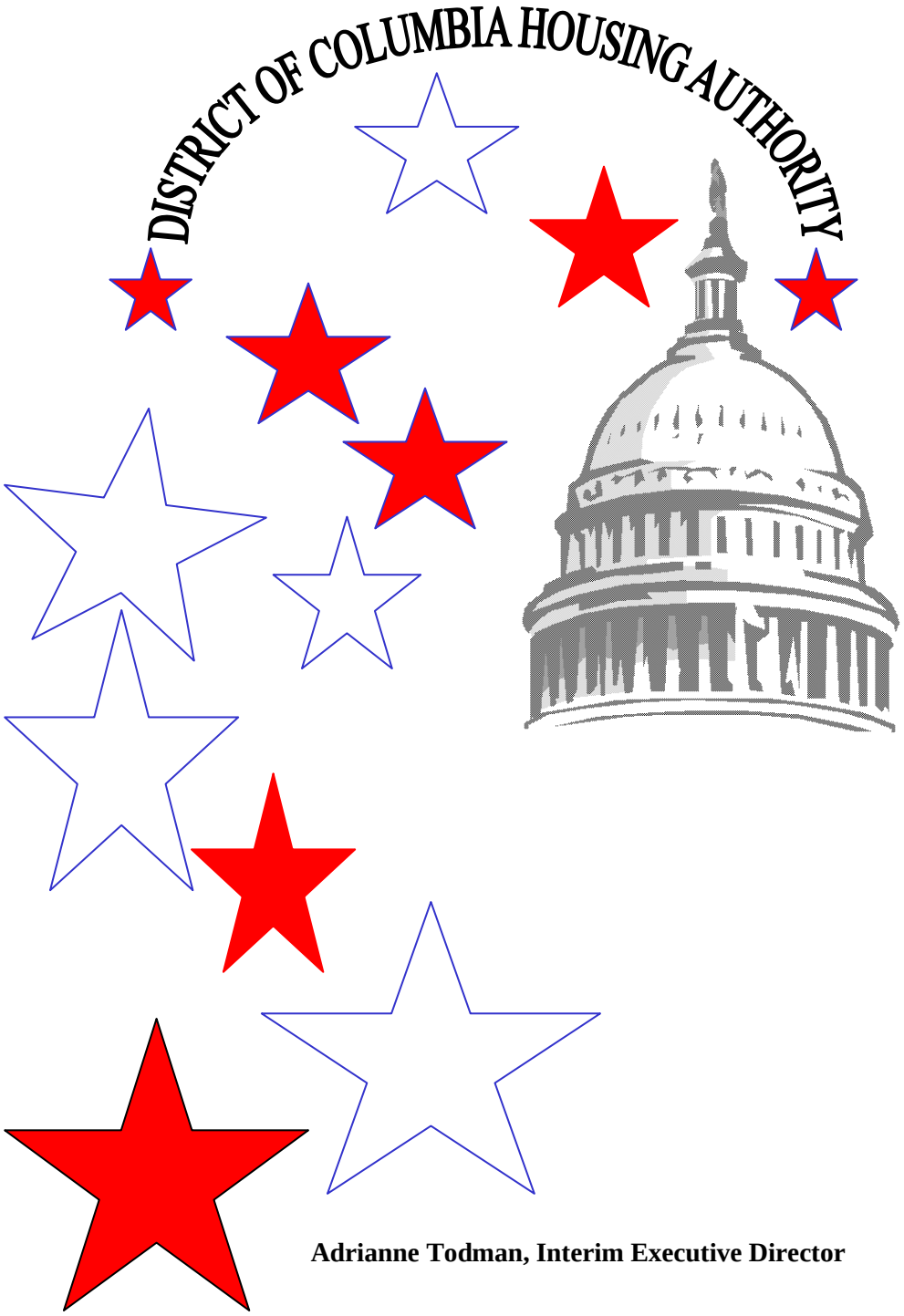

Adrianne Todman, Interim Executive Director

2009 MTW REPORT

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INTRODUCTION

This report describes the ongoing activities of the District of Columbia Housing Authority (DCHA) over the past fiscal year from October 1, 2008 thru September 30, 2009 (Fiscal Year 2009) and the innovative initiatives that DCHA has undertaken using MTW flexibility. The initiatives reported in this document were first described in DCHA's Moving to Work/Creative Living Solutions (MTW/CLS) Plan for Fiscal Year 2009, presented to HUD in July 2008.

