade	30	14	47%
5/1/2010	Santa Margarita	32	19	59%
10/15/2010	Courtyard	37	7	19%
11/1/2010	Hotel Sanford	130	39	30%
5/14/2013	Mason Hotel	17	16	94%
6/1/2013	Parker-Kier	33	22	67%
TBD	Churchill	72	72	100%
Total		351	189	

Authorize Commitment of PBV to SDHC-Owned Units						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	19		69		217	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-3. REQUIRE OCCUPANCY IN PBV DEVELOPMENTS FOR TWO YEARS BEFORE HOUSEHOLDS BECOME ELIGIBLE TO AVAILABLE TENANT-BASED VOUCHERS

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Activity Description: The activity adopted by SDHC requires a minimum occupancy requirement of two years in project-based developments before households are eligible to available tenant-based vouchers, thus modifying the one year occupancy requirement.

To ensure vacancy rates in PBV developments do not exceed a level compromising the sustainability of the property, SDHC re-proposed the initiative in the Fiscal Year 2013 MTW Annual Plan with another modification contained in the Fiscal Year 2012 MTW Annual Report:

“No more than 35 percent of the tenants in any given development becoming eligible to transition to a tenant-based voucher in any given year and no more than 10 percent in any given month are allowed to move from the PBV assisted complex. A waiting list is maintained for tenants requesting to move but exceed the threshold. The availability of a tenant-based voucher is a factor as well.”

SDHC included the following hardship policy in the Administrative Plan for families presenting a compelling reason to vacate the PBV unit and receive a tenant-based voucher prior to fulfilling the 24 month occupancy requirement:

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“Families who present a compelling reason to move from the PBV unit and receive a tenant-based voucher prior to fulfilling the 24 month occupancy requirement will be reviewed on a case-by-case basis. The case will go before the Vice President of Rental Assistance, or designee, and approval to move with a tenant-based voucher may be granted. Circumstances surrounding the request to move, such as VAWA requirements, employment opportunities in other PHA jurisdictions, and availability of tenant-based vouchers will be considered as part of the determination.

Impact of Activity: The anticipated impact of the initiative concerns stabilizing the occupancy of project-based developments by reducing tenancy turnover and the corresponding administrative costs. The average annual turnover rate in Fiscal Year 2014 was eight percent, a significant decrease when compared to the baseline of 30 percent. Vacancy rates average seven percent, another decrease from the baseline of 14 percent. Fifteen households were waitlisted due to the policy limiting moves with a tenant-based voucher. The cost savings indicated in the matrix below is a result of the decrease in staff time required to process turnover in project-based developments, a reduction due to the MTW policy.

Require Occupancy in PBV Developments for Two Years Before Households Become Eligible to Available Tenant-Based Vouchers						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$24,960		\$12,480		\$10,464	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	832		416		349	Yes

Hardship Requests: SDHC granted one hardship in Fiscal Year 2014 allowing a tenant to move with a tenant-based voucher prior to fulfilling the two year requirement.

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-4. ACQUISITION OF ADDITIONAL AFFORDABLE UNITS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2010

Activity Description: The activity utilizes broader uses of funds authority to create affordable housing in San Diego using MTW funds. The activity was re-proposed in the Fiscal Year 2014 Plan to expand the array of affordable housing development options. Methods of development include preservation, acquisition of an existing development, acquisition of land and new construction (alone or in combination), moderate or substantial rehabilitation, funding pre-development activities, and gap financing. Affordable housing units created via the initiative serve both voucher assisted households as well as households at or below 80 percent AMI and are funded either entirely or in-part using MTW funds. The activity increases housing choice in the City of San Diego.

Impact of Activity: Since implementation, 203 affordable housing units have been created in the City of San Diego as a direct result of the initiative. Of the units created, 131 market rate units were made affordable by using MTW funds to satisfy the terms of the mortgage.

SDHC committed \$8.3 million MTW funds as gap financing for the Churchill. The Churchill, formerly identified as the Hotel Churchill, is a seven story historically designated structure located on a 10,000 square foot

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rectangular lot in downtown San Diego. Seventy-two project-based vouchers have also been committed to the development. The units are reported as “new housing units made available” in the metrics.

Acquisition of Additional Affordable Units						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		200		72	No
HC #2: Units of Housing Preserved Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	131		131		131	Yes

Hardship Requests: N/A

Explanation of Challenges: SDHC is actively pursuing favorable affordable housing transactions. As potential properties are identified, SDHC performs financial analysis and conducts due diligence to determine if the proposed property is a viable candidate for affordable housing development. SDHC continues to engage in this effort and anticipates identifying a feasible property during Fiscal Year 2015.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-5. DISREGARD RETIREMENT ACCOUNTS IN ASSET CALCULATION

Plan Year Identified: Fiscal Year 2011

Implementation Date: August 1, 2010

Activity Description: In the Fiscal Year 2010 MTW Annual Plan, SDHC received authorization to streamline the asset verification process by excluding household assets with a combined cash surrender value of less than \$10,000. This initiative compliments the previous activity by allowing SDHC to disregard retirement accounts when determining a participant’s income from assets.

Impact of Activity: The initiative not only encourages participants to open retirement accounts since the asset income no longer effects the rent portion, but saves .14 FTEs (or 291 staff hours) since 784 asset sources (baseline number) no longer require verification.

Disregard Retirement Accounts in Asset Calculation						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$8,730		\$0		\$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	291		0		0	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.



2011-6. MODIFY EIV INCOME REPORT REVIEW SCHEDULE

Plan Year Identified: Fiscal Year 2011

Implementation Date: August 1, 2010

Activity Description: HUD regulations mandate the use of the EIV income report as a third party source to verify participant employment and income information during the annual reexamination of income and household composition. Reinterpretation of the regulations concerning the use of the EIV changed the requirement such that review of the EIV income report became a required component of all certification processes, including interim certifications. In Fiscal Year 2011, SDHC received permission to exempt interim certifications from the requirement to use the EIV income report. SDHC continues to use the EIV income report when processing full reexaminations of income and household composition in accordance with the biennial and triennial reexamination cycles.

Impact of Activity: Of the interims processed during Fiscal Year 2014, EIV income reports were generated for only .005 percent of all interims. The initiative ensures Federal expenditures are utilized more efficiently and effectively through a reduction of staff hours and the resulting cost savings.

Modify EIV Income Report Review Schedule						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$61,500		> \$30,750		\$406	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	2,050		> 1,025		14	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-7. DEVELOPMENT OF PUBLIC HOUSING UNITS USING A COMBINATION OF FUNDS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2010

Activity Description: SDHC received approval to develop additional public housing units using a combination of funds. The creation of additional affordable housing units for low-income households increases the availability of affordable housing within San Diego while balancing SDHC’s affordable housing portfolio. The methods of development approved under the initiative include both acquisition and rehabilitation. As previously reported, the Public Housing Development initiative approved in Fiscal Year 2010 has been closed out and all Public Housing development is reported under this activity.

Impact of Activity: SDHC is in the process of converting and renovating 113 state-aided units to public housing. The 113 units include 112 state-assisted units and one manager’s unit. HUD granted approval on April 25, 2013 for the transition of the state sites transaction into public housing. The units will be converted in two phases: The Otay Villas conversion date occurred in October 2013 with the Picador (scattered sites) conversion scheduled for completion in March 2015. SDHC utilized RHF funds to complete the renovation of Otay Villas as well as committed RHF funds for the rehabilitation of Picador. The conversion of the 112

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public housing units enables SDHC to supersede the benchmark of 105 new public housing units. Picador will add another 35 public housing units to the 152 unit outcome delineated in the matrix below.

Development of Public Housing Units Using a Combination of Funds						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	36		105		152	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-8. SPONSOR-BASED SUBSIDY PROGRAM FOR THE HOMELESS

Plan Year Identified: Fiscal Year 2011

Implementation Date: July 1, 2011

Activity Description: The objective of the Sponsor-Based Subsidy Program for the Homeless is to work in partnership with sponsor agencies to combine comprehensive supportive services with permanent housing using MTW flexibility. In the initiative approved in Fiscal Year 2011, SDHC committed to providing up to 100 subsidies to house homeless persons while sponsor organizations provide the necessary supportive services. The program targets the homeless of San Diego lacking an adequate nighttime residence, live on the street, cannot afford market-rate housing, and have disabilities and/or substance abuse issues.

SDHC re-proposed the activity in the Fiscal Year 2013 MTW Annual Plan. The following programmatic changes were approved by HUD:

- 1) Increase the number of subsidies allocated to the program from 100 to 1,000
- 2) Broaden the program to serve distinct populations of homeless individuals
- 3) Receive permission to change the rent calculation from a calculation mirroring the standard Housing Choice Voucher calculation to one generally adopting Housing Choice Voucher rules with the ability to include appropriate MTW streamlining methods already approved by HUD
- 4) Clarify participants will not be provided with a tenant-based Housing Choice Voucher upon exiting from the program

A status updated included in the Fiscal Year 2015 MTW Annual Plan grants the ability of for-profit agencies to respond to a competitive process for the Sponsor-Based Subsidy Program for the Homeless. Additionally, SDHC may award sponsor-based subsidies to an SDHC-owned development without a competitive process.

