



SAN DIEGO  
HOUSING  
COMMISSION

# Moving Forward Moving To Work Program Annual Report for Fiscal Year 2017

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**Submitted: September 5, 2017**



SECTION I – INTRODUCTION

**A. Message from the President & CEO**

The innovation and cost-effectiveness that are hallmarks of the San Diego Housing Commission (SDHC) are deeply rooted in our status as a “Moving to Work” (MTW) agency.



For example, MTW status has allowed SDHC to leverage our available resources to address homelessness through **HOUSING FIRST – SAN DIEGO**, our homelessness action plan.

The programs in the first three years (2014-17) of this homelessness action plan are on track to impact the lives of close to 3,000 homeless San Diegans, which exceeds our goal of 1,500 when **HOUSING FIRST – SAN DIEGO** initially launched on November 12, 2014.

SDHC’s MTW initiatives are among the programs in this homelessness action plan, including:

- SDHC’s nationally unprecedented partnership with San Diego State University to provide rental assistance to up to 100 students in the Guardian Scholars Program who have been homeless or at risk of homelessness; and
- SDHC’s partnership with Monarch School to provide rental housing vouchers to 25 homeless families with children who attend the school.

The next phase of **HOUSING FIRST – SAN DIEGO**, which launched with the start of our new fiscal year on July 1, 2017 will create permanent housing opportunities for at least an additional 3,000 homeless San Diegans over the next three fiscal years (2018-2020).

In addition, the efficiencies SDHC has achieved through our Path to Success MTW rent-reform initiative have enabled SDHC to reinvest \$24.8 million in MTW funds to support the creation or preservation of 271 affordable rental housing units.

SDHC has also invested \$12 million in MTW funds toward the rehabilitation of 721 SDHC-owned affordable rental housing units.

I invite you to read more about our MTW initiatives in this report.

The MTW initiatives that SDHC has implemented are instrumental in providing housing assistance to low-income individuals and families in the City of San Diego.

I look forward to continuing to build upon the success of these initiatives as SDHC works with our partners to address the challenges of affordable housing and homelessness.

Sincerely,

Richard C. Gentry  
President & Chief Executive Officer  
San Diego Housing Commission



## B. Short-Term and Long-Term MTW Goals

### Long-Term Goals

During Fiscal Year 2017 (July 1, 2016 – June 30, 2017), the San Diego Housing Commission (SDHC) on September 9, 2016, adopted a four-year (2016 – 2020), agency-wide Strategic Plan that provides a framework to identify how SDHC can have the greatest possible impact with limited financial resources in the years ahead to impact affordable rental housing opportunities.

Three major goals were identified, which include metrics to monitor progress:

1. Maximize resources through operational efficiencies and technological innovations.
2. Increase the number of housing opportunities that serve low-income and homeless individuals and families in the city of San Diego.
3. Advocate for more effective affordable housing policies and resources.

This Strategic Plan ensures that SDHC operates efficiently; shares its voice through advocacy at the forefront of national, state, and local decision-making; and meets the needs of as many low-income and homeless families as possible.

SDHC's impact on low-income families includes the SDHC Achievement Academy, an MTW initiative. The SDHC Achievement Academy is a learning and resource center and computer lab with programs that emphasize career planning, job skills and personal financial education—at no cost to Section 8 Housing Choice Voucher rental assistance participants. The W.K. Kellogg Foundation awarded the SDHC Achievement Academy's 2Gen San Diego program a three-year grant, effective July 1, 2016, in the amount of \$780,000 to provide multigenerational services to families in the City Heights neighborhood of San Diego who receive Section 8 Housing Choice Voucher rental assistance from SDHC.

Through the 2Gen San Diego program, 60 families who have children up to age 8 will have the opportunity to learn in four categories, each of which includes a set of goals to measure the outcomes of the program:

- **Financial Stability:** Children receive lessons in financial literacy and are eligible for matched savings accounts. Parent classes cover financial planning, budgeting, and credit counseling.
- **Health/Wellness:** Children and their parents receive improved access to nutrition and healthcare. In addition, parents learn stress management and advice on parenting, including access to a smartphone application that provides daily parenting tips for promoting healthy brain development.
- **Education/Employment:** Parents are provided with support services in education, job placement and job retention, in-person or online for those without access to transportation.
- **Social Capital:** Children take part in lessons promoting school engagement. Parents are encouraged to be a part of school life with lessons in civic and leadership development. They also connect with other parents through peer support workshops.

In addition, in support of Goal 2 of the Strategic Plan, SDHC completed its third year of **HOUSING FIRST – SAN DIEGO**, SDHC's homelessness action plan, and developed the next phase of **HOUSING FIRST – SAN DIEGO**, which launched with the start of the new fiscal year on July 1, 2017.

In the next phase of **HOUSING FIRST – SAN DIEGO**, over the next three fiscal years (2018-2020), SDHC will direct \$79.7 million in Federal, City of San Diego, and SDHC resources to six programs to provide permanent housing opportunities for at least 3,000 homeless San Diegans:

1. **Landlord Incentives** – Assist at least 3,000 homeless households by increasing the resources for SDHC's landlord incentives and benefits program.





2. **New Permanent Supportive Housing** – Invest Federal MTW and City of San Diego Affordable Housing Funds to create 500 permanent supportive housing units, which will also be eligible for Federal rental housing vouchers to provide rental assistance for homeless San Diegans.
3. **SDHC Moving Home Rapid Rehousing Assistance**, an SDHC MTW initiative – Assist approximately 600 homeless households to obtain and maintain permanent housing through light case management and short-term rental assistance.
4. **SDHC Moving On Rental Assistance**, an SDHC MTW initiative – Provide rental assistance to 50 formerly homeless individuals who are transitioning out of permanent supportive housing, but continue to need rental assistance.
5. **Homelessness Prevention & Diversion** – Assist up to 1,450 households, which will reduce the inflow of newly homeless individuals and families.
6. **Coordinated Street Outreach** – Expand support and coordination among existing street outreach efforts.

### **Short-Term Goals**

These new programs build upon the accomplishments of the first three years of **HOUSING FIRST – SAN DIEGO**, which initially launched on November 12, 2014. Three additional programs were launched during Fiscal Year 2016 (July 1, 2015 – June 30, 2016).

1. **Award up \$30 million Development Funds over three years** (up to \$10 million per year) to create Permanent Supportive Rental Housing Units — Launched November 12, 2014
  - \$29.8 million awarded toward the development of 407 permanent supportive housing units for homeless individuals.
  - The grand openings of Cypress Apartments (July 24, 2017) and Talmadge Gateway (July 27, 2017) celebrated the completion of 121 of these units.
  - The remaining six developments, with 286 units, are expected to be completed by December 2018.
2. **Commit up to 1,500 federal housing vouchers over three years**, awarded to nonprofit agencies and developments that are providing supportive housing — Launched November 12, 2014
  - SDHC committed 1,869 vouchers to nonprofit agencies and affordable housing developments:
    - 1,189 – HOUSING FIRST – SAN DIEGO developments and programs
    - 100 – San Diego State University (SDSU) Guardian Scholars Program
    - 25 – Monarch School Project
    - 155 – Project One for All - County Partnership
    - 400 – Housing Our Heroes Initiative
3. **Renovate Hotel Churchill**, creating permanent supportive housing—Grand reopening September 19, 2016
  - SDHC, working with its nonprofit affiliate, Housing Development Partners (HDP), completed the renovation of the historic Hotel Churchill in Fiscal Year 2017, creating 72 permanent supportive housing units for homeless San Diegans:
    - 56 for homeless Veterans
    - 8 for transitional age youth ages 18-25
    - 8 for adults exiting the corrections system



- SDHC invested \$9.2 million in MTW funds toward the \$20.6 million renovation of Hotel Churchill, a local historical landmark.
  - In addition, In addition, SDHC provided 72 Federal Sponsor-Based Housing Vouchers directly to the sponsor, HDP, for rental assistance for Hotel Churchill residents.
4. **Invest up to \$15 million in MTW Funds to acquire a property** — Purchased May 1, 2015
- SDHC purchased the 120-unit Village North Senior Garden Apartments in Clairemont Mesa.
  - Forty-four units – 36 percent – are set aside for homeless seniors, with 44 federal rental housing vouchers committed by SDHC to provide rental assistance.
  - Rehabilitation of Village North Senior Garden Apartments is anticipated to begin late in 2017.
5. **SDHC-owned Housing Units - 25 Units dedicated year-round for homeless individuals and families** — Launched January 2015
- SDHC is one of the first public housing agencies in the nation to commit affordable rental housing that it owns for this purpose.
  - This is a rapid re-housing component of HOUSING FIRST – SAN DIEGO. Rapid re-housing assists individuals and families who become homeless because of a recent, unexpected life experience, such as a job loss, domestic violence, or a medical crisis.
  - 36 families have been assisted with rental housing (139 people, including 89 children) since the program was launched on January 1, 2015.
  - In **HOUSING FIRST – SAN DIEGO: 2018-2020**, SDHC increased its commitment to 50 units through the SDHC Moving Home Rapid Rehousing program.
6. **San Diego State University (SDSU) Guardian Scholars Program** — Launched August 2016
- A nationally unprecedented partnership between SDHC and SDSU to provide rental assistance for up to 100 SDSU students who have been homeless or at risk of homelessness. As of June 30, 2017:
    - 62 Guardian Scholars students have secured housing.
    - 1 student is pending a move-in inspection.
    - 13 students are searching for housing.
7. **The Monarch School Project** — Launched December 2015
- SDHC is providing rental housing vouchers through this three-year pilot program for up to 25 families who have at least one child enrolled at The Monarch School, which serves homeless children. As of June 30, 2017:
    - 23 families have secured housing.
    - 2 vouchers are available for families.
8. **Housing Our Heroes Initiative** — Launched on March 1, 2016
- Housing Our Heroes will provide housing opportunities for up to 1,000 homeless veterans in the City of San Diego. Landlord outreach is one of the four major programs of the Housing Our Heroes initiative. As of August 14, 2017:
    - 865 formerly homeless veterans have secured housing.
    - 303 homeless veterans searching for housing with assistance through this program.
    - 405 individual landlords have joined the program.



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
Atmosphere	51	51	The development is dedicated to serving 51 homeless individuals, 31 of which are diagnosed with mental illness. Supportive services will be provided by a San Diego non-profit agency. The Coordinated Entry System will be used to place tenants.
Talmadge Gateway	59	59	The development is dedicated to serving 59 homeless seniors. Supportive services will be provided by a San Diego non-profit agency. The Coordinated Entry System will be used to place tenants.

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

**113**

**Actual Total Number of New Vouchers that were Project-Based**

**110**

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

**986**

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

**1,035**

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

**694**

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

**514**

\* From the Plan

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

N/A
N/A
N/A

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.

**SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION**

**General Description of Actual Capital Fund Expenditures During the Plan Year**

**CFPG Formula Funds Total (501-14 through 501-16)**

SDHC expended the remainder of CFPG 501-14, obligated 100 percent of CFPG 501-15, and obligated 17 percent of CFPG 501-16 during Fiscal Year 2017. The funds were used for traditional capital expenditures related to a recently conducted Green Physical Needs Assessment at SDHC-owned properties. A total of \$3,671,022 was utilized for the capital needs at one public housing site, Via Las Cumbres, which consists of 36 public housing units. Priority repairs included pest inspection/fumigation, sewer line repairs, balcony and handrail repairs, energy efficient window and door replacements, interior unit painting, appliance replacement, trim and exterior painting, electrical upgrades, plumbing upgrades, water conservation landscaping and irrigation systems, accessible path of travel, ADA upgrades, exterior lighting upgrades, water heater replacement, flooring and cabinetry replacements, and relocation expenses. Expenditure of the 17 percent obligation of CFPG 501-16 is anticipated for disbursement on or before September 30,

**CFPG Formula Funds Total (501-16 through 501-17)**

SDHC anticipates full obligation and expenditure of the remaining 83 percent of CFPG 501-16 and 30 percent of CFPG 501-17 by the close of Fiscal Year 2018. The funds will be used for traditional capital expenditures related to a recent Green Physical Needs Assessment conducted on SDHC-owned properties. A total of \$3,198,189 will be utilized for capital needs at Vista Verde, a public housing site consisting of 40 units. During Phase I, a total of 28 dwelling structures will be rehabilitated. Priority repairs include pest inspection/fumigation, balcony and handrail repairs, energy efficient window and door replacements, trim repairs and painting, electrical upgrades, plumbing upgrades, exterior lighting upgrades, appliance replacement, interior unit painting, flooring, and limited cabinetry replacements. Retention of architectural and engineering contractors will occur during Phase I to commence ADA upgrades of two dwelling units.