During the past fiscal year, DCHA sustained its mission of managing public housing units, administering vouchers, expanding affordable housing opportunities and supporting resident empowerment efforts. While the year was filled with multiple challenges, it also contained a variety of opportunities that allowed DCHA to face increasing affordable housing needs within a city that has sustained an aggressive housing market. Much like its peers across the nation, DCHA sought creative solutions to the changing affordable housing environment and the reality of shrinking federal resources. The DCHA staff has demonstrated remarkable resiliency as programmatic and administrative changes were implemented to reduce costs. With solid Board of Commissioners leadership and the commitment and sacrifices of a talented staff, DCHA stabilized the level of its housing assistance programs without undue harm to its existing clients.

During FY 2009, DCHA realized a number of achievements in each of its program areas. Highlights of these achievements include:

a. Began the delivery of Capper Phase I townhome units;
b. Received an Unqualified Opinion in FY 2008 independent audit;
c. Completion of 562 (cumulative)ADA/504 Uniform Federal Accessibility Standards (UFAS) units;
d. The award-winning Do Your Best program, which offers summer jobs and college preparation to young residents, celebrated its 12th Anniversary;
e. Received ARRA award of over $34 million dollars; and
f. Partial completion and occupancy of units (HCVP, ACC, Workforce, and Market rate units) at Capper

DCHA is the largest landlord in the District of Columbia. This fact, coupled with the agency's location in the nation's capitol, places a unique value on DCHA's efforts.

Moving to Work as a Valuable Tool

Each of the objectives reported as completed in this document advances at least one of the four objectives of DCHA's MTW Plan found in DCHA's MTW Agreement. The four objectives are as follows:

- Develop enhanced housing opportunities;
- Sustain quality property management;
- Achieve effective customer support services; and

- Organize efficient businesslike operating systems.

These objectives were created to organize DCHA's communication of its MTW initiatives, in our plan and in the report. The DCHA's MTW objectives are various means of meeting the statutory objectives. The four objectives include:

- Develop enhanced housing opportunities;
- Sustain quality property management;
- Achieve effective customer support services; and
- Organize efficient businesslike operating systems.

Within these objectives DCHA has sought to explore and/or implement tools that would enable us to further the objectives. For instance, with the objectives "enhanced housing opportunities" or "quality property management" seeks tools that may:

- Reduce cost and achieve greater costs effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for low-income families.

These four objectives are a summary of the ten objectives of DCHA's two-year strategic plan. The initiatives proposed in the CLS Plan and reported on in the CLS Report are just some of the many avenues and tools that DCHA is using to achieve the goals and objectives of the DCHA Strategic Plan. This report covers the policies and accomplishments directly related to MTW/CLS activities. Other planning tools that DCHA uses alongside with the CLS Plan to guide the implementation of its strategic plan include a comprehensive Business Plan.

Content of this Report

This report is presented in three parts. The first part represents much of the data and information required by Attachment B of DCHA's MTW Agreement with HUD. The second section reports is a comprehensive report on the status of all of our initiatives proposed up to FY 2009. The third section is the appendices that complete the requirements of the MTW Agreement, including the FY 2009 capital expenditures in Appendix A followed by the FY 2008 agency audit in Appendix B.

The initiatives presented in this report were completed in consultation with DCHA's resident leadership, the local organizations committed to helping improve the lives of low income families, local elected and appointed officials, DCHA staff and concerned members of the general public. After the exploration and consultation process, the proposed changes that were carried through to implementation were adopted through the District of Columbia rulemaking process with final adoption by the DCHA Board of Commissioners.

PART I: OVERVIEW OF ACTIVITIES AND ISSUES

This section of the plan is organized according to the reporting requirements of Attachment B of DCHA's MTW Agreement with HUD. It provides the data, narrative and discussion as required by the Agreement.

I. Households Served

Overall, DCHA has achieved a net increase in total families served, exceeding our combined MTW benchmark of 16,661 per Attachment D of the DCHA MTW Agreement, by 4.8 percent or 797 households having served a total of 17,458 households as of the end of the 2009 fiscal year. As shown in the table below, DCHA experienced a decline in the number of households served 2009 compared to those served in 2008. The decline was in the Public Housing program, where the number of households served decreased to 7,113 compared to 7,275 at the end of 2008, representing a 2.3 percent or 162 decline. This decrease is largely due to the number of units that were offline for capital repairs as of the end of the fiscal year. Moreover, while some of the planned units, such as those at the Capper Carrollsburg HOPE VI development site, came online as planned, the occupancy process for some of the residents was still was in progress but could not be reported since the households had not moved into their units not by September 30, 2009.