Impact of Activity: The first group of 25 subsidies from the program allocation was provided to a partnership between SDHC, United Way of San Diego, and the County of San Diego. This contract went through a competitive solicitation and was awarded to Saint Vincent de Paul Village, Inc. (SVdPV), an agency providing supportive services to San Diego’s homeless community. Project 25 is a pilot program which serves and collects usage data from 25 of the highest homeless users of public resources in San Diego with SDHC providing the housing subsidies and the supportive services provided by SVdPV and the County. The United Way provided three years of program funding for this effort as well. The three year pilot program is

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expected to continue beyond the initial three years due to a sustainability plan allowing SVdPV to continue funding and providing supportive services. Since implementation in July 2011, Project 25 has resulted in an overall reduction in public service costs for the entire county of San Diego.

SDHC competitively awarded the next two groups of 25 vouchers to two partnering non-profit agencies, Community Research Foundation and Mental Health Systems, in January 2011. Using San Diego County mental health funds, the two agencies pair the housing subsidies with mental health and substance abuse case management services for homeless individuals. Formal implementation of this Sponsor-Based Subsidy Program for the Homeless began in the first quarter of Fiscal Year 2012.

SDHC awarded 75 additional subsidies to two partnering non-profit agencies: Community Research Foundation, Inc. (35 subsidies) and Mental Health Systems, Inc. (40 subsidies) in October 2012. Using San Diego County mental health funds, the two agencies pair the housing subsidies with mental health and substance abuse case management services for homeless individuals. The programs were fully implemented during Fiscal Year 2013.

Under a separate RFP, SDHC competitively awarded an additional 75 subsidies in October 2012 to three partnering agencies: Mental Health Systems, Inc. (20 subsidies), People Assisting the Homeless (35 subsidies), and Saint Vincent de Paul Village, Inc. (20 subsidies). The programs were pending implementation during Fiscal Year 2014.

Eleven subsidies were awarded to Housing Development Partners, a non-profit agency which funds units at a building owned by SDHC. The development is ground leased and operated by a partnering sponsor incorporating the participants into their scope of services on-site. The program was implemented in early Fiscal Year 2014.

Eighty-nine subsidies were awarded to Community Research Foundation in Fiscal Year 2014. Supportive services are funded by San Diego County mental health funds to provide case management and other services to the population.

The total number of subsidies awarded since implementation is 358. SDHC will continue to expand the program over the next five years in an effort to fully award the subsidies allocated to the Sponsor-Based Subsidy Program for the Homeless.

Sponsor-Based Subsidy Program for the Homeless						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$140,100		\$22,500		\$4,545	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	4,670		750		152	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self-sufficiency (increase).	0		1,000		202	No
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase). *For purposes of the metric, self-sufficiency is defined as receiving a tenant-based MTW tenant-based voucher	0		5		0	No
HC #1: Additional Units of Housing Made Available Number of new housing units made available for homeless households at or below 80% AML as a result of the activity (increase).	0		1,000		358	No

Hardship Requests: N/A



Explanation of Challenges: Sponsors faced a variety of challenges related to identifying and enrolling participants within the SBS program. The Vulnerability Index, the primary source utilized to identify homeless individuals at program implementation, proved an unreliable data source from which to add applicants to the program. SDHC and the sponsor agencies are improving outreach and wait list systems in an effort to create a more reliable approach to identifying potential program participants. A referral service may be used to place homeless individuals into the available SBS units. Discussions are currently underway to assess the feasibility of a referral mechanism with the possibility of requiring the use of the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions.

Additionally, due to the vulnerable nature of the clients, some were found to be not ready for independent living and either vacated the units or didn't complete the lease-up process. Gaining the ability to transition clients from semi-independent living facilities or group home settings to allow the clients to slowly transition into units of their own may give the sponsoring case management staff the flexibility required for supporting clients as they progress toward higher levels of independence.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2011-9. ENHANCE FAMILY SELF-SUFFICIENCY PROGRAM

Plan Year Identified: Fiscal Year 2011

Implementation Date: October 1, 2010

Activity Description: HUD regulations restrict Public Housing Authorities from executing Family Self Sufficiency (FSS) Contracts of Participation (COP) with any family member other than a head of household. In order for other adult family members to participate in the program, the head of household must actively participate in FSS. Further, in order for an FSS family to successfully complete the program, the head of household is solely responsible for completing his/her Individual Training and Services Plan (ITSP) and must be employed by COP expiration.

SDHC received MTW authority to provide the opportunity for FSS enrollment to non-head of household adults when the head of household is unable to join the program. Non-head of households entering into a COP are responsible for the completion of the ITSP and must be employed by the end of participation in order for the FSS family to successfully complete the program.

SDHC received approval in the Fiscal Year 2013 MTW Annual Plan to re-invent the Family Self-Sufficiency Program to correspond with Path to Success, a major rent reform initiative re-structuring the rent calculation. This activity will be combined with the FSS Reinvention in Fiscal Year 2015 and closed out effective July 1, 2014.

Impact of Activity: In the Fiscal Year 2013 MTW Annual Report, SDHC reported programmatic and departmental changes within the agency's Achievement Academy resulted in the temporary suspension of outreach and enrollment in the FSS program. In August 2012, a new Director of the Workforce and Economic Development department was hired to oversee all Achievement Academy programs. The Academy's new direction shifted towards increasing employment placement by providing additional opportunities for participants to access employment programs and services. During the hiatus of outreach and enrollment, staff focused on finalizing elements of the changes to the re-invented FSS program which includes the components of the "Enhance Self Sufficiency Program" initiative. Outreach and orientations ensued in June 2013 and resulted in 6 non-head of households enrolling in the FSS program during the course of Fiscal Year 2014 for a total of 10 enrollees.

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Enhance the Family Self-Sufficiency Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$252		\$400		\$54	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self-sufficiency (increase).	11		25		10	No

Hardship Requests: N/A

Explanation of Challenges: Although the initiative was not expanded to as many participants as expected, the ability to allow non-heads of household to participate in FSS remains an important component of the services offered at the Achievement Academy and through FSS. Without the activity, 10 participants would have missed an opportunity to increase economic independence. SDHC will continue to market the flexibilities of the initiative to households as a component of the Reinvented FSS Program.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-1. PATH TO SUCCESS

Plan Year Identified: Fiscal Year 2012

Implementation Date: July 1, 2013 (Rent Reform) and November 1, 2013 (Portability Policy)

Activity Description: Path to Success is a comprehensive rent reform program utilizing a tiered rent structure with progressive increases to minimum rents for Work-Able families. Families defined as Elderly/Disabled receive streamlining measures only. The model also eliminates deductions and streamlines allowances for both populations. The activity was re-proposed in the Fiscal Year 2014 Plan to include a local portability policy which limits the portability function of the Housing Choice Voucher program for families defined as Work-Able. The policy does not apply to Elderly/Disabled families.

Work-Able Model

The Path to Success Work-Able rent reform model utilizes two components working in tandem as one dynamic system: Tiered rents and progressive minimum rents. For the tiered rent table, adjusted annual income is separated into bands of income. If a family’s adjusted income falls in between income bands, the lower edge of the band is used to calculate the rent portion. The monthly income amount at the lower edge of the band is multiplied by 30%, and the result is the family’s rent portion.

Minimum rents are based on the number of Work-Able adults residing in the household. Minimum rents were set using factors including the current California minimum wage rate, a minimum number of weekly hours a household could reasonably expect to work, as well as the rates of other benefits most often received by program participants. The increases in minimum rent over time coincide with the expectation households will begin to work and/or increase work hours or income as a result of utilizing the features of the Achievement Academy. Most aspects of the model motivate self-sufficiency given the participants determined to be “Work-Able” will be expected to pay an increasing portion of rent over time while receiving the necessary supportive services to expand household income.

SDHC recognizes there may be subpopulations within the Work-Able population who may have difficulty adhering to the requirements of Path to Success and has made provisions for these households in the form of hardship policies.



Elderly/Disabled Model

The Elderly/Disabled population includes families where 100 percent of adults are elderly and/or disabled, with elderly being defined as 55 or older for this purpose only. In short, the Work-Able population is comprised of all households not meeting the Elderly/Disabled population criteria. The Total Tenant Payment (TTP) has been dropped to 28.5 percent with a minimum rent of \$0 to ensure Elderly/Disabled families are minimally impacted by the changes proposed under Path to Success.

Additional Components of Model: Work-Able and Elderly/Disabled

Additional features of Path to Success include aligning the application of the utility allowance with the application of the payment standard by using the smaller of the voucher or unit size to determine the utility allowance as well as eliminating the utility reimbursement. All other deductions and allowances will be eliminated with the exception of the child care and medical expense deductions. The child care deduction is administered under current regulations while the medical expense deduction is streamlined into standard bands. Disability assistance expenses fold into the standardized medical expense bands as a further streamlining measure. Households receiving the Earned Income Disallowance (EID) at implementation continue to receive the deduction until the EID term is satisfied. No new families are enrolled in EID after implementation of Path to Success.

Local Portability Policy

Path to Success was designed to encourage self-sufficiency among Work-Able households. In order for families to fully utilize and profit from Path to Success, SDHC created a local portability policy to ensure families maximize the benefits of the program. Elderly/Disabled households, defined as households where 100 percent of all adult family members are either 55 years of age or older, disabled, or a verified full-time student ages 18 to 23 (excluding the head, spouse, and co-head) are exempt from the aggressive elements of Path to Success, including the progressive minimum rents. Thus, the policy applies to only Work-Able households.

SDHC anticipated Work-Able households experiencing significant increases to their rent portion as well as applicants determined eligible for the program may consider exercising the portability aspect of the HCV program in an effort to circumvent Path to Success. Since Path to Success was designed to increase the self-determination of San Diego households in the most need of supportive services to build skill levels and increase economic opportunities, SDHC instituted the local portability policy where both participant and applicant households may only utilize the portability option as a policy exception.