**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
Other	2,141	Local Affordable Units
<b>Total Other Housing Owned and/or Managed</b>	<b>2,311</b>	

\* **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 **	95	176
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	357	527
Port-In Vouchers (not absorbed)	0	151
<b>Total Projected and Actual Households Served</b>	<b>452</b>	<b>854</b>

\* 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 ***	1,140	2,112
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	4,284	6,324
Port-In Vouchers (not absorbed)	0	1,812
<b>Total Projected and Annual Unit Months Occupied/Leased</b>	<b>5,424</b>	<b>10,248</b>

1) Property-Based Assistance Programs include 251 affordable units created using broader uses of funds authority. The Maya Linda development contains 131 affordable units; Village North Senior Garden Apartments contains 120 affordable units. Of the 131 affordable units created at Maya Linda, approximately 35 to 40 units are occupied with an HCV tenant-based voucher. Of the 120 affordable units created at Village North Senior Garden Apartments, 44 are project-based units.

2) Tenant-Based Assistance Programs include the Sponsor-Based Subsidy Program for the Homeless, the Transitional Project-Based Subsidy Program for the Homeless, the Monarch School Housing Program, and the Guardian Scholars Program. SDHC continues to collaborate with partnering agencies to increase the utilization rates of local, non-traditional subsidies.

\*\*\* 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:

<b>Fiscal Year:</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Total Number of Local, Non-Traditional MTW Households Assisted</b>	0	133	168	288	455	538	703	0
<b>Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income</b>	0	99	135	282	401	475	602	0
<b>Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income</b>	0	74%	80%	98%	88%	88%	86%	0%

**SECTION II – GENERAL HOUSING AUTHORITY OPERATING INFORMATION**



Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix							
<p>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:</p>							
<b>Baseline for the Mix of Family Sizes Served</b>							
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%		
<b>Totals</b>	<b>36</b>	<b>13,739</b>	<b>0</b>	<b>13,775</b>	<b>100%</b>		
Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized	N/A						
<b>Mix of Family Sizes Served</b>							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
<b>Baseline Percentages of Household Sizes to be Maintained **</b>	35.0%	20.9%	15.3%	12.6%	8.3%	7.9%	100%
<b>Number of Households Served by Family Size this Fiscal Year ***</b>	5,698	3,406	1,817	1,434	965	982	14,302
<b>Percentages of Households Served by Household Size this Fiscal Year ****</b>	39.8%	23.8%	12.7%	10.0%	6.7%	6.9%	100%
<b>Percent Change</b>	5%	3%	-3%	-3%	-2%	-1%	104%
Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages	N/A						
<p>* "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.</p> <p>** 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."</p> <p>*** 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.</p> <p>**** 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.</p>							

**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	N/A
Tenant-Based Local, Non-Traditional Units	N/A
Public Housing Units	N/A

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

Adopt a Local Interim Policy/2010-6	482	Decrease in the number of decrease of income interims processed from the baseline.
Sponsor-Based Subsidies for the Homeless/2011-8	14	Transitioning into the Moving On Program or receiving a voucher.
Path to Success/2012-1	25	Exiting a rental assistance program due to \$0 assistance rendered or voluntary surrender of assistance.
Family Self Sufficiency Reinvention/2013-2	20	Successful completion of the FSS program.
Transitional Project-Based Subsidies for the Homeless/2013-6	53	Transitioning to permanent housing.
Monarch School Project/2016-1	0	Transitioning to permanent housing.
Guardian Scholars Program/2016-2	22	Transitioning to permanent housing.

Households Duplicated Across Activities/Definitions	0
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<b>ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY</b>	<b>616</b>
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\* 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 - TBV	81,639	Open	No
Federal MTW Housing Choice Voucher Program	Community Wide - PBV	37,502	Open	No
Federal MTW Housing Choice Voucher Program	Site Based - PBV	595	Closed	No
Federal MTW Housing Choice Voucher Program	Site Based - PBV	16	Open	No
Federal MTW Public Housing Units	Community Wide	59,264	Open	No
Tenant-Based Local, Non-Traditional MTW Housing Assistance Program	Other	41	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

\*\* 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

\*\*\* 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. Note: Two programs currently utilize waitlists and are expected to transition to CES in the near future.**

**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.**

**Monarch School Housing Program: SDHC provides rental assistance to homeless families with children attending Monarch School. The adults are required to engage in work-readiness services at the Achievement Academy while receiving rental assistance.**

**Guardian Scholars Housing Program: SDHC provides rental assistance to students attending San Diego State University and enrolled in the Guardian Scholars Program, a program serving youth either exiting the foster care system, under legal guardianship, designated as wards of the court, or unaccompanied youth.**

If Other Wait List Type, please describe:

**Coordinated Entry System (CES) methodology in combination with the Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT) is utilized to refer clients to the Sponsor-Based Subsidy Program.**

**The Monarch waitlist uses date and time of application for families with children attending Monarch School. In Fiscal Year 2018, the Monarch program will utilize the CES instead of a waitlist.**

**Students enrolled in SDSU's Guardian Scholars Program are eligible for program participation.**

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 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.

The first iteration of the activity utilized qualifying criteria for placement on a 24 month cycle. Units passing two consecutive initial and/or annual inspections on the first attempt qualified for the Biennial Inspection Cycle. The unit remained on the biennial cycle as long as the unit continued to pass inspection on the first attempt in subsequent years. Upon a failed inspection, the unit reverted back to the annual inspection cycle until meeting the eligibility requirements for placement back onto the Biennial Inspection Cycle.

Effective January 1, 2015, SDHC removed the qualifying criteria from the inspections protocol and implemented a biennial inspections cycle for all tenant-based participants, including the VASH and NED programs. Inspections were also optimized to (1) balance the number of inspections between the months and years and (2) utilize zones defined by census tracts to schedule clusters of inspections to maximize travel time. In March 2017, SDHC placed additional housing programs on the biennial inspection cycle. The programs include the Sponsor-Based Subsidy Program, the Family Unification Program, and all project-based vouchers. The Guardian Scholars Housing Program, Monarch School Housing Program, and Transitional Project-Based Subsidies for the Homeless Program maintain utilization of an annual inspection cycle.

Concerning the Self-Certification of Repairs: 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.

**Impact of Activity:** Using the revised inspection protocol, SDHC initially 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 2017, SDHC reduced the total number of inspections by 5,353 when compared to baseline numbers which translated into an approximate savings of 3 FTE. The additional staff savings allows the inspections department to continue scheduling the HQS inspections, maintain an inspections coordinator, and continue increasing the number of Quality Assurance inspections conducted.

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		\$352,080	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,133		12,548		9,780	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		11%		10%	0.6%	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.

**2010-2. 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 and the third-party vendor conducted 699 inspections on SDHC-owned units during Fiscal Year 2017, 585 and 114 respectively. The cost for a third-party vendor to conduct inspections per regulations is \$19,732. As a result of the initiative, SDHC saved \$3,028, thus SDHC more efficiently and effectively utilized Federal expenditures. Staff time savings are not achieved since SDHC conducts additional inspections as a result of the activity. The decrease in error rate is measured in terms of whether or not a unit passes inspection on the first instance when a quality control inspection is conducted. In Fiscal Year 2017, SDHC reduced the error rate by 8 percent.

Authorize SDHC to Inspect and Determine Rent Reasonableness for SDHC-Owned Properties						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$128,716		\$105,731		\$17,325	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	0		0		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		14%		10%	2%	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. 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 three-pronged approach containing the following elements:

1. A security deposit loan program for families moving to low-poverty areas.
2. The provision of resources, information, and guidance to families expressing interest in moving to low-poverty neighborhoods.
3. Increased payment standards in low-poverty areas.

Note: The Choice Communities activity previously employed a four-pronged approach to incentivize participants to move into low-poverty areas of San Diego. Implementation of the Fiscal Year 2015 activity increasing the rent burden from 40 percent to 50 percent program wide eliminated the need for this component of the Choice Communities initiative.

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. 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 reviewed on an annual basis and updated as needed.

**Impact of Activity:** To date, 338 households have moved out of high/medium-poverty areas into low-poverty areas since implementation of the activity in January 2010. 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 48 families moving to Choice Communities from high/medium poverty areas during Fiscal Year 2017 received services aimed to increase housing choice while 18 families participated in the Security Deposit Loan Program. Total dollars loaned in the fiscal year equaled \$24,293 with a cumulative total of \$347,602 since program implementation.

Note: Families newly admitted to the program and port-ins are not included in the metric measuring the increase in resident mobility since SDHC cannot verify the poverty rate of origin. Families moving within Choice Communities are not included in the outcomes either since the move is from a low-poverty area.

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		338	Yes
HC #7: Households Assisted by Services that Increase Housing Choice Number of households receiving services aimed to increase housing choice (increase).	0		750		1,793	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. 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/sewer 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.

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 2017, zero families requested a hardship exemption due to the new policy. SDHC does not anticipate receiving any hardship requests since eight 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		\$4,193	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	1,057		211		140	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		11%		6%	2%	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	\$0		\$10,000		\$27,517	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.

**2010-5. 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 originally contained two 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 reexamination cycle.

In the Fiscal Year 2016 MTW Plan, SDHC re-proposed the activity in order to:

1. Eliminate assets from the rent calculation regardless of the methods of acquisition or disposal; and
2. Disallow homeownership as criterion for program eligibility and ongoing participation.

SDHC implemented the modifications to the initiative with new admissions effective October 2015, moves/interim requests received May 2016 and after, and full reexaminations of income and household composition effective July 2016.

**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, significant staff savings resulted from 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		\$1,048	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	568		112		35	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	\$0		\$5,000		\$15,992	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.

### 2010-6. 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, is 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.
  - Update: This policy is no longer effective as of June 30, 2017.

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:



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- 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:** The number of decrease of income interim reexaminations decreased slightly from Fiscal Year 2016 levels allowing SDHC to achieve success related to cost effectiveness benchmarks; a total of 855 decrease of income interims were processed for Work-Able families. The average earned income amounts for households surpassed benchmark levels for the first time since implementation of the activity resulting in a 12 percent increase over the baseline.

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 \$23,709 at the close of the fiscal year, a 25 percent increase over the baseline measurement of \$18,971. SDHC believes the Local Interim Policy in combination with Path to Success and Achievement Academy work-readiness services is responsible for the productive economic behaviors displayed in the outcomes.

Adopt a Local Interim Recertification Policy						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$21,000		\$20,160		\$16,803	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	700		672		560	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	\$0		\$500		\$4,197	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$20,831		\$22,914		\$23,425	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	50		63		44	No
(2) Employed Part-Time	29		36		55	Yes
(3) Enrolled in an Educational Program	16		20		10	No
(4) Enrolled in Job Training Program	32		40		24	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) Number of households receiving TANF assistance (decrease).	2,010		1,700		1,258	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase).*	0		100		482	Yes
*For purposes of the activity, self sufficiency is defined as a decrease in the number of decrease of income interims processed from the baseline.						

**Hardship Requests:** During Fiscal Year 2017, 20 households requested a hardship exemption.

**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.



### 2010-7. 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. In the Fiscal Year 2015 Plan, SDHC re-proposed the activity to add additional flexibilities to administer project-based vouchers. 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. The provision of supportive services may be required in the PBV development.
2. Increase the range of options available to low-income households living in high-poverty areas by allowing SDHC to approve an exception payment standard for PBV developments without requiring HUD approval. Since SDHC's jurisdiction contains pockets of neighborhoods with high Fair Market Rents (FMRs), approving exception payment standards exceeding 110% of the FMR without requiring HUD approval increases viable low-income housing options in affluent sectors of the City. SDHC will determine exception areas based on the average percent below the poverty line in contiguous census tracts. The average percent below the poverty line must be less than 30 percent of the published AMI in no less than two contiguous census tracts. The maximum contract rent per unit will adhere to rent reasonableness requirements and apply only in project-based developments to ensure cost effectiveness. Application of the policy will be closely monitored for financial considerations. SDHC will determine rent reasonableness for SDHC-owned units as authorized through a Fiscal Year 2010 MTW activity.
3. 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.
4. 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. The number of designated PBV units in a contract may increase outside of the initial term of the contract.
5. 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.
6. Allow for project-specific waiting lists maintained by the owners or non-profit providers in compliance with agency standards.
7. SDHC and/or the developer may require the resident to participate in supportive services as a condition of tenancy. Examples of supportive services rendered may include, but are not limited to, case management, trauma treatment, health and dental care, legal assistance, substance abuse counseling, and mental health therapy. The supportive services offered will be determined by the population served at each PBV complex and the specialized treatment offered by partnering agencies providing the services. Failure to engage in the supportive services may result in program non-compliance with the possibility of termination. Each instance of non-compliance will be evaluated on a case-by-case basis with a decision rendered per the language contained in Memorandum of Understanding between SDHC and the partnering agency. Extenuating circumstances will be



considered for purposes of determining the appropriate course of action as is consistent with current agency practice.