The HCVP program showed an increase of 101 or 1 percent in the number of households served from the previous year. Below are summaries of the households served by program and demographics.

Public Housing Families								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Planned	7,203	7,508	7,000	7,200	7,200	7,390	7,513[1]	
Actual	7,203	7,258	7,120	7,032	7,204	7,275	7,113	

HCVP Recipients								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Planned	8,680	9,300	9,643	10,000	10,200	11,092	10,244	
Actual	9,249	9,908	9,575	9,905	10,276	10,022	10,345	

In addition to the households served in the HCVP and public housing programs captured above, DCHA has continued its efforts to expand opportunities for low and moderate income

[1] The FY 2009 Plan household served count erroneously included 145 units that were actually project based instead ACC. Adjusted, the projected number of households served is 7,513 for the end of FY 2009. This was noted in the FY 2010 Plan.

families through other affordable housing opportunities. For example, DCHA issued a solicitation offering low interest loans to private owners who are willing to convert their units into UFAS units. Upon completion, some of these units will be project-based units used to house disabled individuals on the DCHA waiting list or existing residents who need a UFAS unit.

Changes in Tenant Characteristics-Public Housing and HCVP

Number of Bedrooms

Overall, the bedroom breakdown of the households served remained relatively constant in FY 2009 as in the previous year, with households occupying three bedroom units representing the largest household group (29.9 percent). As in the previous year, the most significant change was in the number of households occupying one bedroom units where there was a 5.2 percent increase in the overall representation of households occupying one bedroom units, bringing the total number of these households to 1,815 from 902 in the previous years. This household group tends to be the most transient group, thereby showing the largest movement in their numbers. As in the previous years, the change was in the HCVP program, where, again, the households tend to be more transient than those in the public housing program.

Income

Similar to previous years, the overwhelming majority of the households served were those households in the income category of 30 percent of the AMI and below. This group of households represented 89.4 percent of the total households served at the end of FY 2009 compared to 90.4 percent in the previous year, representing 28 households less than the previous year. While there was a decrease in the in the 30 percent of AMI or below income group, there were 133 more households or 9.1 percent increase in the income categories between 30 and 50 of the AMI. The most significant increase was in the number of households in the 80 percent of the AMI or greater. This group of households nearly doubled from 25 households in the previous year to 46 households at the end of FY 2009. Overall, this group of households represents less than one percent of the whole population served, nonetheless, it does indicate that higher income groups are choosing public housing as their housing option.

Race

DCHA's tenant characteristics have remained fairly consistent over the past years. The racial breakdown of the households served has remained relatively the same. For example, the percentage of African Americans compared to the total households served has remained at 96.4 percent for the past several years and remained consistent for FY 2009. Households of other specific races increased slightly while households reporting race as Asian/Pacifica Island/Hawaiian and Native American/Alaskan remained virtually unchanged.

Household Type—Elderly, Non-Elderly, Disabled

The number of households who identified themselves as non-elderly and non-disabled increased by 13.8 percent or 991 households from FY 2008. This group of households represents nearly 50 percent of the total households served. The number of households who are elderly and non-disabled experienced slight decrease of 7.7 percent or 344 households from the previous year. Similarly, the number of households who reported to be disabled decreased by 8.9 percent

or by 501 households. It should be noted that these figures represent the number of head of households and not the individual household members.

Ethnicity

The ethnicity breakdown of the households served remained relatively the same with a one percent increase in the number of households who identified themselves as Latino. The total number of Latino households increased by 42 households, representing 9.1 percent increases from FY 2008. Below are summary tables of the total households severed segregated by demographic characteristics.