Hardship Policies

Comprehensive hardship: Families requesting an exemption from the Path to Success rent calculation must request the hardship exemption in writing. Requirements for consideration are as follows:

- Family's shelter burden must be greater than the acceptable level as calculated by SDHC: 45 percent for Work-Able families and 40 percent for Elderly/Disabled families.
- The family must either be Elderly/Disabled or consist of a single Work-Able adult with one or more dependents.
- Gross income before exclusions will be considered.
- Family must sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera.

SDHC appointed an internal Hardship Review Committee which reviews and renders decisions on all hardship requests. Hardship exemptions are temporary. During the hardship exemption period, the family's monthly rent portion is reduced to the appropriate hardship minimum rent. All families approved for the hardship exemption are transferred to a designated caseworker who also serves as the nexus between the family and the Achievement Academy services. Hardship rents are applied according to the adjusted annual income, as described in the table below:



Path to Success Hardship Rent Table	
Annual Income	Hardship Rent
\$0 - \$2,499	\$0
\$2,500 - \$4,999	\$55
\$5,000 - \$7,499	\$150
\$7,500 - \$9,999	\$245

Hardship for zero income: Any family whose income is reduced to zero will have a zero rent portion (with no utility reimbursement) if the loss of income is through no fault of their own. The exemption will have a duration of six months maximum after which time their rent portion will default to the applicable minimum rent. Work-Able zero income families will be required to sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera. Families are transferred to a designated caseworker serving as the nexus between the family and the Achievement Academy services. At the point the exemption ceases, the family will be responsible to pay their true rent portion or the minimum rent for the household, whichever is higher.

Hardship for special needs families: As a final hardship policy, SDHC considers special situations on a case-by-case basis for admission to the Elderly/Disabled population. The Hardship Review Committee formulates a recommendation to the Vice President of Rental Assistance, or designee, who issues final approval in such extraordinary circumstances.

Hardship for medical expenses: In order to accommodate Elderly/Disabled (per HUD's definition) families with extremely high medical expenses, a fourth medical band was established. Families with medical expenses of \$10,000 or more will receive a medical deduction in the actual amount of qualified medical expenses.

Hardship for local portability policy: HCV participants or applicants may only port-out to another jurisdiction if the household requests and is granted an exception to the policy for either pursuing employment opportunities, education, safety reasons, a medical/disability need, or other exceptions as determined on a case-by-case basis. Any family presenting a compelling reason to move outside of SDHC's jurisdiction beyond the noted policy exceptions has the request considered per the exception criteria. All requests for an exception must be requested in writing and are evaluated by management staff. A written decision is rendered and disseminated to the household advising the family of the determination.

Impact of Activity: Path to Success was implemented effective July 1, 2013. Work-Able and Elderly/Disabled families were placed onto the rent reform program at their respective anniversary dates throughout the course of the year. By the close of Fiscal Year 2014, 100 percent of HCV families subject to Path to Success had rent portions calculated according to the rent reform methodology which includes the first set of minimum rents: \$200 for families with one work-able adult and \$350 for families with two or more work-able adults. The second set of progressive minimum rents will be effective with July 2015 reexaminations, increasing to \$300 and \$500 respectively.

Work-Able families increased average earned income amounts 11 percent over baseline. SDHC expects families will transition to self-sufficiency in greater quantities once the second phase of Path to Success begins, which requires Work-Able families to pay a higher percentage of the gross monthly income towards the rent portion. Average HAP is anticipated to decrease as well as a result of the increased minimum rent amounts for Work-Able families.

Approximately 34 percent of Work-Able households were subject to the progressive minimum rents which resulted in a three percent decrease in the average HAP. The decreased HAP expense enabled SDHC to commit MTW funds for gap financing of the Churchill, a 72 unit development serving homeless individuals. Using single fund flexibility, the affordable housing units will assist SDHC towards ending homelessness in the

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City of San Diego. SDHC created nine additional affordable housing units due to the amount of funds leveraged under Path to Success.

Path to Success (Amended to Include a Local Portability Policy)						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase).	\$0		\$2,500,000		\$2,190,888	No
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$18,586		\$20,445		\$20,588	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$967		\$938		\$940	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).*	0		120		44	No
*For purposes of the metric, self-sufficiency is defined as exiting a rental assistance program due to \$0 assistance rendered or voluntary surrender of assistance.						
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		10		9	No

Hardship Requests: Path to Success provides for three primary hardship types: A comprehensive hardship, a zero income hardship, and a policy exception to the local portability policy. One Work-Able family was placed in the Elderly/Disabled population due to the special needs of the family. The matrix below summarizes the hardship requests and results during Fiscal Year 2014.

Path to Success Hardships					
Type	Number Requested	Number Approved	Number Denied	Number Declined	Number Pending
Comprehensive Harship	196	55	134	4	3
Zero Income Hardship	48	42	1	4	0
Portability Hardship	132	61	71	0	0
Total:	376	158	206	8	3

Explanation of Challenges: SDHC did not anticipate reading benchmarks given Fiscal Year 2014 is the first year of the Path to Success program. As Path to Success enters the second year of implementation, SDHC expects progress towards achieving benchmarks with full attainment in Fiscal Year 2017.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-2. BIENNIAL REEXAMINATION SCHEDULE

Plan Year Identified: Fiscal Year 2012

Implementation Date: July 1, 2012

Activity Description: During Fiscal Year 2012, SDHC executed an array of internal procedural and process changes necessary for full implementation of the biennial reexamination schedule effective with July 2012 (beginning of Fiscal Year 2013) reexaminations. A comprehensive analysis was conducted on the entire population of rental assistance participants subject to MTW activities to differentiate between Work-Able households and Elderly/Disabled households. Work-Able households are eligible for the biennial

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reexamination schedule whereas the Elderly/Disabled households remain on the established triennial reexamination schedule. Approximately 7,200 households were placed on the biennial reexamination cycle while the remaining households were either placed or remained on the triennial reexamination cycle. Of the Work-Able households placed on the biennial reexamination schedule: Half of the households received a full reexamination during Fiscal Year 2013 while the remaining households received a full reexamination of income and household circumstances during Fiscal Year 2014.

The households subject to the population split included recipients of tenant-based vouchers, FUP vouchers, NED vouchers, and Enhanced vouchers. In Fiscal Year 2013, FUP participants returned to an annual reexamination cycle to enable SDHC to more effectively monitor the households. The VASH program was placed onto the biennial reexamination cycle in Fiscal Year 2014. Participants with project-based vouchers are excluded from the biennial and triennial reexamination cycles and will continue receiving full reexaminations of income and household composition on an annual basis.

In Fiscal Year 2015, SDHC expects to close out the Triennial Recertification Cycle for Elderly and Disabled Families initiative and place the Elderly/Disabled families on the biennial reexamination cycle.

Impact of Activity: SDHC realized significant staff savings related to the biennial reexamination schedule. Approximately five full-time equivalents (FTEs) were saved as a result of the activity. The FTEs were reallocated within the Rental Assistance Division in a variety of capacities such as caseload coverage, special projects, program integrity functions, and assuming additional responsibilities. Cost savings realized as a result of the activity partially offset the funding decrease due to sequestration.

Biennial Reexamination Schedule						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$961,218		< \$479,176		\$372,944	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	31,465		< 15,733		12,208	Yes

Hardship Requests: N/A

Explanation of Challenges: The activity remains effective with no identified challenges.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2012-3. MODIFY FULL-TIME STUDENT DEFINITION

Plan Year Identified: Fiscal Year 2012

Implementation Date: December 1, 2011

Activity Description: SDHC modified the full-time student definition to ease the programmatic administration associated with the designation as well as encourage self-sufficiency among participants. Under the new definition, only adult family members ages 18 to 23 (excluding the head, spouse, and co-head) are eligible for designation as a full-time student. To coincide with the Path to Success rent reform activity implemented in Fiscal Year 2014, the \$480 deduction for verified full-time students is eliminated, but 100 percent of the earned income excluded. The elimination of the \$480 dependent deduction offsets the earned income exclusion, thus remaining neutral in terms of the Housing Assistance Payments rendered and participant impact. Additionally, the activity authorized SDHC to exclude financial aid from the income calculation if received by any program participant, not just full-time students. The student rule surrounding the



determination of programmatic eligibility for applicants still applies per the current Federal regulations and Public Law. These components of the initiative were implemented effective with December 2011 full reexaminations of income and household composition.

The modifications encourage self-sufficiency by providing an incentive to participants to complete post-secondary education and enter the workforce in a timely manner with a greater skill set acquired in early adulthood. Allowing a time span of six years for students to complete their education allows for additional time in the event the standard degree/certificate cannot be achieved within four years, such as the student decides to pursue an alternate degree/certificate or the student wishes to pursue a higher degree.

Elimination of the \$480 deduction and excluding 100 percent of earned income and financial aid from the income calculation streamlines the administration of the rental assistance program by removing these as components of the rent calculation. Limiting the benefit to a select population of rental assistance participants reduces staff time spent verifying full-time student status as well.

An incentive extended to all students receiving their degree or certificate of completion is eligibility to receive a monetary award upon providing proof of graduation. Eligibility to receive the award is not limited to students ages 18 to 23; any adult household member including the head, spouse, or co-head is eligible for the award. A program participant may receive only one award for acquiring a degree, diploma, or certificate of completion per lifetime. The Graduation Incentive was implemented at the beginning of Fiscal Year 2013.