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.

SDHC adopted the Coordinated Entry System (CES) to place homeless individuals into project-based units designated for the homeless population. The individuals are assessed using the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions. Those scoring as high acuity on the VI-SPDAT are given priority with regard to receiving project-based assistance.

**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 at inception of the initiative, an additional 200 vouchers would serve each population respectively, or a total of 233 dedicated to low-income families and 206 dedicated to the homeless.

Due to the City of San Diego's focus on eliminating homeless in the city, SDHC significantly expanded the number of project-based vouchers dedicated to the homeless since implementation of the activity. Of the 1,035 units with project-based commitments, 882 units serve the homeless. Designating additional vouchers increased the range of housing options and housing opportunities to underserved families in San Diego.

SDHC committed 258 project-based vouchers during Fiscal Year 2017 for a total of 1,035 committed or under AHAP/HAP contracts. 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
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	Townspeople	24	9	38%
2/1/2010	Potiker	200	36	18%
4/28/2010	Alabama Manor	67	14	21%
4/28/2010	Meade (SDHC-Owned)	30	12	40%
5/1/2010	Santa Margarita (SDHC-Owned)	32	13	41%
10/15/2010	Courtyard (SDHC-Owned)	37	3	8%
11/1/2010	Hotel Sanford (SDHC-Owned)	130	29	22%
1/31/2013	Connections Housing	223	73	33%
5/14/2013	Mason Hotel (SDHC-Owned)	17	16	94%
11/1/2013	Parker-Kier (SDHC-Owned)	33	22	67%
5/1/2015	Celadon	250	88	35%
1/1/2016	Alpha Square	201	76	38%
2/1/2016	New Palace Hotel (SDHC-Owned)	80	79	99%
2/4/2016	Village North Senior (SDHC-Owned)	120	44	37%
6/1/2017	Atmosphere	205	51	25%
6/8/2017	Talmadge Gateway	60	59	98%
TBD	Cypress Apartments	62	62	100%
TBD	Vista Del Puente	52	38	73%
TBD	North Park Senior	76	8	11%
TBD	The Post - 310	43	17	40%
TBD	Twain Veteran Housing	80	62	78%
TBD	The Lofts at Normal Heights	53	52	98%
TBD	Zephyr Grantville Veterans Housing	84	84	100%
TBD	The Beacon	44	43	98%
<b>Total</b>		<b>2,354</b>	<b>1,035</b>	<b>44%</b>

Outcomes of the activity are as follows:

Expand the Project-Based Voucher Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$28,400		\$23,570		\$12,883	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	947		786		429	Yes
HC #4: Displacement Prevention Number of homeless households at or below 80% AMI that would lose assistance or need to move (decrease).	0		88		88	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.

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

**Plan Year Identified:** Fiscal Year 2011

**Implementation Date:** October 1, 2010

**SECTION IV – APPROVED MTW ACTIVITIES**



**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.

**Impact of Activity:** In Fiscal Year 2017, zero SDHC-owned units utilized the flexibility to allow lower rents in unassisted units than in assisted units. SDHC created and implemented the initiative to ensure tenants residing in affordable developments owned and/or acquired by SDHC were afforded a transition period before contract rents were reassessed and increased. During the previous fiscal year, all developments using the initiative were 100 percent transitioned to the maximum contract rents allowable per the various funding sources. Although the activity was not used during Fiscal Year 2017, SDHC anticipates utilizing the MTW flexibility in future years due to ongoing affordable housing development activities.

Allow Lower Rents for Non-Assisted Units in SDHC-Owned Developments						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$97,350		\$89,562		\$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	3,245		2,985		0	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		1.0%		0.75%	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.

**2011-2. 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 were 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 within each development, 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.

**SECTION IV – APPROVED MTW ACTIVITIES**



<b>SDHC-Owned Project-Based Developments</b>				
HAP 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	12	40%
5/1/2010	Santa Margarita	32	13	41%
10/15/2010	Courtyard	37	3	8%
11/1/2010	Hotel Sanford	130	29	22%
5/14/2013	Mason Hotel	17	16	94%
6/1/2013	Parker-Kier	33	22	67%
2/1/2016	New Palace Hotel	80	79	99%
2/4/2016	Village North Senior	120	44	37%
	<b>Total</b>	<b>479</b>	<b>218</b>	<b>46%</b>

**Impact of Activity:** The flexibility enables SDHC to provide a permanent housing solution for serving the homeless, a principal focus of both SDHC and the City of San Diego. The initiative further increased the number of affordable units available in the City of San Diego, therefore increasing housing choice for low-income families, including homeless populations.

Activity outcomes are as follows:

<b>Authorize Commitment of PBV to SDHC-Owned Units</b>						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$2,272		\$0		\$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	56		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.

**2011-3. 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 mandates 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 contained in Federal regulations.

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 exceeding 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:

“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 Sr. 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 2017 was twelve 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. 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 #	Baseline %	Benchmark #	Benchmark %	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$24,960		\$12,480		\$21,582	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	832		416		719	No

**Hardship Requests:** SDHC granted one hardship in Fiscal Year 2017.

**Explanation of Challenges:** The activity remains effective with no identified challenges. However, the significant increase in project-based vouchers (499 currently under contract versus the 39 baseline units) has increased the number of moves with a tenant-based voucher. Additionally, the increase of project-based vouchers allocated to serving the homeless oftentimes increases unit turnover due to the instability inherent to the population. For these reasons, benchmarks were not achieved since 66 move outs occurred in Fiscal Year 2017. SDHC may consider revising benchmarks for Fiscal Year 2018 to accommodate the aforementioned factors.

**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, but are not limited to, 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



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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, 1,069 affordable housing units have been created or preserved in the City of San Diego as a direct result of the initiative. Of the units created, 131 market rate units in the Maya Linda development were made affordable by using MTW funds to satisfy the terms of the mortgage.

SDHC committed \$9.3 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 rectangular lot in downtown San Diego. Seventy-two Sponsor-Based Subsidies have also been committed to the development. Construction was completed in early Fiscal Year 2017.

SDHC expended \$15 million MTW funds to purchase Village North Senior Garden Apartments, a 120 unit existing development. Upon acquisition of the development, 100 percent of the units were transitioned from market rate apartments to affordable units. Additionally, 44 project-based vouchers were committed to serve the elderly, homeless population.

SDHC acquired New Palace Hotel, an 80 unit development, in December 2015. As a result of the acquisition, SDHC preserved 79 affordable housing units in the City of San Diego. Project-based vouchers were committed to 100 percent of the development (excluding the manager’s unit) to serve the homeless population. Additionally, SDHC uses the flexibility of the initiative to fund a portion of the operating expenses for the project-based units to ensure the development remains solvent. Restrictions on the units due to a state of California program limit the cash flow; MTW funds will be utilized for approximately four years until the state restrictions expire.

### MTW Block Grant Commitments to Preserve Affordable Housing

Through a Board action in Fiscal Year 2016, SDHC committed \$12 million of HUD-held reserves to fund rehabilitation activities of SDHC-owned affordable housing developments to ensure the properties receive necessary capital repairs. The rehabilitation of the developments remedied items identified through the Green Physical Needs Assessment (GPNA) assessment, thus preserving affordable housing in the City of San Diego.

In Fiscal Year 2017, 667 units were preserved via rehabilitation activities. The remaining units still requiring rehabilitation will undergo construction in Fiscal Year 2018 and be reported in the appropriate MTW Report. The units are reported as “new housing units preserved” in the metrics. Note: The properties may contain Housing Choice Voucher participants.

The Churchill and Village North Senior units are reported as “new housing units made available” in the metrics. Maya Linda, New Palace Hotel, and SDHC-Owned GPNA units are reported as “new housing units preserved” in the metrics. Thus, benchmarks are achieved in Fiscal Year 2017.

Acquisition of Additional Affordable Units						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<b>HC #1: Additional Units of Housing Made Available</b> Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0		200		877	Yes
<b>HC #2: Units of Housing Preserved</b> Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	131		131		192	No

**Hardship Requests:** N/A



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**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 full 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 annual and biennial reexamination cycles.

**Impact of Activity:** Of the interims processed during Fiscal Year 2017, EIV income reports were generated for only .02 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		\$574	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	2,050		1,025		19	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		1.8%		1.5%	0.6%	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	\$0		\$10,000		\$60,926	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 and without a competitive process. The creation of public housing units for low-income households increases the availability of affordable housing within San Diego while balancing SDHC’s affordable housing

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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 received HUD’s permission to convert and renovate 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 were be converted in two phases: The Picador conversion date occurred in October 2013 with the Otay Villas scattered sites conversion completed in Fiscal Year 2017. SDHC utilized RHF funds to complete the renovation of Picador as well as committed RHF funds for the rehabilitation of the scattered sites. The conversion of the 112 public housing units enables SDHC to supersede the benchmark of 105 new public housing units. The scattered sites added another 35 public housing units to the 152 unit outcome delineated in the matrix below. Upon completion of the scattered sites in Fiscal Year 2017, 187 units of public housing were made available to low-income households.

Finally, in Fiscal Year 2017, \$422,267 in RHF funds leveraged \$46,053 of MTW funds. Of the \$9.75 million expended to rehabilitate the former state site units, a total of \$1,231,878 in Community Development Block Grant funds and \$6,288,647 in Replacement Housing Factor (RHF) funds leveraged the MTW Block Grant funds utilized for the balance of the rehabilitation activities, thus increasing cost effectiveness. The overall leverage for the duration of the rehabilitation activities beginning in Fiscal Year 2014 is \$7,520,525, or a leverage of 94 percent.

Development of Public Housing Units Using a Combination of Funds						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase).	\$0		\$250,000		\$422,267	Yes
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		75		75	Yes
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).	0		112		112	Yes
HC #3: Decrease in Waitlist Time Average applicant time on waitlist in months (decrease).	108		96		72	Yes
HC #4: Displacement Prevention Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	112		10		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.

### 2011-8. 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 homeless San Diegans lacking an adequate nighttime residence, living on the street, and have disabilities and/or substance abuse issues.

SDHC re-proposed the activity in the Fiscal Year 2013 and Fiscal Year 2017 MTW Annual Plans. The following programmatic changes approved by HUD represent the program as currently administered:

1. The number of subsidies allocated to the program is 1,000 (2013)
2. Participants are not provided with a tenant-based Housing Choice Voucher upon exiting the program (2013)
3. Calculate the rent portion using 28.5 percent of gross monthly income (no allowances or deductions) for both existing and future program participants(2017)
4. SDHC may apply the *Path to Success* rent calculation structure to a specific allocation of subsidies (2017)
5. Expands the populations served under the program, including serving both individuals and families. (2017)
6. Reiterates the following status updates provided in applicable MTW Plans and Reports (2017):
  - a. Subsidies may be utilized as tenant-based subsidies or using a project-based structure, although the assistance remains connected to the sponsoring agency.
  - b. Subsidies may fund individual units, beds, or rooms. Rooms may be located in a group home serving minors with adequate oversight provided by the sponsor.
  - c. Subsidies may be awarded to SDHC without a competitive process.
  - d. Both non-profit and for-profit agencies may be awarded subsidies under a competitive process. Please note: An exception to this policy is the ability to award non-competitively if previous solicitations do not yield viable opportunities to award the subsidies.

**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 was a pilot program which served 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 of San Diego. The United Way provided three years of program funding for this effort as well. The three year pilot program continued 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 fully implemented during Fiscal Year 2015 with the exception of the subsidies awarded to Mental Health Systems, Inc. The agency returned the



unused 20 subsidies to SDHC and stated declining administrative funding created the inability to administer the additional 20 subsidies.

Eleven subsidies were awarded to Housing Development Partners, a non-profit agency which funds units at a building owned by SDHC. The development, Parker-Kier, 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.

Seventy-two subsidies were awarded to Housing Development Partners in Fiscal Year 2015 for utilization in the Hotel Churchill, an affordable housing development owned by SDHC. Utilization of the 72 subsidies occurred in Fiscal Year 2017.

In Fiscal Year 2016, 59 sponsor-based subsidies were awarded to Alpha Project for use in the Alpha Square development complimented with 76 project-based vouchers serving homeless populations. The subsidies were awarded August 2015 via a Notice of Funding Availability published by SDHC.