SDHC sent written notifications to all households impacted or potentially impacted by the modification to the administration of the full-time student employment income exclusion. The notification advised each household the exclusion of employment wages no longer applied to full-time students ages 24 and over and provided an explanation of the graduation incentive available to all adult household members.

As a hardship policy, the elimination of the exclusion was phased in over the first year of implementation. Households with full-time students immediately affected by the modification continued to receive an employment income exclusion of 50 percent at the first annual reexamination occurring after implementation before dropping to 0 percent at the subsequent full reexamination of income and household composition.

Impact of Activity: In Fiscal Year 2014, SDHC verified 1,047 household members ages 18 to 23 as full-time students with the average earned income of the households increasing 14 percent over baseline numbers. Cost savings from the activity resulted in the decreased amount of staff time expended verifying the full-time student status of participants. Since implementation, three program participants have received a graduation award under the Graduation Incentive Program.

Modify Full-Time Student Definition						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<i>CE #1: Agency Cost Savings</i> Total cost of task in dollars (decrease).	\$11,325		\$10,613		\$7,583	Yes
<i>CE #2: Staff Time Savings</i> Total time to complete the task in staff hours (decrease).	378		354		262	Yes
<i>SS #1: Increase in Household Income</i> Average earned income of households affected by this policy (increase).	\$18,913		\$20,804		\$21,543	Yes

Hardship Requests: The hardship policy only applied to program participants admitted before implementation of the activity. The hardship policy is no longer in effect since the one year implementation period of the activity has concluded.

Explanation of Challenges: The activity remains effective with no identified challenges. The Graduation Incentive Program awarded fewer incentives than anticipated.



Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-1. MTW VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHER PROGRAM

Plan Year Identified: Fiscal Year 2013

Implementation Date: August 1, 2012

Activity Description: On May 27, 2010 SDHC received regulatory and statutory waivers from the Housing Voucher Management and Operations Division of HUD for administration of the HUD-VASH Voucher Program using certain elements of MTW authority. SDHC has implemented a number of initiatives since then to ease administration and provide benefits to the VASH participants, while ensuring the VASH protections remain. As directed in the approval received from HUD, the Local Interim Policy will not apply to VASH participants.

The VASH participants are a group of persons with unique needs. Ongoing discussions between SDHC and Veteran's Administration (VA) staff focused on designing initiatives benefiting both the VASH participants and staff conducting the program administration. To this end, SDHC adapted the program to implement a distinct set of policies:

- VASH applicants are subject to a less stringent review of criminal history than all other HCV program applicants. However, when a VASH applicant or participant wishes to add a member to the household, the new member is held to the higher standard. Under the approved initiative, any adult the VASH applicant/participant wishes to add to the household has a reduced criminal history initial requirement: No violent or drug-related criminal activity in the two years preceding application. The reduced criminal history requirements for family members still preclude individuals from participating in the program if subject to registration as a sex offender.
- VASH applicants/participants often have difficulty paying a minimum rent when beginning the VASH program due to initial limited/zero income. Most participants gain an income source through VA case management assistance during the first year on the program. To facilitate this transition, minimum rents may be set at zero for the first 12 months of program participation as a policy exception. After the first 12 months, minimum rents are set according to SDHC policy.
- When VASH participants obtain benefits after long periods of having no income source, garnishments for things such as child support and debt collections are attached to these income sources. This discourages these persons from seeking income and makes it more difficult to successfully pay their rent portions. A 12 month reprieve counteracts this situation for VASH participants. Thus, income garnishments are not counted as income for the first 12 months of program participation if requested by the participant.
- To coincide with SDHC's rental assistance program administration, utility reimbursements are not a part of the SDHC VASH program. This component of the initiative was implemented with Path to Success effective July 1, 2013.
- To coincide with SDHC's rental assistance program administration, VASH participants are eligible for the biennial inspection cycle. SDHC anticipates adopting a biennial inspection cycle with no qualifying criteria effective January 1, 2015. Once the revised biennial inspection cycle is implemented, 100 percent of VASH households will be placed on the cycle.

Impact of Activity: Of the flexibilities created for VASH participants under the initiative in Fiscal Year 2014:

- Zero families utilized the reduced criminal history requirements.
- Thirteen VASH families benefitted from the \$0 minimum rent.
- One family paid a rent portion with garnishments excluded from the rent calculation.

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The average number of months VASH participants successfully remained on the rental assisted program increased from a baseline of 16 months to 34 months at the close of the fiscal year. SDHC attributes the increased average duration of program participation to both the MTW activity which increases accessibility to the VASH program as well as the positive relationship established with the Veterans Administration. Robust case management services rendered by the Veterans Administration in combination with SDHC's rental subsidies ensures utilization of a housing first model and improves the probability of programmatic success of VASH participants.

MTW Veterans Affairs Supportive Housing (VASH) Voucher Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$16,693		\$18,362		\$18,919	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$707		\$642		\$765	No

Hardship Requests: N/A

Explanation of Challenges: The average subsidy cost per household increased due to a 10 percent increase of two, three, and four bedroom vouchers issued. The contract rents and payment standards associated with larger bedroom sizes increased the overall average monthly subsidy from \$690 in Fiscal Year 2013 to \$765 in Fiscal Year 2014. The increase in subsidy for only the two, three, and four bedroom units was \$80: \$994 average in Fiscal Year 2013 to a \$1,074 average in Fiscal Year 2014. Additionally, the average contract rents in Fiscal Year 2014 increased \$78 per month, thus adding to the programmatic costs. Although VASH families experienced an increase in earned income over baseline levels, the increase was not significant enough to lower the average subsidy. The ability to achieve the benchmark for reduced subsidy is significantly affected by the composition of families determined eligible for the VASH program. In summary, SDHC can assist the VASH families with increasing earned income through the provision of services at the Achievement Academy and resources offered through partnering agencies, but cannot control other factors such as household size which contributes to increased subsidy levels.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-2. FAMILY SELF-SUFFICIENCY REINVENTION

Plan Year Identified: Fiscal Year 2013

Implementation Date: July 1, 2013

Activity Description: The Family Self-Sufficiency Reinvention activity modifies the current Family Self Sufficiency (FSS) Program by revising the contract term and the escrow calculation method to coincide with the Path to Success initiative. Changes to the program and contract increase program accessibility and participant engagement.

- **Revised FSS Contract:** SDHC reduced the initial FSS contract term from five to two years. Participants may extend the contract term up to three years if extending the contract enables attainment of program objectives. The contract term may not be extended for the sole purpose of increasing the escrow balance.

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- **Reinvented FSS Escrow Calculation:** The FSS escrow calculation continues to utilize escrow deposits based solely on earned income. Additionally, the calculation provides one-time escrow credits based on completing outcomes such as obtaining full-time or part-time employment with a six month retention rate; graduating from a vocational program or two year program; surrendering cash aid assistance; increasing income tiers on the Path to Success program; and establishing a personal savings account with a \$500 balance.

Impact of Activity: The Achievement Academy implemented the MTW FSS program effective July 1, 2013 to coincide with the implementation of Path to Success. Current FSS participants were given the option to convert to the MTW FSS program or complete the standard FSS program. The standard FSS program will be phased out as contracts expire.

In the MTW FSS program, participants almost doubled earned income over baseline levels during the first year of participation, thus increasing household savings as a result. Attaining credits through completion of one-time efforts contributed to the increased savings as well. SDHC anticipates service-related outcomes (such as the number of participants employed and the number enrolled in job training programs) will reach benchmark levels once the MTW FSS program reaches full capacity, a target number of 216 participants on an ongoing basis once the two year implementation timeframe is complete on June 30, 2015.

Family Self-Sufficiency Reinvention						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$7,922		\$8,714		\$14,285	Yes
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$252		\$400		\$1,474	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	50		63		4	No
(2) Employed Part-Time	29		36		14	No
(3) Enrolled in an Educational Program	16		20		23	Yes
(4) Enrolled in Job Training Program	32		40		9	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	17		0		8	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self sufficiency (increase).	96		216		96	No
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$956		\$813		\$959	No
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase).*	0		20		0	No
*For purposes of the activity, self sufficiency is defined as successful completion of the FSS Program.						

Hardship Requests: N/A

Explanation of Challenges: SDHC anticipates achieving outcomes for each metric by June 30, 2015 once program participation increases to benchmark levels and participants are able to fully engage in services offered through the Achievement Academy.

Revision of Benchmarks: No revisions were made to benchmarks.



Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2013-6. TRANSITIONAL PROJECT-BASED SUBSIDIES FOR THE HOMELESS

Plan Year Identified: Fiscal Year 2013

Implementation Date: January 1, 2013

Activity Description: SDHC partners with local agencies to operate a transitional housing program using flat subsidies paired with supportive services offered by the selected provider agency. The service providing agency creates and maintains a site-based waiting list while SDHC audits the list to ensure Fair Housing compliance. Due to the short-term nature of the program, SDHC considers a unit “fully occupied” if the unit was in use at least 25 days out of the month. Each month a unit is utilized according to this criterion is considered a month a participant was served for purposes of payment, tracking, and MTW reporting requirements. Program participants will be encouraged to apply for and remain on SDHC’s tenant-based waiting list.

A status updated included in the Fiscal Year 2015 MTW Annual Plan grants the ability of for-profit agencies to respond to a competitive process for the Transitional Project-Based Subsidies for the Homeless program. Additionally, SDHC may award the subsidies to an SDHC-owned development without a competitive process.

A referral service may be used to place homeless individuals into the available assisted units. Discussions are currently underway to assess the feasibility of a referral mechanism with the possibility of requiring the use of the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions.

Impact of Activity: In the first year of implementation during Fiscal Year 2013, People Assisting the Homeless (PATH) operated the activity as a pilot program. The sixteen subsidies utilized by PATH served homeless individuals in a development called Connections Housing. Connections Housing is an integrated service and residential community whose primary goal is to help homeless persons living on the neighborhood streets to rebuild their lives and secure and retain permanent housing. Virtually every resource a person needs to break the cycle of homelessness is available without ever leaving the building. Along with the 16 short-term SRO units designated to the program, Connections Housing includes 73 permanent supportive project-based housing units, two manager units, and 134 interim housing beds. The complex contains the PATH Depot, a one stop service center offering services such as case management, a life skills unit, women’s empowerment program, legal services, and personal care services. The Downtown Family Health Center is also a part of the project, offering comprehensive medical and mental health care services. The project is the first of its kind in San Diego and was designed to serve the specific needs of the downtown area.

In Fiscal Year 2014, SDHC partnered with Episcopal Community Services (ECS) and Senior Community Centers (SCC) to serve homeless clientele in the City of San Diego.

The Uptown Save Haven (UTSH) program operated by ECS is a transitional housing program working with the locally funded Full Service Partnership (FSP) providers to assist homeless persons with psychiatric disabilities in an effort to access permanent housing and connect participants with resources to address physical and mental health challenges. UTSH targets the chronically homeless, the mentally ill, persons combating substance abuse and/or HIV/AIDS, and persons who are destitute and disabled. The FSP provider staff informs individuals about the opportunity to reside at UTSH while working on securing permanent housing. UTSH staff is assigned to a resident for one-on-one weekly meetings and the provision of onsite support services. UTSH primarily tracks three outcomes as residents leave the program: The transition to permanent housing, the ability to acquire/retain an income, and the ability to acquire/maintain sufficient life skills to improve greater self-sufficiency. During the fiscal year, 21 residents participated in the UTSH program, and 10 exited UTSH with the following outcomes:

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- 7 transitioned to permanent housing.
- 5 increased or maintained income.
- 9 increased motivation and/or life skills to improve self-sufficiency.

Senior Community Centers (SCC) provide seniors with case management, health services, and safe shelter allowing seniors to transition to permanent housing by removing barriers to independent living. Case managers are assigned to individuals to set objectives and goals of achieving permanent housing and successful independent living. During the fiscal year, 37 seniors were successfully placed into the program of which 24 successfully completed the program and moved into more permanent housing. The program maintained a close relationship with Connections Housing who refers clients to SCC for possible placement. Well over half of the graduates of the program moved into one of the supportive housing complexes.

The program served a total of 76 participants in the second year of implementation.

Transitional Project-Based Subsidies for the Homeless						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$16,920		\$9,450		\$5,928	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	564		315		198	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self-sufficiency (increase).	0		96		76	No
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars	\$0		< \$600		\$642	No
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as transitioning to stable housing	0		20		34	Yes
HC #1: Additional Units of Housing Made Available Number of new housing units made available for homeless households at or below 80% AMI as a result of the activity (increase).	0		16		47	Yes

Hardship Requests: N/A

Explanation of Challenges: Although two of the benchmarks were not achieved, the activity remains effective with no identified challenges. SDHC anticipates increasing the number of individuals served during Fiscal Year 2015 to achieve benchmarks. The average subsidy per household is greater than anticipated, but the activity remains cost effective when considering the average subsidy paid in the tenant-based voucher program. If necessary, SDHC will adjust the subsidy-related benchmark during Fiscal Year 2015 if an analysis of the contract rents in the development's radius determines an increased level is appropriate.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.

2014-2. LOCAL INCOME INCLUSION

Plan Year Identified: Fiscal Year 2014

Implementation Date: November 1, 2013



Activity Description: Under the standard Housing Choice Voucher rent calculation, the income a household receives for the care of foster children and/or foster adults as well as adopted household members is excluded from the annual income calculation. As a result of the activity proposed in the Fiscal Year 2014 MTW Plan, SDHC includes Kin-GAP, foster care payments, and adoption assistance payments in the determination of the household’s annual adjusted income. Kin-GAP and foster care payments are issued as reimbursement for shelter, among other expenses, while adoption assistance payments are meant to defray the costs associated with caring for adopted children. In short, households are receiving monies for use towards the provision of housing which is then excluded from the rent portion calculation by the public housing authority providing housing subsidies. The approved activity authorizes SDHC to include the gross annual income amounts received by families from these sources for the purposes of determining the rent portion. These sources of income are not included when calculating income for purposes of determining initial program eligibility.

Impact of Activity: Rental assistance participants combined received approximately \$1.7 million in Kin-Gap, foster care payments, and adoption assistance payments. Calculating the amounts received for purposes of determining the rent portion potentially results in a HAP reduction of over \$500,000 annually once the program is fully implemented for all participants on an ongoing basis. The program will be fully implemented for all households at the close of Fiscal Year 2015 on June 30, 2016.

Local Income Inclusion						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$1,086		\$756		\$1,042	No

Hardship Requests: During Fiscal Year 2014, two households requested hardship exemptions to the policy. Of the two requests, one household exceeded the minimum threshold to receive the exemption. The family is scheduled to receive the exemption for a twelve month duration before the rent portion reverts to the current MTW policy.

Explanation of Challenges: The activity remains effective with no identified challenges. SDHC expects HAP expenses to decrease to benchmark levels once all families receive a full reexamination of income and household composition (families are subject to the biennial and triennial reexamination cycles) which will apply the policy equally to all participants.

Revision of Benchmarks: No revisions were made to benchmarks.

Revision of Data Collection Methodology: No changes were made to the data collection methodology.



NOT YET IMPLEMENTED ACTIVITIES

NOT YET IMPLEMENTED ACTIVITIES			
Activity	Description	Plan Year	Discussion
2014-3. Flat Housing Subsidy for Youth Aging Out of the Foster Care System	Using Broader Uses of Funds Authority, SDHC created a time-limited pilot program to provide flat housing subsidies while a partnering agency delivers supportive services such as job placement, education, training, and case management.	2014	Pending release of Request for Proposals. SDHC anticipates selecting a partnering agency in Fiscal Year 2015 with program implementation occurring quickly thereafter.
2013-4. Public Housing: Flat rent elimination	Eliminate flat rents in public housing in order to facilitate the implementation of Path to Success for public housing residents. The activity utilizes waivers allowing SDHC to determine alternative rent policies within the public housing program.	2013	The implementation of the activity has been postponed due to a delay in implementation of Path to Success for the public housing program. SDHC anticipates the activity will be implemented during Fiscal Year 2015, but timelines remain tentative.
2012-4. Project-Based Subsidy Program for the Homeless	Using Broader Uses of Funds Authority, SDHC created a program which provides a flat subsidy based on the number of authorized units in the development; all program administration is performed by the development owner with monitoring and auditing performed by SDHC.	2012	SDHC does not anticipate implementing the initiative until the Fiscal Year 2011 Sponsor-Based Subsidy Program for the Homeless initiative is operating at full capacity. In the Fiscal Year 2013 MTW Annual Plan, SDHC received authorization to expand the sponsor-based program subsidy allotment from 100 to 1,000 subsidies for utilization within the program. Since the agency is currently focused on expanding the program to utilize the maximum subsidies allowable to provide rental assistance to San Diego's homeless population, SDHC decided to delay implementation of the Project-Based Subsidy Program for the Homeless indefinitely. In terms of planned implementation timeframes, SDHC will provide updates on the status of the program in future MTW Annual Plans and Reports as applicable.

ACTIVITIES ON HOLD

ACTIVITIES ON HOLD					
Activity	Description	Plan Year	Implementation Date	Hold Date	Actions Towards Reactivation
N/A					



CLOSED OUT ACTIVITIES

2009-1. ACHIEVEMENT ACADEMY OF THE SAN DIEGO HOUSING COMMISSION

Plan Year Identified: Fiscal Year 2009

Year Closed Out: Reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012.

Discussion:

- Final Outcomes and Lessons Learned: The activity is a Section 8 activity not requiring regulatory waivers or broader uses of funds authority. The activity is ongoing but reported as a single fund flexibility activity in Section 5 of the Report.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

Achievement Academy of the San Diego Housing Commission						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$319,818		\$351,800		\$149,927	No
SS #3: Increase in Positive Outcomes in Employment Status Number of households employed full-time/part-time	0		10		4	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self sufficiency (increase).	546		601		868	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase). <small>*For purposes of the activity, self sufficiency is defined as successful completion of the FSS Program.</small>	39		43		16	No

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

2010-10. UNDERTAKE PUBLIC HOUSING DEVELOPMENT

Plan Year Identified: Fiscal Year 2010

Year Closed Out: Fiscal Year 2012

Discussion:

- Final Outcomes and Lessons Learned: This activity was closed out in the Fiscal Year 2011 MTW Report. Public Housing development occurs under the Fiscal Year 2011 Public Housing Development initiative which combines the authorizations and flexibilities of both activities.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

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Undertake Public Housing Development						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	36		69		75	Yes

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

2011-10. BROADER USES OF FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS

Plan Year Identified: Fiscal Year 2011

Year Closed Out: Reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012.