In Fiscal Year 2017, an additional 400 sponsor-bases subsidies were awarded under separate RFPs. The 1,000 Veterans Initiative authorized 100 subsidies to serve homeless veterans: 40 subsidies were awarded to Veterans Village of San Diego and 60 subsidies were awarded to Saint Vincent de Paul Villages. Project One For All is a collaborative effort between San Diego County Behavioral Health Services, SDHC, and other local housing authorities to end homelessness via subsidy/voucher set asides and the provision of supportive services. Please see the section below for additional details. Thus far, SDHC has committed 200 subsidies for this endeavor by awarding 150 subsidies to Mental Health Services and 50 subsidies to Community Research Foundation. Lastly, SDHC partnered with San Diego County Behavioral Health Services to issue a joint RFP to combine subsidies with supportive services. The RFP awarded 100 subsidies to Mental Health Services for a hybrid program which services 45 homeless individuals with severe mental illness and 55 dually diagnosed homeless individuals.

The total number of subsidies awarded since implementation is 860, excluding the 20 subsidies returned by Mental Health Systems, Inc. SDHC will continue to expand the program over the next several years in an effort to fully award the 1,000 subsidies allocated to the Sponsor-Based Subsidy Program for the Homeless.

### Sponsor-Based Subsidy Commitments

SDHC is partnering with the County of San Diego to implement *Project One for All*, a comprehensive strategy to ensure individuals with serious mental illness and other co-occurring disorders have access to intensive treatment services paired with permanent housing. The project's multi-pronged approach utilizes outreach and engagement, treatment services, housing resources, and performance measurement to ensure maximum impacts and reduce homelessness in the County and City of San Diego. To satisfy the housing resources component of the four-pronged approach, SDHC has committed 733 sponsor-based subsidies to the project and partnered with five regional PHAs to provide a combined total of 1,103 housing subsidies. *Project One for All* is an opportunity to significantly change the landscape of homelessness throughout the region and positively impact the community.

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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		\$11,138	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	4,670		750		371	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		495	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 into the Moving On Program or receiving a voucher.	0		5		14	Yes
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		860	No

**Explanation of Challenges:** The Coordinated Entry System (CES) in conjunction with the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) was implemented in the City of San Diego in Fiscal Year 2015. The referral-based tool is used to place homeless individuals into the available SBS units. SDHC anticipates utilization of the CAHP system will assist with increasing the utilization of the subsidies committed to the various programs and more effectively serve the homeless clientele with the appropriate resources.

### Revision of Benchmarks:

No revisions were made to benchmarks. Please note: Since SDHC is implementing the Moving On Program, as approved in the Fiscal Year 2017 MTW Annual Plan, a program designed to transition formerly homeless individuals and/or families into permanent housing without intensive supportive services, the definition of self-sufficiency is modified from “receiving a voucher” to “transitioning into the Moving On Program or receiving a voucher”. Moving Home is expected to be implemented during Fiscal Year 2018.

**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%, the utility allowance is subtracted, and the family’s rent portion is the greater of the income band calculation or the applicable minimum rent.



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. 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 were 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 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:

<b>Path to Success Hardship Rent Table</b>	
<b>Annual Income</b>	<b>Hardship Rent</b>
\$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 Sr. 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 was effective with July 2015 reexaminations, increasing to \$300 and \$500 respectively. All families were phased into the new minimum rents by June 2016.

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In Fiscal Year 2017, Work-Able families increased average earned income amounts 23 percent over baseline. SDHC suspects the transition into the second phase of Path to Success, which requires Work-Able families to pay a higher percentage of the gross monthly income towards the rent portion, contributed to the increase in average earned income.

Approximately 38 percent of Work-Able households were subject to the progressive minimum rents which resulted in a 12 percent decrease in the average HAP. Since implementation, the decreased HAP expense enabled SDHC to expend \$9.3 million MTW funds in Fiscal Year 2014 for gap financing of the Churchill, a 72 unit development serving homeless individuals. Additionally, \$15 million MTW funds were expended in Fiscal Year 2015 to purchase Village North Senior Garden Apartments, a 120 unit affordable housing development including 44 project-based vouchers serving the homeless. Lastly, SDHC funded the rehabilitation of 773 SDHC-owned units by using \$12 million in MTW funds during Fiscal Year 2017 to engage in the preservation activities.

Path to Success (Amended to Include a Local Portability Policy)						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$480,609		\$370,740		\$283,014	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,733		12,136		9,434	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		17%		15%	4%	Yes
CE #5: Increase in Agency Rental Revenue Rental revenue in dollars (increase).	\$0		\$6,134		\$197,595	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	\$18,586		\$20,445		\$23,425	Yes
SS #3: Increase in Positive Outcomes in Employment Status						
(1) Employed Full-Time	50		63		44	No
(2) Employed Part-Time	29		36		55	Yes
(3) Enrolled in an Educational Program	16		20		10	No
(4) Enrolled in Job Training Program	32		40		24	No
SS #4: 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.	\$967		\$938		\$855	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).*	0		120		25	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.						

**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. The matrix below summarizes the hardship requests and results during Fiscal Year 2017.

Path to Success Hardships					
Type	Number Requested	Number Approved	Number Denied	Number Declined	Number Pending
Comprehensive Hardship	12	10	2	0	0
Zero Income Hardship	13	9	0	3	1
Portability Hardship	275	121	150	0	4
<b>Total:</b>	<b>300</b>	<b>140</b>	<b>152</b>	<b>3</b>	<b>5</b>

**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.

**2012-2. BIENNIAL REEXAMINATION SCHEDULE**

**Plan Year Identified:** Fiscal Year 2012

**Implementation Date:** July 1, 2012

**Activity Description:** Path to Success, SDHC’s comprehensive rent reform activity, separates Housing Choice Voucher participants into Work-Able and Elderly/Disabled populations. Initially, only Work-Able households were placed on the biennial reexamination schedules in Fiscal Year 2012. In Fiscal Year 2016, SDHC closed out the Triennial Recertification Cycle for Elderly and Disabled Families initiative and placed the Elderly/Disabled families on the biennial reexamination cycle as well. Although not subject to Path to Success, VASH participants were placed onto the biennial reexamination cycle in Fiscal Year 2014 for additional streamlining measures.

During Fiscal Year 2017, SDHC decided to include participants with project-based vouchers and sponsor-based subsidies within the alternative reexamination cycles. The participants will receive full reexaminations of income and household composition on a biennial basis instead of annually beginning in Fiscal Year 2018.

**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.

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		\$700,198	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease)	31,465		15,733		22,921	No
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).		0%		0%	0%	Yes

**Hardship Requests:** N/A

**Explanation of Challenges:** The activity remains effective with no identified challenges. The increase in project-based vouchers and sponsor-based subsidies, programs which remained on an annual reexamination schedule, increased the number of full reexamination of income and household circumstances. Therefore, SDHC did not experience the staff time savings and cost savings as in previous years. As stated above, participants with project-based vouchers and sponsor-based subsidies will be placed on a biennial reexamination cycle beginning with July 2017 full reexaminations. SDHC anticipates the outcomes in Fiscal Year 2018 will align with benchmarks, thus creating efficiency. In the event the outcomes remain unsatisfactory, SDHC may consider revising benchmarks if a thorough analysis of the initiative supports the modification.

**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 is excluded from the rent calculation. 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 age 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 2017, SDHC verified 1,272 household members age 18 to 23 as full-time students with the average earned income of the households increasing 16 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, fifteen program participants have received a graduation award under the Graduation Incentive Program.

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Modify Full-Time Student Definition						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total time to complete the task in staff hours (decrease).	\$11,325		\$10,613		\$2,385	Yes
CE #2: Staff Time Savings Total cost of task in dollars (decrease).	378		354		80	Yes
SS #1: Increase in Household Income Average earned income of households affected by this policy (increase).	\$18,913		\$20,804		\$21,955	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.

**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

## SECTION IV – APPROVED MTW ACTIVITIES



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 adopted a biennial inspection cycle with no qualifying criteria effective January 1, 2015 thus 100 percent of VASH households are placed on the cycle.

**Impact of Activity:** Of the flexibilities created for VASH participants under the initiative:

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

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. The increase in ongoing participation is a result of the positive, collaborative effort between SDHC and the Veterans Administration to ensure VASH participants remain successful on the program. 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.

Fiscal Year 2017 outcomes are as follows:

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		\$17,839	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).	\$707		\$642		\$817	No

**Hardship Requests:** N/A

**Explanation of Challenges:** The average subsidy cost per household increased in Fiscal Year 2017 as a result of the decrease in average earned income. SDHC dramatically increased the number of families served within the HUD-VASH program through a comprehensive, strategic landlord marketing plan. An increase to the overall HUD-VASH allocation to 1,000 vouchers occurred as well during Fiscal Year 2017. Implementing the marketing plan in addition to the increase in vouchers compelled an increase in programmatic new admissions. Historically, households newly admitted onto the program have extremely low levels of income or zero income. Through the services provided by the VA of San Diego, participants are able to obtain sources of income, including employment wages. Housing stability is also achieved by the veterans. SDHC anticipates the outcomes will be achieved as veterans continue participating in the HUD-VASH program and receiving comprehensive supportive services from the VA.

**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 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.
- **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.
- **Participation by Non-Heads of Household:** Activity 2011-9 “Enhance Family Self-Sufficiency Program” was integrated into the activity in Fiscal Year 2015. The flexibility allows a non-head of household to participate in the FSS program as the sole participant.

**Impact of Activity:** In the MTW FSS program, participants increased earned income over baseline levels during the third 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.

## SECTION IV – APPROVED MTW ACTIVITIES



Family Self-Sufficiency Reinvention						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<b>CE #1: Agency Cost Savings</b> Total cost of task in dollars (decrease).	\$6,499		\$5,220		\$3,471	Yes
<b>CE #2: Staff Time Savings</b> Total time to complete the task in staff hours (decrease).	249		200		134	Yes
<b>CE #3: Decrease in Error Rate of Task Execution</b> Average error rate in completing a task as a percentage (decrease).		8.2%		5.0%	4.6%	Yes
<b>SS #1: Increase in Household Income</b> Average earned income of households affected by this policy in dollars (increase).	\$7,922		\$8,714		\$22,862	Yes
<b>SS #2: Increase in Household Savings</b> Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$252		\$400		\$1,337	Yes
<b>SS #3: Increase in Positive Outcomes in Employment Status</b> (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program	50 29 16 32		63 36 20 40		44 55 10 24	No Yes No No
<b>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</b> Number of households receiving TANF assistance (decrease).	17		0		95	No
<b>SS #5: Households Assisted by Services that Increase Self Sufficiency</b> Number of households receiving services aimed to increase self sufficiency (increase).	96		216		315	Yes
<b>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</b> Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$956		\$813		\$824	No
<b>SS #7: Increase in Tenant Rent Share</b> PHA rental revenue in dollars (increase).	\$510		\$587		\$623	Yes
<b>SS #8: Households Transitioned to Self Sufficiency</b> Number of households transitioned to self sufficiency (increase).* *For purposes of the activity, self sufficiency is defined as successful completion of the FSS Program.	0		20		20	Yes

**Hardship Requests:** N/A

**Explanation of Challenges:** SDHC notes the participants enrolled in an educational program and job training continue to remain at low levels while the program experienced an increase in the number of MTW FSS families receiving TANF. Given the efforts and focus of the Achievement Academy towards job obtainment, SDHC does not anticipate significant progress towards achieving the education and job training benchmarks. The focus on increasing employment levels and employment income, in SDHC's opinion, is a more advantageous outcome for both participants and SDHC.

The increase of the number of families receiving TANF is explained by the stages of the program. As families enroll in the MTW FSS program, SDHC assists families with obtaining social benefits, such as TANF, to ensure all options for increasing income are accessed during FSS participation. As families obtain employment, the reliance on TANF decreases. SDHC anticipates the outcomes will continue to fluctuate as families are enrolled in, and graduated/attritioned from, the MTW 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.



**2013-4. PUBLIC HOUSING: FLAT RENT ELIMINATION**

**Plan Year Identified:** Fiscal Year 2013

**Implementation Date:** August 1, 2014

**Activity Description:** SDHC eliminated the flat rent option from the public housing program. Under Federal regulations, public housing tenants choose either a rent portion calculated at 30 percent of adjusted monthly income or a flat rent amount which is tied to the market value of the unit. Tenants with higher annual incomes benefit from the flat rent option since the flat rent is typically less than a rent portion based on adjusted income. The initiative removes the flat rent option, thus requiring all tenants to pay a rent portion based on adjusted income and the Path to Success rent calculation. This ensures tenants have a rent portion based on the ability to pay and equalizes the contributions towards housing among both lower and higher income tenants. Tenants are not negatively impacted by the initiative since the rent portion is still affordable to the household regardless of income levels.

**Impact of Activity:** The elimination of the flat rent provides administrative savings through discontinuing the associated research, notifications, and record-keeping to maintain the program. The matrix below summarizes the impact of the activity with regard to utilizing Federal funds more efficiently.