Discussion:

- Final Outcomes and Lessons Learned: The activity is a Section 8 activity not requiring regulatory waivers or broader uses of funds authority. The activity is ongoing but reported as a single fund flexibility activity in Section 5 of the Report.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

Broader Uses of Funds for Individual Development Accounts						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #2: Increase in Household Savings Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$97,818		\$107,600		\$99,903	No
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services aimed to increase self sufficiency (increase).	0		15		16	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase). *For purposes of the activity, self sufficiency is defined as the number of participants opening an IDA account.	0		20		54	Yes

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

2013-3. ELIMINATION OF 100% EXCLUDED INCOME

Plan Year Identified: Fiscal Year 2013

Year Closed Out: Fiscal Year 2014

Discussion:

- Final Outcomes and Lessons Learned: The activity effectively reduced the administrative burden related to processing the 50058. Although cost savings were not significant, SDHC would have continued to exercise the flexibilities offered via the activity. However, PIH-2013-04 removes the requirement to verify and count 100 percent excluded income. MTW flexibility is no longer required to engage in the activity, thus the activity was closed out.

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- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

Elimination of 100% Excluded Income						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$17,010		\$0		\$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	567		0		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		17%		15%	11%	Yes

- Narrative of Additional Explanation of Outcomes in Summary Table: The initiative was implemented effective October 1, 2012. Since some families did not receive a full reexamination of income and assets (due to the biennial and triennial reexamination cycles), undergo an interim reexamination, or experience a unit change certification during Fiscal Year 2013, a small percentage of families not receiving an action continued to indicate a 100 percent excluded income source on the current payable 50058. SDHC anticipates the benchmarks would have been met accordingly if the activity continued as an MTW initiative.

2013-5. HOMELESS VETERAN PROJECT-BASED SUBSIDY PROGRAM

Plan Year Identified: Fiscal Year 2013

Year Closed Out: Fiscal Year 2014

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. Veteran’s Village of San Diego (VVSD) determined the activity as neither economically advantageous nor viable under current circumstances and requested permission to close out the activity.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

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Homeless Veteran Project-Based Subsidy Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<i>CE #1: Agency Cost Savings</i> Total cost of task in dollars (decrease).	\$0		\$2,100		\$0	No
<i>CE #2: Staff Time Savings</i> Total time to complete the task in staff hours (decrease).	0		100		0	No
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i> Number of households receiving services aimed to increase self sufficiency (increase).	0		60		0	No
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i> average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$0		< \$500		\$0	No
<i>SS #8: Households Transitioned to Self Sufficiency</i> Number of households transitioned to self sufficiency (increase). *For purposes of the activity, self sufficiency is defined as successfully transitioning to alternative programs.	0		54		0	No
<i>HC #1: Additional Units of Housing Made Available</i> Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		30		0	No

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

2013-9. NEW PUBLIC HOUSING TRANSITION

Plan Year Identified: Fiscal Year 2013

Year Closed Out: Fiscal Year 2014

Discussion:

- Final Outcomes and Lessons Learned: The activity was not implemented. The flexibility requested under the initiative was not required, thus the activity was closed out.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

New Public Housing Transition						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<i>HC #2: Units of Housing Preserved</i> Nunbe of housing units preserved for households at or below 80% AMI that would otherwise be available (increase).	0		12		0	No

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

2014-1. TRANSITIONAL SUBSIDY PROGRAM FOR HOMELESS VETERANS

Plan Year Identified: Fiscal Year 2014

Year Closed Out: Fiscal Year 2014

Discussion:

SECTION IV – APPROVED MTW ACTIVITIES



- Final Outcomes and Lessons Learned: The activity was not implemented. Veterans Village of San Diego (VVSD), the intended partnering agency for the program, indicated a preference to pursue an alternative rental subsidy program.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes:

Transitional Subsidy Program for Homeless Veterans						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<i>SS #1: Increase in Household Income</i> Average earned income of households affected by this policy in dollars (increase).	\$0		\$8,000		\$0	No
<i>SS #3: Increase in Positive Outcomes in Employment Status</i> Report the following information separately for each category: (1) Enrolled in an Educational Program (2) Enrolled in Job Training Program	0		20		0	No
<i>SS #6: Households Assisted by Services that Increase Self Sufficiency</i> Number of households receiving services aimed to increase self-sufficiency (increase).	0		34		0	No
<i>SS #8: Households Transitioned to Self Sufficiency</i> Number of households transitioned to self sufficiency (increase)*. *For purposes of the metric, self-sufficiency is defined as exiting the program and relocating to permanent housing.	0		15		0	No

- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**



SECTION V – SOURCES AND USES OF FUNDING

A. MTW Report: Sources and Uses of MTW Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year

PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system.

Describe the Activities that Used Only MTW Single Fund Flexibility

SDHC utilizes single-fund flexibility to fund the Achievement Academy and Individual Development Accounts. The Achievement Academy is a learning and skills center available to families participating in the Housing Choice Voucher and Public Housing programs. Programs offered at the Achievement Academy are geared to workforce readiness and financial literacy. The Family Self-Sufficiency Program is another component of the Achievement Academy. Individual Development Accounts assist participants with building assets by providing a 3:1 match with a maximum of \$3,000 in matching funds rendered by SDHC. Please see the following pages for a thorough discussion of each activity.

B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year? Yes or No
 Has the PHA implemented a local asset management plan (LAMP)? Yes or No

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

Has the PHA provided a LAMP in the appendix? Yes or No

SDHC did not operate a Local Asset Management Plan during Fiscal Year 2014.

C. MTW Report: Commitment of Unspent Funds

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

Account	Planned Expenditure	Obligated Funds	Committed Funds
RHF501-09	Acquisition and rehabilitation of state properties	\$460,091.02	\$460,091.02
RHF501-11	Acquisition and rehabilitation of state properties	\$1,630,335.30	\$1,630,335.30
RHF501-12	Acquisition and rehabilitation of state properties	\$1,516,787.00	\$1,516,787.00
RHF501-13	Acquisition and rehabilitation of state properties	\$1,577,757.00	\$1,577,757.00
MTW Block Grant	Acquisition of affordable housing development	\$15,000,000	\$15,000,000
N/A	N/A	\$0	\$0
N/A	N/A	\$0	\$0
N/A	N/A	\$0	\$0
Total Obligated or Committed Funds:		\$20,184,970.32	\$20,184,970.32

In the body of the Report, PHAs shall provide, in as much detail as possible, an explanation of plans for future uses of unspent funds, including what funds have been obligated or committed to specific projects.

Note: Written notice of a definition of MTW reserves will be forthcoming. Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.



SINGLE FUND FLEXIBILITY

SDHC uses single-fund flexibility in support of MTW activities rather than creating numerous budgets. SDHC combines funds from public housing operating and capital fund assistance (authorized by section 9 of the United States Housing Act of 1937 [the Act]) and voucher funds (authorized by section 8 (o) of the Act) to implement a block grant/single fund budget approach to budgeting and accounting. SDHC has consolidated public housing and HCV program funds to implement the approved Moving to Work initiatives described in previously approved MTW Plans and will continue to do so in future Plans.

SDHC used single-fund flexibility to conduct a variety of activities geared toward self-sufficiency. The Achievement Academy, formerly known as the Economic Development Academy, offers a broad range of one-on-one services and workshops geared toward workforce preparation, financial literacy, and homeownership education. In Fiscal Year 2011, a job placement specialist, credit counselor, and benefits screenings were added to the array of services already offered within the academy. Partnerships with a variety of external organizations specializing in their fields enable SDHC to provide assistance to participants with different interests, career focuses, and skill levels. The resources offered at the Achievement Academy are a vital component of the Path to Success rent reform activity as participants are incentivized to increase income and work towards self-sufficiency.

The following describes services offered at the Achievement Academy:

Employment/Workforce Development

Job Developer

To augment the work performed by the Workforce Readiness Specialists, a job placement specialist from Manpower, a leader in the job workforce solutions industry, works diligently towards assisting participants with locating jobs and advancing job skills. Since April 2011, the specialist provides one-on-one employment counseling, assistance creating résumés, and leads on job employment. In addition, Manpower continues to make connections with employers of in-demand occupations, organize job fairs, and coordinate employment services with partner organizations.

One-Stop Career Center

KRA, a contractor from San Diego Workforce Partnership, provides services via a satellite One-Stop Career Center at the local downtown public library. The partner offers workforce development services including labor market information, career development, assessment, job search/retention skills, job placement assistance, and referrals to training opportunities.

Small Business Development Training

The Business Initiatives Strategies (BIS) Program offers an 11 week class educating participants on how to start/expand a small business and create/update a solid business plan. This program provides basic skills training and knowledge to underserved entrepreneurs and also identifies and expands linkages to critical community resources linked to small business development to further connect participants with opportunities for additional small business training, technical assistance, and access to mainstream financial institutions to boost economic development.

Employment/Workforce Development Workshops

Manpower, KRA, and SDHC Workforce Readiness Specialists conduct employment readiness workshops and provide access to temporary and permanent employment. The Achievement Academy also offers weekly on-site recruitment fairs. Participants are invited to attend presentations and hear directly from human resources representatives how to get hired at their company. Topics covered range from the job application and résumé submittal process to interview preparedness and communication skills. Presentations have been given by companies such as the Metropolitan Transit System (MTS), Hilton Hotels, UCSD, San Diego Police Department, LAZ Parking, and Sodexo Staffing Services among others.