Public Housing: Flat Rent Elimination						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
SS #1: Agency Cost Savings Total cost of task in dollars (decrease)	\$5,460		\$0		\$0	Yes
SS #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	182		0		0	Yes

**Hardship Requests:** Zero families requested a hardship due to implementation of the policy.

**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.

**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. If the Coordinated Assessment and Housing Placement (CAHP) system in conjunction with the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) is utilized to inform referral decisions, the waitlist component of program administration is eliminated.

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 update 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.

**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 serve 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 was the first of its kind in San Diego and was designed to serve the specific needs of the downtown area. In Fiscal Year 2017, 10 participants relocated to permanent housing after stabilizing in the transitional units at Connections Housing.

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, 24 residents participated in the UTSH program, and 13 exited UTSH with the following outcomes:

- Thirteen residents increased or maintained income.
- Twelve residents increased motivation and/or life skills to improve self-sufficiency.
- Eleven residents transitioned to a permanent housing situation.
- One resident was admitted to a psychiatric facility.
- One resident transitioned to an emergency shelter.

Serving Seniors, formerly known as Senior Community Centers, provides 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, 32 seniors 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 119 participants in the fifth year of implementation with an aggregate total of 213 households transitioning to self-sufficiency since implementation.



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<b>Transitional Project-Based Subsidies for the Homeless</b>						
<b>Metric</b>	<b>Baseline</b>		<b>Benchmark</b>		<b>Outcome</b>	<b>Benchmark Achieved?</b>
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>		
<i>CE #1: Agency Cost Savings</i> Total cost of task in dollars (decrease).	\$16,920		\$9,450		\$9,282	Yes
<i>CE #2: Staff Time Savings</i> Total time to complete the task in staff hours (decrease).	564		315		309	Yes
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i> Number of households receiving services aimed to increase self-sufficiency (increase).	0		96		119	Yes
<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	\$0		\$600		\$679	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 transitioning to permanent housing	0		20		21	Yes
<i>HC #1: Additional Units of Housing Made Available</i> Number of new housing units made available for homeless households at or below 80% AML as a result of the activity (increase).	0		16		47	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.

**2013-7. ELIMINATION OF 100% EXCLUDED INCOME**

**Plan Year Identified:** Fiscal Year 2013

**Implementation Date:** November 1, 2013

**Activity Description:** In support of the MTW goal of attaining increased cost effectiveness in operations, SDHC ceased verifying, counting, or reporting income amounts specifically identified by HUD as 100% excluded from the income calculation process, as well as earnings for full time students age 18 to 23, which are 100% excluded through a prior approved MTW initiative. Examples of 100% excluded income are earnings from minors, foster care payments, amounts paid by a State agency to the family for the care of a family member with a developmental disability, and food stamps.

**Impact of Activity:** Implementation of the activity generated administrative savings since less time was expended verifying income amounts ultimately not effecting the rent calculation and Housing Assistance Payments rendered. The matrix below contains the Fiscal Year 2017 outcomes for the activity.

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Eliminate 100% of Excluded Income Verification						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	\$17,010		\$11,907		\$1,280	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	567		397		43	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	17%		15%		4%	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.

**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:** SDHC’s rental assistance participants combined received approximately \$1.9 million in Kin-Gap, foster care payments, and adoption assistance payments. Calculating the amounts received for purposes of determining the rent portion potentially resulted in a HAP reduction of approximately \$573,419 annually in Fiscal Year 2017.

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		\$754	Yes

**Hardship Requests:** During Fiscal Year 2017, zero households requested a hardship exemption to the policy.

**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.

**2015-1. ELIMINATE THE 40 PERCENT RENT BURDEN REQUIREMENT**

**Plan Year Identified:** Fiscal Year 2015

**Implementation Date:** February 1, 2015

**Activity Description:** The Housing Choice Voucher program limits the rent burden at initial lease-up to 40 percent of the adjusted monthly income. The rent burden imposed on HCV families oftentimes reduces housing choice by prohibiting families from choosing units meeting their specific individual needs and requirements. Additionally, families frequently experience difficulty successfully leasing a new unit even if the affordability cap is only exceeded by one or two percentage points. In an attempt to mitigate these barriers, SDHC modified the 40 percent affordability cap to 50 percent at initial lease-up in order to increase housing choice for low-income families in San Diego.

**Impact of Activity:** Since implementation, the opportunity to exceed the 40 percent affordability cap ensured 719 families leased in a unit of their choice. Of those families, 36 leased a unit in a low-poverty area of San Diego, or a Choice Community. With a current vacancy rate in the City of San Diego of 2.5 percent, the ability for the families to execute an informed decision to exceed the 40 percent threshold is invaluable and offers an increased level of self-determination not previously available under the Housing Choice Voucher program.

Eliminate the 40 Percent Rent Burden Requirement						
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).	0		50		36	No

**Hardship Requests:** N/A

**Explanation of Challenges:** Given the activity was implemented in February 2015, SDHC does not anticipate reaching benchmarks until the close of Fiscal Year 2018. Progress towards outcomes will be reported in MTW Annual Reports.

**Revision of Benchmarks:** No revisions were made to benchmarks.

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

**2016-1. THE MONARCH SCHOOL HOUSING PROGRAM**

**Plan Year Identified:** Fiscal Year 2016

**Implementation Date:** January 1, 2016

**Activity Description:** The Monarch School Housing Program is a local, non-traditional tenant-based rental assistance program in partnership with a non-profit agency to offer affordable housing solutions to families with school-aged children. The program targets homeless families with children attending Monarch School (Monarch) and provides rental subsidies to the families. As a condition of program participation, parents must engage in work-readiness services at the Achievement Academy while contributing to the children’s academic development and progress via Monarch School’s supportive services programs. Family contributions may include maintaining acceptable levels of attendance and continued engagement in the family’s service plan.

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**Impact of Activity:** The program creates housing stability by providing families with subsidies and the resources necessary to increase self-sufficiency. Twenty-three families were admitted to the program since implementation effective January 1, 2016. As indicated in the matrix below, all 23 participant families have increased income amounts through employment and community resources. Additionally, of the 23 families housed and receiving rental assistance, one family is residing in a Choice Communities neighborhood, one of nine low-poverty opportunity areas in San Diego.

Monarch School Housing Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<b>CE #4: Increase in Resources Leveraged</b> Amount of funds leveraged in dollars (increase)	\$0		\$10,000		\$57,559	Yes
<b>SS #1: Increase in Household Income</b> Average earned income of households affected by this policy in dollars (increase)	\$7,290		\$10,400		\$14,729	Yes
<b>SS #2: Increase in Household Savings</b> Average amount of savings/escrow of households affected by this policy in dollars.	\$0		\$150		\$0	No
<b>SS #3: Increase in Positive Outcomes in Employment Status</b> Number of participants employed full-time	0		12		4	No
Number of participants employed part-time	2		6		3	No
Number of participants enrolled in an educational program	0		3		4	Yes
Number of participants enrolled in a job training program	0		4		4	Yes
Number of unemployed participants	1		0		16	No
<b>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</b> Number of households receiving TANF assistance (decrease)	3		0		18	No
<b>SS #5: Households Assisted by Services that Increase Self Sufficiency</b> Number of households receiving services to increase self sufficiency (increase)	0		25		23	No
<b>SS #7: Increase in Agency Rental Revenue</b> PHA rental revenue in dollars (increase)	\$444		\$466		\$370	No
<b>SS #8: Households Transitioned to Self Sufficiency</b> Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined as transitioning to permanent housing.	0		25		0	No
<b>HC #5: Increase in Resident Mobility</b> Number of households able to move to a better unit and/or neighborhood as a result of the activity (increase)	0		25		23	No

**Hardship Requests:** N/A

**Explanation of Challenges:** The activity remains effective with no identified challenges. SDHC anticipates benchmarks and outcomes will be achieved as the program progresses and families attain personal milestones contained in the individual service plans.

**Revision of Benchmarks:** No revisions were made to benchmarks.

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

### 2016-2. THE GUARDIAN SCHOLARS HOUSING PROGRAM

**Plan Year Identified:** Fiscal Year 2016

**Implementation Date:** August 1, 2016



**Activity Description:** The Guardian Scholars Program at San Diego State University (SDSU) provides resources to students either exiting the foster care system, under legal guardianship, designated as wards of the court, or unaccompanied homeless youth. The *Educational Opportunity Program (EOP)* operated on the SDSU campus provides the Guardian Scholars with an array of resources in an effort to support the students and ensure academic success. As a component of the program, Guardian Scholars are encouraged to reside in campus supported housing during and between semesters. The holistic approach removes barriers for an historically underserved population and increases the probability of completing post-secondary education.

Through the program, the Guardian Scholars receive scholarship funds in order to supplement financial aid and/or relieve reliance on student loans. Additional services offered through EOP are tutoring, mentoring, summer transitional programs, intensive retention services, and academic advising. If critical services are necessary for certain Guardian Scholars, EOP counselors are available to provide direct services and connect the student to other departments and programs within the university such as *Counseling and Psychological Services*, the *Office of Financial Aid and Scholarships*, *Student Disability Services*, and others to address the unique needs of the individual students.

The Guardian Scholars Program ensures an affordable education is accessible for the participating students. Using a Federal formula, a student's education is funded according to tiers: Financial aid and government grants are applied to the student's expenses, first funding the tuition, fees, books, meal plans, and finally the housing element. Often, the funding resources are exhausted before the housing component is subsidized. The result is the student must rely on loans to fund the housing. The Guardian Scholars Program is in-part supported through philanthropy to assist with reducing the student's reliance on loans, but a funding gap exists despite significant philanthropic support.

SDHC received permission to use broader uses of funding authority to provide the financial support necessary for closing the funding gap for the student's housing expense. On an annual basis, SDHC provides \$200,000 to SDSU to fund the housing component of the Guardian Scholars Program. In addition, SDHC provides a dollar for dollar match to funds raised by SDSU through philanthropy, up to \$400,000 annually, to further assist with funding the student's housing requirements. Assistance provided by SDHC is not expected to exceed an aggregate of \$600,000 per year, but annual amounts may fluctuate depending on the number of students served by the program and the commensurate level of need. MTW funds will be applied to the housing component only after SDSU has calculated the funding gap for each student.

SDHC's contribution to the program further removes barriers to education and ensures affordable housing remains available for the Guardian Scholars students.

**Impact of Activity:** SDHC served 63 students via the provision of housing subsidies in the first year of implementation. With a budget of \$600,000 committed to the program, Guardian Scholars selected a housing solution of their choice, including both on-campus and off-campus housing, but excluding Greek housing. Since the subsidy program requires a Housing Quality Standards inspection during the unit approval process, students were also ensured a decent, safe, and sanitary living situation. SDHC anticipates serving an increased number of students in the second year of implementation with a final goal of serving 90 students via the subsidies.

## SECTION IV – APPROVED MTW ACTIVITIES



Guardian Scholars Housing Program						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase)	\$0		\$400,000		\$600,000	Yes
SS #3: Increase in Positive Outcomes in Employment Status Number of participants enrolled in an educational program	0		11		63	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency Number of households receiving services to increase self sufficiency (increase)	0		11		63	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined as transitioning to permanent housing.	0		25		22	No

**Hardship Requests:** N/A

**Explanation of Challenges:** No challenges were identified in the first eleven months of implementation. SDHC anticipates achieving metric SS #8: Households Transitioned to Self Sufficiency by the close of Fiscal Year 2018.

**Revision of Benchmarks:** Revisions to self-sufficiency benchmarks will be implemented in Fiscal Year 2018 since the original benchmarks are significantly superseded. The revised benchmarks will mirror the outcomes in Fiscal Year 2017 and reflected in the Fiscal Year 2018 MTW Annual Report.

**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
2017-1. Moving On Program	A local, non-traditional tenant-based program providing rental assistance to formerly homeless persons transitioning from permanent supportive housing due to obtaining housing stability and the decreased need for intensive case management and services.	2017	Implementation is anticipated for October 1, 2017.
2016-3. Permanent Indoor Homeless Shelter Beds	A program creating additional shelter beds in the City of San Diego.	2016	Implementation pending a needs assessment and cost/benefit analysis.
2014-4. Flat Subsidy for Former Foster Care Involved Youth	A time-limited pilot program providing flat housing subsidies while a partnering agency delivers supportive services such as counseling, job placement, education, training, and case management.	2014	The release of a Request for Proposals for the program did not yield a viable candidate to administer the program. Upon receiving feedback from agencies providing services to transitional aged youth, the target population identified in the activity (youth aging out of the foster care system) is too restrictive as many youth drop out of the system earlier. Thus, SDHC has renamed the activity to broaden the target population to "former foster care involved youth" while retaining a constant end population served. Although the modification does not alter the scope of the activity, SDHC anticipates the modified language will generate positive results in future solicitations. Further, the flat subsidy provided to the partnering agency may be used to fund the housing component of the program as well as administration and operational expenses.

**ACTIVITIES ON HOLD**

ACTIVITIES ON HOLD					
Activity	Description	Plan Year	Implementation Date	Hold Date	Action Towards Reactivation
2010-8. Establish an HCV homeownership program	A homeownership program was created to assist income-eligible HCV participants with purchasing a home. Housing assistance payments are utilized to assist with a mortgage payment rather than as a rental payment. Incentives to purchase a home are also program components. Waivers were enacted to modify the eligibility requirements for the program related to the minimum monetary threshold for savings accounts as well as implement the incentives for purchasing foreclosed homes.	2010	October 1, 2009	July 1, 2014	SDHC is in the process of reevaluating the program, therefore the program has been placed on hold indefinitely. New applications are no longer accepted effective July 1, 2014 for the program. Families currently participating in the homeownership program will continue to receive assistance.



**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: Outcomes are reported in the single fund flexibility narrative.
- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

**2010-8. TRIENNIAL REEXAMINATIONS FOR ELDERLY AND DISABLED FAMILIES**

**Plan Year Identified:** Fiscal Year 2010

**Year Closed Out:** Fiscal Year 2016

**Discussion:**

- Final Outcomes and Lessons Learned: Although the triennial reexamination schedule was considered a successful MTW activity in terms of efficiency, utilizing both a biennial reexamination schedule for work-able households and triennial reexamination schedule for elderly/disabled households proved difficult. Since households oftentimes experienced changes in household composition which resulted in transitions between the two populations, reexamination schedules continually modified for households. Also, consistency in reexamination cycles reduced confusion for rental assistance staff and external customers since the reexamination schedule was no longer impacted by household composition changes. Using a biennial reexamination schedule for all households proved most effective for all involved.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**

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		\$158,090	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	9,500		6,850		5,072	Yes

- 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



## SECTION IV – APPROVED MTW ACTIVITIES



### 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: Public Housing units were not created via the Fiscal Year 2010 activity.

New Public Housing Transition						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
<b>HC #2: Units of Housing Preserved</b> Number 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**

### 2011-5. DISREGARD RETIREMENT ACCOUNTS

**Plan Year Identified:** Fiscal Year 2011

**Year Closed Out:** Fiscal Year 2017

### Discussion:

- Final Outcomes and Lessons Learned: The initiative was determined successful since the administrative burden of verifying retirement accounts, which often are verified as \$0 cash surrender value, was eliminated. As a result of the initiative, SDHC determined no intrinsic value to including retirement accounts in the asset calculation since the rent portion is typically unchanged. SDHC's decision to re-propose activity 2010-5: *Simplify Income and Asset Verification Systems* to eliminate verification of assets entirely from the rent calculation process rendered this activity unnecessary, thus SDHC's decision to close out the activity.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: All benchmarks were achieved.

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

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

### 2011-9. ENHANCE FAMILY SELF-SUFFICIENCY PROGRAM

**Plan Year Identified:** Fiscal Year 2011

**Year Closed Out:** Fiscal Year 2015



**Discussion:**

- Final Outcomes and Lessons Learned: This activity integrated into activity 2013-2 “Family Self-Sufficiency Reinvention”.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: Outcomes are reported in the matrix contained in the narrative for activity 2013-2.
- Narrative of Additional Explanation of Outcomes in Summary Table: Although the programmatic flexibility was not expanded to as many participants as expected or preferred, 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.

**2011-10. BROADER USES OF FUNDS FOR IDAs**

**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. Since the IDA activity concluded in September 2016, or Fiscal Year 2017, future MTW Plans and Reports will no longer report on the program in the single fund flexibility narrative.

**Discussion:**

- Final Outcomes and Lessons Learned: With the focus of the Achievement Academy shifting to work-readiness services and job placement, the Individual Development Accounts no longer aligned with the strategic direction of SDHC. Path to Success further compelled the transition from an asset building curriculum to an emphasis on building job skills and motivating families to seek employment. SDHC considers the activity successful given all benchmarks were achieved and superseded, regardless of the decision to terminate the activity. Other MTW agencies with a focus on asset building may benefit from a similar type of program.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: All benchmarks were achieved.

Allow Broader Uses Of Funds for the Creation of Individual Development Accounts						
Metric	Baseline		Benchmark		Outcome	Benchmark Achieved?
	#	%	#	%		
Annual number of adult participants enrolled in the asset building program with an IDA funded by MTW funds	0		10		16	Yes
Annual number of participants enrolled in the youth asset building program with an IDA funded by MTW funds	0		10		68	Yes
Annual number of participants enrolled in the asset building program with a transportation IDA	0		10		29	Yes
Annual number of MTW IDA participants who opened an IDA account	0		20		110	Yes
Annual number of MTW IDA participants who developed a credit improvement plan	0		15		56	Yes
Annual number of MTW IDA participants who made at least nine monthly deposits to their IDA during a twelve-month period	0		15		37	Yes
Annual number of MTW IDA participants who completed ten hours of financial skills education	0		15		45	Yes

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

## SECTION IV – APPROVED MTW ACTIVITIES



### 2012-4. PROJECT-BASED SUBSIDY PROGRAM FOR THE HOMELESS

**Plan Year Identified:** Fiscal Year 2012

**Year Closed Out:** Fiscal Year 2015

**Discussion:**

- Final Outcomes and Lessons Learned: The activity was not implemented. SDHC determined the program structure as not advantageous to the agency's approach to ending homelessness in the City of San Diego. Efforts are focused on other development capacities.
- Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit: **N/A**
- Summary Table of Outcomes: **N/A**
- Narrative of Additional Explanation of Outcomes in Summary Table: **N/A**

### 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: **N/A**
- 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: **N/A**
- 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 2015



**Discussion:**

- Final Outcomes and Lessons Learned: The activity was not implemented. Veteran’s Village of San Diego, 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: **N/A**
- 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			
<b>Actual Sources and Uses of MTW Funding for the Fiscal Year</b>			
<div style="border: 1px solid black; padding: 5px; background-color: #e6f2ff;">                     PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system.                 </div>			
<b>Describe the Activities that Used Only MTW Single Fund Flexibility</b>			
<div style="border: 1px solid black; padding: 5px; background-color: #e6f2ff;">                     SDHC utilizes single-fund flexibility to fund the Achievement Academy. 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. Please see the following pages for a thorough discussion of the Achievement Academy.                 </div>			
B. MTW Report: Local Asset Management Plan			
Has the PHA allocated costs within statute during the plan year? <input checked="" type="checkbox"/> Yes or <input type="checkbox"/> No Has the PHA implemented a local asset management plan (LAMP)? <input type="checkbox"/> Yes or <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes or <input checked="" type="checkbox"/> No			
<b>SDHC did not operate a Local Asset Management Plan during Fiscal Year 2017.</b>			
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
HAP	Affordable Housing Preservation Activities	\$1,275,000	\$1,275,000
Type	Description	\$0	\$0
Type	Description	\$0	\$0
Type	Description	\$0	\$0
Type	Description	\$0	\$0
Type	Description	\$0	\$0
Type	Description	\$0	\$0
<b>Total Obligated or Committed Funds:</b>		<b>\$1,275,000</b>	<b>\$1,275,000</b>
<div style="border: 1px solid black; padding: 5px; background-color: #003366; color: white; text-align: center;">                         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.                     </div>			
<i><b>Note:</b> 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.</i>			



**MTW BLOCK GRANT COMMITMENT**

In the Fiscal Year 2017 MTW Annual Plan, SDHC obligated and committed \$12,000,000 of unspent Housing Assistance Payment (HAP) funds to complete capital repairs on SDHC’s affordable housing portfolio. A Green Physical Needs Assessment (GPNA) identified an array of repairs necessary to preserve the properties. During Fiscal Year 2017, \$11,949,518 of MTW Block Grant funds were obligated to complete the repairs on 40 properties. Of the funds obligated, approximately \$1.275 million will be expended in Fiscal Year 2018.

The rehabilitation scopes of work funded with MTW dollars focused on three subsections of SDHC’s owned multifamily rental property portfolio:

- FHA North: ten (10) properties
- FHA Central: twenty-two (22) properties
- FHA South: eight (8) properties

The scopes of work among the three portfolio subsections included kitchen and bath cabinets and vanities, kitchen countertops, windows and sliding glass doors, flooring, new roofs, exterior stair replacement, landscaping improvements, deck repair, and exterior painting.

The matrix below identifies the repairs conducted and the costs associated with the repairs on the properties.

<b>MTW Block Grant Utilization: GPNA Repairs to Affordable Housing Units</b>				
<b>Portfolio Name</b>	<b>Number of Properties</b>	<b>Number of Units</b>	<b>Summary of Repairs</b>	<b>MTW Funds Expended</b>
FHA North	10	132	768 windows, 108 sliding glass doors, 108 kitchen cabinets, countertops and bath vanities, 3 properties new roofs, 3 properties exterior paint, 1 property landscape improvements.	\$4,383,087
FHA Central	22	234	936 windows, 234 sliding glass doors, 22 kitchen cabinets, countertops and bath vanities, 1 property exterior paint, one property exterior stair replacement.	\$2,842,452
FHA South	8	301	4 properties exterior paint, 492 windows, 230 kitchen cabinets, 66 deck repairs, 14 apartments new flooring.	\$4,723,979
<b>Totals:</b>	<b>40</b>	<b>667</b>		<b>\$11,949,518</b>

**UPDATE ON DEMOLITION OR DISPOSITION TRANSITIONAL FUNDING (DDTF) FUNDS**

SDHC anticipates receiving Capital Funds inclusive of both modernization and DDTF (Demolition or Disposition Transitional Funding) of approximately \$1.8 million annually, or \$8.7 million in the five year DDTF term. SDHC will integrate all Capital Funds into the MTW block grant. Based upon a recent Green Physical Needs Assessment of SDHC’s public housing units, SDHC anticipates a minimum of \$3.6 million of total DDTF funds will be expended on capital improvements specific to public housing, management improvements, or other traditional Capital Fund expenses.



### SINGLE FUND FLEXIBILITY

#### ACHIEVEMENT ACADEMY

SDHC uses single-fund flexibility in support of MTW activities to enhance self-sufficiency programming. 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 uses single-fund flexibility to conduct a variety of activities geared toward self-sufficiency. The Achievement Academy offers a broad range of one-on-one services and workshops geared toward workforce readiness and financial literacy. 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. Leveraging funding from outside sources increases the services provided to participants. When possible, staff seeks to find grants that provide funding and coaching to assist both staff and participants. Following the Financial Opportunity Center (FOC) model, created by funding from the Local Initiatives Support Corporation (LISC), the Achievement Academy is able to provide robust services to participants that go beyond job leads and help provide self-sufficiency. 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. SDHC plans to continue and grow these partnerships to better serve our families and increase economic self-reliance. The following describes services offered at the Achievement Academy:

#### **Employment/Workforce Development**

##### ***Job Developer***

One of the Achievement Academy Workforce Readiness Specialist (WRS) positions serves as a job developer and makes connections with employers of in-demand occupations; organizes job fairs; and coordinates employment services with partner organizations. Training for participants covers such topics as résumé writing, customer service, and how to retain a job. The Achievement Academy also partners with Manpower, an industry leader in employment services. Manpower helps to leverage connections in the business community to help open doors to companies that typically have been a struggle for participants to get into in the past.

##### ***One-Stop Career Center***

The KRA Corporation, 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***

Landeros & Associates, a business consulting firm in San Diego, leads the microenterprise program educating participants about how to start or expand a small business and how to create or update a solid business plan. The 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. Landeros & Associates also connects participants with opportunities for additional small business training, technical assistance, and access to mainstream financial institutions to boost economic development.

##### ***Employment/Workforce Development Workshops***

SDHC Achievement Academy Workforce Readiness Specialists conduct employment readiness workshops and provide access to temporary and permanent employment. The Achievement Academy also offers 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



submission process to interview preparedness and communication skills. Prior to some recruitments, participants may receive assistance in the Academy's computer lab to submit on-line applications for jobs that will be presented in the recruitment. Presentations have been given by companies such as GRID Alternatives, Job Corps, Walmart, Motel 6, UPS, Salus Homecare, YMCA, NSC Technologies, and UCSD among others.

### **Youth Programs**

Staff at the Achievement Academy work to offer innovative programming in an effort to keep participants interested and engaged. Recently, the Academy began offering programs for young adults between sixteen and twenty-four years of age who are not working or enrolled in school. Students receive education counseling or career guidance. The Achievement Academy has partnered with International Rescue Committee (IRC) to provide additional training and services to these young adults. IRC is also able to offer intern placements to develop employment history.