Industry Specific Trainings

Staff at the Achievement Academy work to offer innovative programs in an effort to keep participants interested and engaged. One recent idea was to offer an in-depth training specific to an industry allowing participants to walk away with a certification of qualification in a desired field. In February 2014, the Achievement Academy offered a week-long hospitality training course including three days of classroom training, testing for a food handler's card, and a presentation from a human resources representative in the hospitality industry. Fifteen individuals participated in the training and passed the exam to receive their food handler's card. Three individuals found subsequent employment within the industry. Four individuals found employment in unrelated fields. One participant is one step closer to opening her own childcare business as the food handler's card was necessary for her to be able to serve food. Staff is building on this effort and planning other industry specific trainings for the future.

Academy Computer Lab

Participants have access to the Achievement Academy's 30-station computer lab for basic computer training (Word, Excel, and Internet Explorer), career assessments, career exploration, labor market information, résumé building, and on-line job applications. In addition, Manpower provides individual participant access to the internet based Training Development Center which hosts over 5,000 on-line courses for skills development.

Income Supports

THRIVE Initiative

THRIVE is a partnership between the United Way, the County of San Diego, and South Bay Community Services. The purpose of the initiative is to enhance the accessibility of benefits screening and tax preparation services. Benefits screening and application assistance is currently offered for an array of program such as CalFresh (food stamps), CalWorks (cash aid), Women Infants and Children (WIC), California Healthy Families, Child Care Assistance, MediCal (state medical insurance), and Supplemental Nutrition Assistance Program (SNAP). On-site benefit screening appointments continue to be conducted for participants.

Financial Education

Financial Counseling

Springboard, a non-profit credit management agency, joined our partner group in February 2011 to offer on-site credit counseling, debt reduction, credit repair services, and budgeting and cash management skills. The services offered by Springboard have been incorporated into the FOC (Financial Opportunities Center) service delivery model utilized within the Achievement Academy.

Financial Skills Education Workshops

Workshops are continuously conducted by partner staff from Springboard, the Housing Opportunities Collaborative, Citi Bank, Nova Debt, US Bank, and Community Housing Works in the following topic areas: Debt and credit repair; credit score improvement; controlling expenses; maintaining a financial fitness plan; electronic banking and direct employee deposits; budget management, ordering, reviewing, and repairing credit report; investments strategies and options; and pensions/retirement planning.

Financial Coaching Training

All SDHC Workforce Readiness Specialists continue to utilize the LISC (Local Initiatives Support Corporation) *Financial Counseling Model* to implement innovative coaching methods during one-on-one appointments with participants. In addition, referrals to Springboard and THRIVE allow for greater depth in addressing participant's financial needs. SDHC is also positioned to assist participants with improving credit through a partnership with Credit Builders Alliance. The ability to internally pull credit reports allows SDHC to further assist participants with accessing current credit ratings in order to begin aligning client goals for credit improvement to future financial and career goals.

SECTION V – SOURCES AND USES OF FUNDING



The chart below contains a summary of the results of Achievement Academy activities at the close of Fiscal Year 2014.

Achievement Academy of the San Diego Housing Commission			
Metric	Baseline	Outcome	Baseline Exceeded?
No. of unduplicated program participants receiving services	546	975	Yes
No. of unduplicated program participants attending financial education related workshops	134	82	No
No. of hours of financial education related workshops attended by program participants	972	36	No
No. of unduplicated program participants attending employment related workshops	42	327	Yes
No. of hours of employment related workshops attended by program participants	237	208	No
No. of unduplicated program participants attending homeownership related workshops	25	0	No
No. of hours of homeownership related workshops attended by program participants	25	0	No
No. of unduplicated program participants attending small business related workshops	20	0	No
No. of hours of small business related workshops attended by program participants	43	0	No
No. of unduplicated program participants who received income support screening services	0	317	Yes
No. of unduplicated program participants who received income tax preparation services	0	0	No
No. of persons who completed their FSS Contract of Participation and graduated	39	12	No
Dollar value of escrow accounts disbursed to FSS graduates	\$319,818	\$76,383	No
No. of FSS escrow accounts	307	175	No
Dollar value of FSS escrow accounts	\$767,250	\$450,382	No
No. of IDA accounts	191	139	No
Dollar value of IDA account savings	\$97,818	\$44,290	No
Dollar value of IDA account matches	\$228,193	\$113,462	No
No. of program participants who obtained employment as a result of job placement services	0	161	Yes

Another component of the Achievement Academy is the ASPIRE program wherein SDHC operates asset building programs for youth and adult HCV participants. Asset building programs encourage families to save money to purchase homes, pursue higher education, secure reliable transportation for job-related activities, or to build small business start-up capital. Individual Development Accounts (IDAs), a component of asset building programs, are savings accounts with matching funds drawn from private or public sources. SDHC's current IDAs provide a 3:1 match for participants with a maximum of \$3,000 in matching funds. Funding for the program has been awarded through September 2016.

The chart below contains a summary of the results of the IDA activities since implementation in Fiscal Year 2011.

SECTION V – SOURCES AND USES OF FUNDING



Allow Broader Uses Of Funds for the Creation of Individual Development Accounts						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
Annual No. of adult participants enrolled in the asset building program with an IDA funded by MTW funds	0		10		16	Yes
Annual No. of participants enrolled in the youth asset building program with an IDA funded by MTW funds	0		10		68	Yes
Annual No. of participants enrolled in the asset building program with a transportation IDA	0		10		29	Yes
Annual No. of MTW IDA participants who opened an IDA account	0		20		110	Yes
Annual No. of MTW IDA participants who developed a credit improvement plan	0		15		56	Yes
Annual No. of MTW IDA participants who made at least nine monthly deposits to their IDA during a twelve-month period	0		15		37	Yes
Annual No. of MTW IDA participants who completed ten hours of financial skills education	0		15		45	Yes



SECTION VI – ADMINISTRATIVE

- A. **Description of HUD Reviews, Audits, or Physical Inspection Issues Requiring Action: N/A**
- B. **Results of PHA-Directed Evaluations of the Demonstration: N/A**
- C. **Certification of Compliance: See Appendix B**



APPENDIX A NON-MTW RELATED SDHC INFORMATION

Addressing Homelessness

To have even a greater impact on homelessness in the City of San Diego, SDHC began a strategic planning process in December 2013 to more clearly define SDHC's role in addressing homelessness. A report is scheduled to be presented to the SDHC Board of Commissioners on October 10, 2014, at which time SDHC will announce how it will target its housing resources in the joint effort to end homelessness in "America's Finest City."

Regional Continuum of Care Council

SDHC is a key leader of the Regional Continuum of Care Council (RCCC), which coordinates federal Continuum of Care (CoC) funds from the U.S. Department of Housing and Urban Development (HUD) to provide rental assistance for homeless individuals with disabilities and their families to live in permanent supportive housing in the City of San Diego. The CoC directed \$15,708,015 in 2013—\$10,084,545 for the City of San Diego and \$5,623,470 for the County of San Diego.

SDHC also is responsible for hiring and supervising a Project Director for RCCC, the first full-time staff position ever to support the RCCC. The position was filled in April 2014. The position is funded by a HUD planning grant awarded to the County of San Diego Department of Housing and Community Development (HCD). The HUD grant will also help the RCCC with planning:

- Coordinated assessment and intake of homeless individuals;
- Evaluations of program outcomes;
- The Homeless Management Information System; and
- RCCC governance structure.

In addition, SDHC President & CEO Richard C. Gentry serves in an appointed seat on the RCCC's new Governance Board, which began meeting on June 27, 2014. The Governance Board consists of up to 31 seats. It carries out responsibilities, such as:

- Setting goals for ending homelessness in San Diego;
- Monitoring progress toward ending homelessness in San Diego;
- Approving HUD CoC and Emergency Solutions Grant funding recommendations and standards for providing assistance; and
- Authorizing grant applications and raising and allocating funds.

SDHC is one of the local agencies with a designated seat on the new Governance Board: HCD, the U.S. Department of Veterans Affairs (VA), County of San Diego Health and Human Services Agency, United Way of San Diego County, and San Diego Workforce Partnership.

In addition, the Governance Board includes members of the community: Business representative, community advocate, education representative, elected official, faith community representative, funder representative, health representative, a homeless or formerly homeless person, homeless service providers, and a flexible seat.

25 Cities Initiative

SDHC and the City of San Diego are participants in the 25 Cities Initiative, a collaboration by HUD, the VA, and the U.S. Interagency Council on Homelessness to accelerate efforts to place homeless veterans into permanent supportive housing and end veteran homelessness by 2015 and chronic homelessness by 2016.



SDHC is one of 16 partnership organizations in housing, homelessness, health care, and outreach working together to produce a plan of action to implement this effort in Downtown San Diego.

From April 2014 to June 23, 2014, a new coordinated intake and assessment system to better screen individuals to provide them with the most appropriate housing options was conducted by Mental Health Systems, Inc. and Alpha Project for the Homeless at the City of San Diego's Single Adult Emergency Winter Shelter. SDHC administers the contract for the Single Adult Emergency Shelter on behalf of the City of San Diego.

The Vulnerability Index-Service Prioritization and Decision Assistance Tool, or VI-SPDAT, is the first step in the housing placement assessment system being developed in Downtown San Diego as part of the national 25 Cities Initiative.

San Diego organizations participating with SDHC in the 25 Cities Initiative include: RCCC, HCD, the County of San Diego Health and Human Services Agency, United Way of San Diego County, the 100,000 Homes Campaign, Funders Together to End Homelessness, the Regional Task Force on the Homeless, and the VA San Diego Healthcare System.



APPENDIX B
CERTIFICATION OF STATUTORY COMPLIANCE

Certification of MTW Statutory Compliance

On behalf of the San Diego Housing Commission, I certify the Agency has met the three statutory requirements of the Moving to Work program during Fiscal Year 2014:

1. At least 75 percent of the families assisted by the Agency are very low-income families;
2. The Agency has continued to assist substantially the same total number of eligible low-income families as would have been served without MTW; and
3. The Agency has continued to serve a comparable mix of families (by family size) as would have been served without MTW.

Richard C. Gentry
President & Chief Executive Officer

9.11.14

Date



US Department of Housing and Urban Development
Office of Public and Indian Housing
OBM No. 2577-0226

Annual Statement/ Performance and Evaluation Report
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APPENDIX C
ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT (HUD 50075.1)

Part I: Summary		Grant Type and Number		FFY of Grant: 2009	
PHA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA16R063-501-09			
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no.:)		Final Performance and Evaluation Report	
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds	\$			
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Non-expendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service	\$ 2,005,429.00	\$ -	\$ 1,545,337.98	\$ 1,545,337.98
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 - 20)	\$		\$	
22	Amount of Line 21 Related to LBP Activities	\$ 2,005,429.00		\$ 1,545,337.98	\$ 1,545,337.98
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				
Signature of Executive Director		Signature of Public Housing Director		Date:	
Richard C. Gentry, President and CEO		Date: August 25, 2014		Date:	



U.S. Department of Housing and Urban Development
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Annual Statement of Performance and Evaluation Report
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Part II: Supporting Pages		Grant Type and Number		Federal FY of Grant:				
HA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA13R063-501-09		2009				
Development Number/HA-Wide Activities	General Description of Major Work Categories	Dev. Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA063-000008	Acquisition and Development of Vista Verde	1499		\$ 2,005,429.00	\$ 1,545,337.98	\$ 1,545,337.98	\$ 1,545,337.98	Completed
CA063-000010	Acquisition and Development of State Scattered Sites	1499		\$ -	\$ 460,091.02	\$ 460,091.02	\$ -	



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PHA Name: San Diego Housing Commission		Grant Type and Number Capital Fund Program Grant No. CA16RO63-501-09 Replacement Housing Factor Grant No.:		All Funds Expended (Quarter Ending Date)		Federal FY of Grant: 2009	
Development Number Name/HA- Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)				Reasons for Revised Target Dates
	Original	Actual	Original	Revised			
CA063-000008	09/15/09	06/29/10	07/27/12		07/27/12		
CA063-000010							



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Part I: Summary		Grant Type and Number	FFY of Grant: 2010	
PHA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA16R063-501-10		
		Replacement Housing Factor Grant No.: N/A		
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no.:) Final Performance and Evaluation Report		
Line No.	Summary by Development Account	Total Estimated Cost		
		Original	Revised	Obligated
		Total Actual Cost		
		Original	Revised	Obligated
1	Total non-CFP Funds	\$ -		
2	1406 Operations			
3	1408 Management Improvements			
4	1410 Administration			
5	1411 Audit			
6	1415 Liquidated Damages			
7	1430 Fees and Costs			
8	1440 Site Acquisition			
9	1450 Site Improvement			
10	1460 Dwelling Structures			
11	1465.1 Dwelling Equipment - Non-expendable			
12	1470 Non-Dwelling Structures			
13	1475 Non-Dwelling Equipment			
14	1485 Demolition			
15	1490 Replacement Reserve			
16	1492 Moving to Work Demonstration			
17	1495.1 Relocation Costs			
18	1499 Development Activities	\$ 1,935,182.00	\$ -	\$ 1,935,182.00
19	1501 Collateralization or Debt Service			
20	1502 Contingency			
21	Amount of Annual Grant: (sum of lines 2 - 20)	\$ 1,935,182.00		\$ 1,935,182.00
22	Amount of Line 21 Related to LBP Activities			
23	Amount of line 21 Related to Section 504 compliance			
24	Amount of line 21 Related to Security - Soft Costs			
25	Amount of line 21 Related to Security - Hard Costs			
26	Amount of line 21 Related to Energy Conservation Measures			
Signature of Executive Director		Signature of Public Housing Director		
Richard C. Gentry, President and CEO		Date: August 25, 2014		
		Date:		



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

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Part II: Supporting Pages		Grant Type and Number				Federal FY of Grant:		Status of Work	
HIA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA13R063-501-10 Replacement Housing Factor Grant No.:				2010			
Development Number/HIA-Wide Activities	General Description of Major Work Categories	Dev. Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work	
				Original	Revised	Funds Obligated	Funds Expended		
2-A063-000009	Acquisition and Development of Olaj Villas	1499		\$ 1,935,182.00	\$ -	\$ 1,935,182.00	\$ 1,935,182.00	Completed	



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Part I: Summary		Grant Type and Number		FFY of Grant: 2011	
PHA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA16R063-501-11			
		Replacement Housing Factor Grant No.: N/A			
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no.:)		Final Performance and Evaluation Report	
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds	\$			
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Non-expendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities	\$	1,654,411.00	\$	1,654,411.00
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 - 20)	\$	1,654,411.00	\$	1,654,411.00
22	Amount of Line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				
Signature of Executive Director		Signature of Public Housing Director		Date: August 25, 2014	
Richard C. Gentry, President and CEO				Date: August 25, 2014	



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Part II: Supporting Pages				Federal FY of Grant:				
Development Number/HA- Wide Activities	General Description of Major Work Categories	Dev. Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA063-000010	Acquisition and Development of State Scattered Sites	1499		\$ 1,654,411.00	\$ -	\$ 1,654,411.00	\$ 24,075.70	



Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule						
PHA Name: San Diego Housing Commission		Grant Type and Number Capital Fund Program Grant No. CA16RO63-501-11 Replacement Housing Factor Grant No.:			Federal FY of Grant: 2011	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Actual	Original	Revised	Actual	
CA063-000010	10/29/15	03/03/14				



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Part I: Summary		Grant Type and Number		FFY of Grant: 2012		
PHA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA16R063-501-12				
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no.:) Final Performance and Evaluation Report				
Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost	
		Original	Revised	Obligated	Expended	
1	Total non-CFP Funds	\$				
2	1406 Operations					
3	1408 Management Improvements					
4	1410 Administration					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465 1 Dwelling Equipment - Non-expendable					
12	1470 Non-Dwelling Structures					
13	1475 Non-Dwelling Equipment					
14	1485 Demolition					
15	1490 Replacement Reserve					
16	1492 Moving to Work Demonstration					
17	1495 1 Relocation Costs					
18	1499 Development Activities	\$ 1,516,787.00	\$ -	\$ 1,516,787.00	\$ -	
19	1501 Collateralization or Debt Service					
20	1502 Contingency					
21	Amount of Annual Grant: (sum of lines 2 - 20)	\$ 1,516,787.00		\$ 1,516,787.00	\$ -	
22	Amount of Line 21 Related to LBP Activities					
23	Amount of line 21 Related to Section 504 compliance					
24	Amount of line 21 Related to Security - Soft Costs					
25	Amount of line 21 Related to Security - Hard Costs					
26	Amount of line 21 Related to Energy Conservation Measures					
Signature of Executive Director		Signature of Public Housing Director		Date: August 25, 2014		
Richard C. Gentry, President and CEO				Date: August 25, 2014		



Part II: Supporting Pages												
HA Name: San Diego Housing Commission						Federal FY of Grant: 2012						
Grant Type and Number Capital Fund Program Grant No. CA13R063-501-12 Replacement Housing Factor Grant No.:			Dev. Account No.	Quantity	Total Estimated Cost		Total Actual Cost			Status of Work		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Original			Revised	Funds Obligated	Funds Expended					
		CA063-000010	Acquisition and Development of State Scattered Sites	\$ 1,316,787.00	\$ -	1499		\$ -	\$ -			



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Development Number Name/HA- Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates
	Original	Actual	Original	Actual	
CA063-000010	10/29/15				



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Capital Fund Program

Part I: Summary		Grant Type and Number		FFY of Grant: 2013		
PHIA Name: San Diego Housing Commission		Capital Fund Program Grant No. CA16R063-501-13				
		Replacement Housing Factor Grant No.: N/A				
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no.:)		Final Performance and Evaluation Report		
Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost	
		Original	Revised	Obligated	Expended	
1	Total non-CFP Funds	\$				
2	1406 Operations					
3	1408 Management Improvements					
4	1410 Administration					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465.1 Dwelling Equipment - Non-expendable					
12	1470 Non-Dwelling Structures					
13	1475 Non-Dwelling Equipment					
14	1485 Demolition					
15	1490 Replacement Reserve					
16	1492 Moving to Work Demonstration					
17	1495.1 Relocation Costs					
18	1499 Development Activities	\$	1,577,757.00	\$	1,577,757.00	\$
19	1501 Collateralization or Debt Service					
20	1502 Contingency					
21	Amount of Annual Grant: (sum of lines 2 - 20)	\$	1,577,757.00	\$	1,577,757.00	\$
22	Amount of Line 21 Related to LBP Activities					
23	Amount of line 21 Related to Section 504 compliance					
24	Amount of line 21 Related to Security - Soft Costs					
25	Amount of line 21 Related to Security - Hard Costs					
26	Amount of line 21 Related to Energy Conservation Measures					
Signature of Executive Director		Signature of Public Housing Director		Date: August 25, 2014		Date:
Richard C. Gentry, President and CEO						



Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule							
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)	Grant Type and Number			All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates
		Capital Fund Program Grant No. CA16RO63-501-13 Replacement Housing Factor Grant No.:					
					Original	Actual	
CA063-000010	10/29/15						