### **Academy Computer Lab**

The Achievement Academy has partnered with San Diego Futures Foundation to offer beginning and intermediate computer skills (Word, Excel, Internet) classes to participants with minimum or no previous computer use experience. Participants also have access to the SDHC Achievement Academy's 30-station computer lab for 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, Women Infants and Children (WIC), California Healthy Families, Child Care Assistance, MediCal, and Supplemental Nutrition Assistance Program (SNAP). On-site benefit screening appointments continue to be conducted for participants.

## **Financial Education**

### ***Financial Counseling***

The Achievement Academy employs a WRS that has been certified as a Financial Counselor. This staff member offers on-site credit counseling in debt reduction, credit repair, budgeting, and cash management skills. These services have been incorporated into the FOC service delivery model utilized within the Achievement Academy.

### ***Financial Skills Education Workshops***

Workshops are routinely offered 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 WRS staff utilize the LISC *Financial Counseling Model* to implement innovative coaching methods during one-on-one appointments with participants. 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.

The chart below contains a summary of the results of Achievement Academy activities at the close of Fiscal Year 2017.



**SECTION V – SOURCES AND USES OF FUNDING**



<b>Achievement Academy</b>				
<b>Metric</b>	<b>Baseline</b>		<b>Outcome</b>	<b>Benchmark Achieved?</b>
	<b>#</b>	<b>%</b>		
Number of rental assistance participants receiving core services	982		1,346	Yes
Number of rental assistance participants with an increase in earnings	229		287	Yes
Number of rental assistance participants placed in employment	144		218	Yes
Number of rental assistance participants employed for 12 or more consecutive months	44		49	Yes
Number of rental assistance participants who attended a work readiness workshop	727		251	No
Percent of rental assistance participants who attended a recruitment and resource fair and obtained employment as a direct result		0%	22%	Yes
Number of rental assistance participants who completed vocational or bridge training	0		73	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

With a growing need for additional affordable housing in the City of San Diego and throughout the State of California amid limited financial resources, the San Diego Housing Commission (SDHC) has been a leader in efforts to reduce the costs of developing affordable housing, increase housing production, and identify new funding sources.

### **“Addressing the Housing Affordability Crisis: An Action Plan for San Diego” – Update**

On November 25, 2015, SDHC published its report, “Addressing the Housing Affordability Crisis: An Action Plan for San Diego.” SDHC was one of the first public housing authorities in California to develop a comprehensive blueprint to identify the costs of developing affordable rental housing and make recommendations on how to lower those costs.

This report contained 11 recommended actions at the local, state, or federal level to reduce costs and to increase production, such as shortening the approval process, deferring development fees, and unlocking underutilized land.

Action has occurred on nine of the 11 recommendations.

The City accomplishments under this framework range from setting annual housing production goals, to City Development Services streamlining activities and fee deferrals, to submitting new legislation to the state:

1. In its agency-wide Strategic Plan: 2016-2020, SDHC set an objective to create 2,000 units—approximately 500 per year—of mixed-income and affordable housing during the Strategic Plan period. In the first year, 627 affordable units closed financing and are currently under construction or rehabilitation. In addition, in collaboration with Councilmember Scott Sherman, SDHC contracted with McKinsey Global Institute to establish housing production goals, which will be presented to the City Council for consideration in the fall of 2017.
2. The City of San Diego and SDHC worked together to submit proposed state legislation, AB 1637, authored by California State Assembly member Todd Gloria. This bill would allow public housing authorities to make gap financing loans to support the creation of middle-income housing, if 40 percent of the units will be affordable to low-income households (up to 80 percent of Area Median Income) and at least 10 percent of the units will be affordable to middle-income households (up to 150 percent of Area Median Income). This is an affordability range not previously served by public housing authorities. However, this is essential to the ability to provide a continuum of housing opportunities for those moving up from low-income to market-rate housing, as well as to provide a level of housing affordability to those who do not qualify for housing assistance but still cannot afford San Diego’s rent levels. This new middle-income range will also create the opportunity for public housing authorities to attract new types of revenue sources for affordable housing, and incentivize the production of mixed-income rental housing developments.
3. The City’s fee deferral program expanded to include the Housing Impact Fee (also known as the Commercial Linkage Fee); additional variable development fees were converted to a fixed fee.
4. Parking requirements were reduced for developments near transit under the City’s Density Bonus ordinance; the City also has implemented a review of its Comprehensive Parking Plan.



5. The City, acting as the Redevelopment Successor Entity, has requested proposals for affordable housing development on City-owned land; in addition, a \$25 million Notice of Funding Availability for affordable housing development was released by the City.
6. The City has taken comprehensive steps to streamline the development entitlement process through updates to the Land Development Code, including the City's Affordable/In-fill Housing and Sustainable Buildings Expedite Program.
7. The adoption of Community Plans with Programmatic Environmental Impact Reports (PEIR) allows projects that adhere to the PEIR to be processed on a ministerial basis, saving the developer time and money, as much as \$5,000 - \$9,000 per unit.
8. Local actions to expedite environmental review under the California Environmental Quality Act (CEQA) have been taken the City, such as implementing a simplified checklist to perform the required Greenhouse Gas emissions review; and continued review of the local CEQA thresholds to identify areas where they can be lowered.
9. Efforts to increase federal and state financial resources for affordable housing and to address homelessness include: under the leadership of U.S. Representative Scott Peters, advocating for the U.S. Department of Housing and Urban Development (HUD) to adopt an alternative formula to determine Continuum of Care funding for homelessness programs; advocating for expansion of the Low-Income Housing Tax Credit program; and collaborating with the City and Civic San Diego to create a local revenue source to help finance affordable housing near transit (the San Diego Affordable Housing TOD Fund).

Additional details about these actions, as well as proposed new action opportunities and next steps, will be included in an updated housing affordability report that SDHC will present to the City Council before the end of 2017.

### **Addressing Middle-Income Housing: Assembly Bill 1637**

Only a fraction of the housing needed in the City of San Diego for very low-, low- and moderate-income households is being produced, according to data from the San Diego Association of Governments (SANDAG).

The City of San Diego needs 38,680 affordable rental housing units for low- and very low-income residents from 2010 through 2020, according to the 2011 SANDAG Regional Housing Needs Assessment. However, in the first four years (2010 – 2013), permits were issued for only 5.9 percent of those units, or 2,283 units, according to SANDAG's Regional Housing Progress Report on May 8, 2017.

From January 1, 2010, through December 31, 2013, permits were issued for less than 1 percent of the units needed for moderate-income households, according to SANDAG's Regional Housing Progress Report on May 8, 2017.

Often referred to as the "Missing Middle," they are San Diego's skilled workforce, such as police officers, nurses, first responders and school teachers, who are ineligible for housing assistance but cannot afford rising rents in the City of San Diego.

Sponsored by the City of San Diego and authored by California State Assembly member Todd Gloria, AB 1637 allows Housing Authorities to make gap financing loans to developers for mixed-income developments if 40 percent of the rental units will be affordable to low-income households (up to 80 percent of Area Median Income) and at least 10 percent of the units will be affordable to middle-income households (up to 150 percent of Area Median Income).



The proposed legislation will also:

- Allow public housing authorities to provide gap financing that currently is not available to developers who want to build mixed-income projects;
- Allow a public housing authority to lend on mixed-income housing developments, such as those financed by tax-exempt bonds, across both the low-income (80% AMI and below) affordability level, as well as the middle-income (up to 150% AMI) affordability levels;
- Create new middle-income affordable housing development partnership opportunities, thereby increasing the supply of housing that is affordable for nurses, first responders and teachers, among others;
- Establish an affordable housing development model that requires less subsidy per unit when compared to a 100 percent affordable development, with a much simpler financing structure;
- Increase overall production of affordable housing at middle-income levels, which will provide additional affordable housing for a population that is currently not adequately represented; and
- Support balanced-community policy objectives, avoiding over-concentrations of low-income housing.

The state Assembly unanimously passed AB 1637 on May 22, 2017. The California State Senate Transportation and Housing Committee unanimously passed AB 1637 on July 18, 2017.

### **San Diego Affordable Housing TOD Fund**

In January 2016, SDHC and Civic San Diego (CivicSD) jointly entered into a contract with Forsyth Street Advisors (Forsyth) to create, implement and manage an affordable housing TOD Fund to supplement traditional sources of gap financing for the creation and preservation of affordable housing.

On March 6, 2017, the City Council and Housing Authority of the City of San Diego approved the San Diego Affordable Housing Transit-Oriented Development Fund (San Diego TOD Fund) Market Assessment and authorized Forsyth to proceed with fund implementation.

The San Diego TOD Fund will leverage the City's affordable housing financing resources, spur mixed-use, mixed-income affordable housing development near transit, and support the City of San Diego's Smart Growth and Climate Action Plan policy objectives.

With shrinking affordable housing revenue sources, this Fund will provide a resource that is local and that can be used to implement local housing policies and priorities.

The goal of the San Diego TOD Fund is to raise between \$60 and \$100 million of private and philanthropic funds with an initial public "seed money" investment of \$20 million - \$10 million of the City's Inclusionary funds and \$10 million of the City's Low and Moderate Income Housing Asset Fund. The combined public and private capital will provide a revolving loan fund for three targeted loan types:

1. Short to mid-term acquisition and predevelopment loans for project-ready affordable housing TOD sites;
2. Mid- to longer-term acquisition and predevelopment loans for strategic affordable housing TOD sites near existing and planned transit; and
3. Small to mid-size (10 – 50 units) loans for rehabilitation that will retain and incorporate new affordable rental housing in transit rich areas.

The affordability levels required for the TOD Fund would match the most restrictive of the other funding sources utilized to complete the total project financing.

To date, a thorough San Diego market assessment has been conducted, as well as stakeholder interviews, and the type of fund structure, capitalization and governance have been recommended. Fund structure goals



include highly engaged public representation and a structure that provides nimble operations and approval processes. The balance sheet of the Fund is independent of the City, SDHC and CivicSD.

SDHC staff has taken the necessary actions to form the 501(c)(3) nonprofit structure that the San Diego TOD Fund will operate within, as well as the public representation entity that will make funding recommendations to the San Diego TOD Fund Credit Committee. Forsyth, the Fund Manager, will carry out the day-to-day activities of the Fund and provide regular Fund reports on the loan activities and Fund assets once the Fund is in operation.

The next step is to request City Council approval of the \$20 million public “seed money” for the Fund. To attract the outside capital, the public funds are anticipated to be subordinate to the other sources of capital to serve as a credit enhancement (which is similar to how the public funds are currently deployed for affordable housing projects). To provide flexible and low cost capital to the borrowers, the public funds are anticipated to be at a very low interest rate, with repayment subject to a share of future project cash flow. Once the outside capital is committed, a Fund closing will occur.

If the Middle-Income Housing bill, AB 1637, is passed into law later this year, the Fund could potentially attract additional investment to enable the Fund to produce units affordable to middle-income households.

Upon approval by the City Council, the Fund is anticipated to be open for business in January 2018.



## APPENDIX B CERTIFICATION OF 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 2017:

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

  
Date



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

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

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

Part E: Summary		Grant Type and Number		FFY of Grant: 2009	
PIHA Name: San Diego Housing Commission		Capital Fund Program Grant No: CA108063501-09		FFY of Grant Approval: 2009	
		Replacement Housing Factor Grant No: N/A			
		Date of CFFP: N/A			
<b>Type of Grant</b>					
<input type="checkbox"/> Original Annual Statement					
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017					
<input type="checkbox"/> Reserve for Disasters/Emergencies					
<input type="checkbox"/> Revised Annual Statement (revision no: )					
<input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost	Revised <sup>2</sup>	Obligated	Total Actual Cost <sup>1</sup>
		Original			Expended
1	Total non-CFFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Non-perishable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>	\$ 2,005,429.00	\$ -	\$ 2,005,429.00	\$ 2,005,429.00

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





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

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

**Part E - Summary**


PHA Name: San Diego Housing Commission

Grant Type and Number  
Capital Fund Program Grant No: CA168063801-00  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A

Type of Grant  
 Original Annual Statement  
 Performance and Evaluation Report for Period Ending: 06/30/2017  
 Reserve for Disasters/Emergencies

Revised Annual Statement (revision no: )  
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Annual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>	
18a	1501 Collateralization or Debt Service paid by the PHIA			Expended
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment			
19	1502 Contingency (may not exceed 8% of line 20)			
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 2,005,429.00	\$ -	\$ 2,005,429.00
21	Amount of Line 20 Related to LBP Activities			
22	Amount of Line 20 Related to Section 504 Activities			
23	Amount of Line 20 Related to Security - Soft Costs			
24	Amount of Line 20 Related to Security - Hard Costs			
25	Amount of Line 20 Related to Energy Conservation Measures			

Signature of Executive Director:  Date: 8/21/17

Signature of Public Housing Director: \_\_\_\_\_ Date: \_\_\_\_\_

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







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

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

**Part E: Summary**

**PHA Name:** San Diego Housing Commission

**Grant Type and Number:** Capital Fund Program Grant No: CA16R063501-10  
 Replacement Housing Factor Grant No: N/A  
 Date of CFFP: N/A

**FFY of Grant:** 2010  
**FFY of Grant Approval:** 2010

Original Annual Statement  
 Performance and Evaluation Report for Period Ending: 06/30/2017

Reserve for Disasters/Emergencies

Revised Annual Statement (revision no: )  
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFF Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>	\$ 1,935,182.00	\$ -	\$ 1,935,182.00	\$ 1,935,182.00

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



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

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

**PART I: Summary**

PHA Name: San Diego Housing Commission


Grant Type and Number  
Capital Fund Program Grant No: CA16065501-10  
Replacement Housing Factor Grant No: N/A  
Date of CTFP: N/A

FFY of Grant: 2010  
FFY of Grant Approval: 2010

Original Annual Statement  
 Performance and Evaluation Report for Period Ending: 06/30/2017

Reserve for Disasters/Emergencies

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,935,182.00	\$ -	\$ 1,935,182.00	\$ 1,935,182.00
21	Amount of Line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director:  Date: 8/21/17

Signature of Public Housing Director: \_\_\_\_\_ Date: \_\_\_\_\_

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







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

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

Part I: Summary		Grant Type and Number		FFY of Grant: 2011	
PHA Name: San Diego Housing Commission		Capital Fund Program Grant No: CA16R063501-11		FFY of Grant Approval: 2011	
		Replacement Housing Factor Grant No: N/A			
		Date of CFFP: N/A			
Type of Grant		Reserve for Disasters/Emergencies		Revised Annual Statement (revision no: )	
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Final Performance and Evaluation Report	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CTF Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>	\$ 1,654,411.00	\$ -	\$ 1,654,411.00	\$ 1,648,411.10

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





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

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

**Part I: Summary**

PHIA Name: San Diego Housing Commission  
Grant Type and Number: Capital Fund Program Grant No. CA10R003501-11  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A

Year of Grant: 2011  
Year of Grant Approval: 2011

Type of Grant:  Original Annual Statement  Reserve for Disasters/Emergencies  
 Performance and Evaluation Report for Period Ending: 06/30/2017  
 Revised Annual Statement (revisions are: )  
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHIA				
18b	1900 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 5% of line 20)				
20	Amount of Annual Grant (sum of lines 2 - 19)	\$ 1,654,411.00	\$ -	\$ 1,654,411.00	\$ 1,648,411.10
21	Amount of Line 20 Related to LDP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				
Signature of Executive Director: <i>[Signature]</i>		Date: 8/2/11		Signature of Public Housing Director: _____	
Richard C. Henry, President & Chief Executive Officer				Date: _____	

<sup>1</sup> To be completed for the Performance and Evaluation Report.  
<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>3</sup> PHIA's with under 250 units in management may use 100% of CFFP Grants for Operations.  
<sup>4</sup> RHP funds shall be included here.







Annual Statement Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor and Capital Fund Financing Program		U.S. Department of Housing and Urban Development Office of Public and Indian Housing OMB No. 2577-0226 Expires 06/30/2017			
Part I: Summary PHIA Name: San Diego Housing Commission		Grant Type and Number Capital Fund Program Grant No: CA16R063501-12 Replacement Housing Factor Grant No: N/A Date of CFFP: N/A			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>		Obligated
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>	\$ 1,516,787.00	\$ -	\$ 1,516,787.00	\$ 1,516,787.00

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



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

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

<b>Part E: Summary</b>		<b>Grant Type and Number</b> Capital Fund Program Grant No: CA108063501-12 Replacement Housing Factor Grant No: N/A Date of CFFP: N/A		<b>FFY of Grant: 2012</b> <b>FFY of Grant Approval: 2012</b>	
<b>PHA Name: San Diego Housing Commission</b>		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017		Total Estimated Cost		Total Actual Cost <sup>1</sup>	
Line	Summary by Development Account	Original	Revised <sup>2</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 5% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,516,787.00	\$ -	\$ 1,516,787.00	\$ 1,516,787.00
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date: 8/21/17		Signature of Public Housing Director	
Richard C. Grady, President & Chief Executive Officer					

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







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

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

**Part I: Summary**

**PHA Name:** San Diego Housing Commission  
**Grant Type and Number:** Capital Fund Program Grant No: CA16R063501-13  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A  
**FFY of Grant:** 2013  
**FFY of Grant Approval:** 2013

Line	Summary by Development Account	Type of Grant			Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>	Expended	
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report					
1	Total non-CTP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>	\$ 1,577,757.00	\$ -	\$ 1,561,800.56	\$ 1,093,974.80

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





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

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

<b>Part E - Summary</b>		<b>Grant Type and Number</b>		<b>FFY of Grant: 2013</b>	
<b>PHA Name: San Diego Housing Commission</b>		Capital Fund Program Grant No: CA168063501-13		<b>FFY of Grant Approval: 2013</b>	
		Replacement Housing Factor Grant No: N/A			
		Date of CFFP: N/A			
<b>Type of Grant</b>		<b>Reserve for Disasters/Emergencies</b>			
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Revised Annual Statement (revision no: )			
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Original	Revised <sup>1</sup>	Obligated	Expended
		Total Estimated Cost		Total Actual Cost <sup>2</sup>	
18a	1501 Collaboration or Debt Service paid by the PHA				
18b	9009 Collaboration or Debt Service paid Via System of Direct Payout				
19	1502 Contingency may not exceed 8% of line 20				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,577,257.00	\$ -	\$ 1,561,800.56	\$ 1,093,974.80
21	Amount of Line 20 Related to LIP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date: 8/21/17		Signature of Public Housing Director	
Richard C. Gentry, President & Chief Executive Officer				Date:	

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







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

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

**Part I: Summary**  
**PHA Name: San Diego Housing Commission**  
**Grant Type and Number**  
 Capital Fund Program Grant No: CA16P063501-14  
 Replacement Housing Factor Grant No: N/A  
 Date of CFFP: N/A  
**FFY of Grant: 2014**  
**FFY of Grant Approval: 2014**

Line	Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017	Reserve for Disasters/Emergencies		Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		<input type="checkbox"/> Reserve for Disasters/Emergencies	<input type="checkbox"/> Revised <sup>2</sup>	Original	Revised <sup>2</sup>	Obligated	Expended
1	Summary by Development Account						
2	Total non-CFP Funds						
3	1-406 Operations (may not exceed 20% of line 21) <sup>3</sup>						
4	1-408 Management Improvements						
5	1-410 Administration (may not exceed 10% of line 21)						
6	1-411 Audit						
7	1-415 Liquidated Damages						
8	1-430 Fees and Costs						
9	1-440 Site Acquisition						
10	1-450 Site Improvement						
11	1-460 Dwelling Structures						
12	1-465.1 Dwelling Equipment - Nonexpendable						
13	1-470 Non-Dwelling Structures						
14	1-475 Non-Dwelling Equipment						
15	1-485 Demolition						
16	1-492 Moving to Work Demonstration						
17	1-495.1 Relocation Costs						
	1-499 Development Activities <sup>4</sup>						
				\$ 1,604,378.00	\$ -	\$ 1,604,378.00	\$ 1,604,378.00

<sup>1</sup> To be completed for the Performance and Evaluation Report

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

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for Operations

<sup>4</sup> RHF funds shall be included here



U.S. Department of Housing and Urban Development  
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Annual Statement Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

**Part I: Summary**

PHIA Name: San Diego Housing Commission  
Capital Fund Program Grant No.: CA16906350114  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A

FFY of Grant: 2014  
FFY of Grant Approval: 2014

Original Annual Statement  
 Performance and Evaluation Report for Period Ending: 06/30/2017

Reserve for Disasters/Emergencies

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>	
18a	1501 Collaboration or Debt Service paid by the PHIA			
18b	9000 Collaboration or Debt Service paid Via System of Direct Payment			
19	1502 Contingency (may not exceed 8% of line 20)			
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,604,378.00	\$ -	\$ 1,604,378.00
21	Amount of Line 20 Related to LBP Activities			
22	Amount of Line 20 Related to Section 204 Activities			
23	Amount of Line 20 Related to Security - Soft Costs			
24	Amount of Line 20 Related to Security - Hard Costs			
25	Amount of Line 20 Related to Energy Conservation Measures			

Signature of Executive Director: *[Signature]* Date: 8/21/17  
Signature of Public Housing Director: \_\_\_\_\_ Date: \_\_\_\_\_

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







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

**Part E: Summary**  
**PHIA Name: San Diego Housing Commission**  
**Grant Type and Number**  
Capital Fund Program Grant No: CA16P063501-15  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A  
**FFY of Grant: 2015**  
**FFY of Grant Approval: 2015**

Line	Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017	Reserve for Disasters/Emergencies		Total Actual Cost <sup>1</sup>	
		Total Estimated Cost	Revised <sup>2</sup>	Obligated	Expended
Summary by Development Account		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Non-Dwelling Structures				
13	1475 Non-Dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	\$ 1,705,648.00		\$ 1,703,648.00	\$ 1,542,516.11
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report

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

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for Operations

<sup>4</sup> RHF funds shall be included here





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

Part I: Summary

PHIA Name: **San Diego Housing Commission** Grant Type and Number: **Capital Fund Program Grant No: CAHP063501-15** FFY of Grant: **2015**  
Replacement Housing Factor Grant No: N/A Date of CFFP: N/A

Type of Grant:  Original Annual Statement  Reserve for Disasters/Emergencies  Revised Annual Statement (revision no: )  
 Performance and Evaluation Report for Period Ending: 06/30/2017  Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>	
16a	1501 Collateralization or Debt Service paid by the PHIA			
1800	9000 Collateralization or Debt Service paid Via System of Direct Payment			
19	1502 Contingency (may not exceed 8% of line 20)			
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,703,648.00	\$ -	\$ 1,703,648.00
21	Amount of Line 20 Related to LBP Activities			\$ 1,542,516.11
22	Amount of line 20 Related to Section 804 Activities			
23	Amount of line 20 Related to Security - Soft Costs			
24	Amount of line 20 Related to Security - Hard Costs			
25	Amount of line 20 Related to Energy Conservation Measures			
Signature of Executive Director:		Signature of Public Housing Director		Date:
Richard C. Gearty, President, Chief Executive Officer				8/21/17

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







U.S. Department of Housing and Urban Development  
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Annual Statement/Performance and Evaluation Report  
Capital Fund Program and Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

**Part I: Summary**  
**PHA Name: San Diego Housing Commission**  
**Grant Type and Number**  
Capital Fund Program Grant No: CA16P063501-16  
Replacement Housing Factor Grant No: N/A  
Date of CFFP: N/A  
**FFY of Grant: 2016**  
**FFY of Grant Approval: 2016**

Line	Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2017	Total Estimated Cost			Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended	
1	Summary by Development Account					
2	Total non-CFP Funds					
3	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>					
4	1408 Management Improvements					
5	1410 Administration (may not exceed 10% of line 21)					
6	1411 Audit					
7	1415 Liquidated Damages					
8	1430 Fees and Costs					
9	1440 Site Acquisition					
10	1450 Site Improvement					
11	1460 Dwelling Structures					
12	1465.1 Dwelling Equipment - Nonexpendable					
13	1470 Non-Dwelling Structures					
14	1475 Non-Dwelling Equipment					
15	1485 Demolition					
16	1492 Moving to Work Demonstration	\$	1,772,696.00	\$	426,123.30	\$ 156,062.01
17	1495.1 Relocation Costs					
	1499 Development Activities <sup>4</sup>					

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



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

**Part I - Summary**

**PIHA Name:** San Diego Housing Commission


**Grant Type and Number:** Capital Fund Program Grant No: CA16P063594-16  
Replacement Housing Factor Grant No: N/A  
Date of CTFP: N/A

**FFY of Grant:** 2016

**Type of Grant:**  
 Original Annual Statement  
 Performance and Evaluation Report for Period Ending: 06/30/2017

**Reserve for Disasters/Emergencies:**  
 Reserve for Disasters/Emergencies  
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>3</sup>	
		Original	Revised <sup>1</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PIHA				
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1503 Contingency (may not exceed 1% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$ 1,772,690.00	\$ -	\$ 426,123.30	\$ 156,062.01
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Staff Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				

**Signature of Executive Director:**  **Date:** 8/21/17

**Signature of Public Housing Director:** \_\_\_\_\_ **Date:** \_\_\_\_\_

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