Total Households Served

	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Planned	15,883	16,808	16,643	17,200	17,400	18,482	17,298	
Actual	16,452	17,166	16,695	16,937	17,480	17,297	17,458	

Total Households Served: By Bedroom Size

	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
0 BR	2,255	2,956	2,563	1,046	994	902	1,816	
1 BR	3,592	3,626	3,531	4,469	4,416	4,634	4,112	
2 BR	5,193	5,196	4,992	5,569	5,586	5,470	5,238	
3 BR	3,857	3,767	3,796	4,219	4,358	4,203	4,215	
4 BR	1,177	1,204	1,327	1,462	1,557	1,521	1,557	
5 BR	343	370	417	465	488	475	437	
6 BR	35	57	70	78	81	91	84	
TOTAL	16,452	17,166	16,696	17,308	17,480	17,297	17,458	

Total Households Served: by Household Type								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Non-elderly/non-disabled	9,683	9,732	10,158	10,158	10,570	7,164	8,174	
Elderly/non-disabled	2,140	2,249	2,476	2,399	2,481	4,473	4,123	
Disabled	4,629	5,185	5,743	6,126	6,793	5,660	5,160	
TOTAL	16,452	17,166	18,377	18,683	19,844	17,297	17,458	

Total Households Served: By Income Group								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
<30% AMI	15,465	15,869	15,432	15,929	15,711	15,630	15,616	
30%-50% AMI	926	1,187	1,153	1,336	1,668	1,453	1,587	
50%-80% AMI	60	105	104	170	183	189	209	
>80% AMI	1	5	6	11	56	25	46	
TOTAL	16,452	17,166	16,695	17,446	17,618	17,297	17,458	

Total Households Served: By Race								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Asian/Pacific Islander	48	53	51	59	45	61	62	
African American	15,829	16,643	16,185	16,458	17,008	16,729	16,828	
Native American / Hawaiian	7	27	28	28	26	28	26	
Caucasian	326	369	362	364	364	388	416	
Other	242	74	69	28	37	91	126	
TOTAL	16,452	17,166	16,695	16,937	17,480	17,297	17,458	

Total Households Served: By Ethnicity								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Hispanic	339	350	413	344	340	461	502	
Non-Hispanic	16,113	16,816	16,282	16,593	17,140	16,836	16,956	
TOTAL	16,452	17,166	16,695	16,937	17,480	17,297	17,458	

Number and characteristics of households on Waiting List

The waiting list represents every single household that has applied for housing assistance. As shown in the tables on the next page, the waiting lists for HCVP and Public Housing programs have more applicants on the waiting list than could be housed within any reasonable time period given existing resources. The number of applicants on the waiting list for assistance under the HCV Program was at 23,511 households at the end of FY 2009 compared to almost 20,048 for the same period in 2008, representing 17.3 percent increase or 3,463 total new applicants. The number of applicants on the waiting list for assistance under the public housing program was at 15,411 at the end of FY 2009 compared to 11,353 in previous year, representing 35.7 percent increase or a total increase of 4,058 total new applicants. With limited sources and a continued demand for affordable, the waiting list will continue to grow. Below are summaries of the number of households on the waiting list by program and the demographic trends.

Households on Waiting List by Housing Type

	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Public Housing	20,492	26,458	27,622	29,797	28,347	11,353	15,411	
HCVP	30,876	40,884	44,500	47,229	49,581	20,048	23,511	

Households on Waiting List by Bedroom Size: Public Housing

	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
0 BR	7,011	6,367	6,450	6,995	6,784	3,206	5,666	
1 BR	3,363	6,636	7,535	8,690	8,988	2,880	3,671	
2 BR	5,502	7,453	7,730	7,848	7,461	3,061	3,574	
3 BR	3,485	4,667	4,580	4,906	3,727	1,744	2,040	
4 BR	846	1,088	1,118	1,186	1,225	425	446	
5 BR	141	119	95	71	57	31	12	
6 BR	30	25	19	6	9	6	2	
6+ BR	114	103	95	95	97	0	0	
TOTAL	20,492	26,458	27,622	29,797	28,348	11,353	15,411	

Households on Waiting List by Income Group: Public Housing								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
<30% AMI	20,077	25,971	27,244	29,385	27,938	11,144	15,143	
30%-50% AMI	357	421	318	353	368	180	214	
50%-80% AMI	13	23	20	19	8	16	16	
>80% AMI	45	43	40	40	34	13	38	
TOTAL	20,492	26,458	27,622	29,797	28,348	11,353	15,411	

Households on Waiting List by Income Group: HCVP								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
<30% AMI	30,164	39,951	43,659	46,349	48,593	19,475	22,897	
30%-50% AMI	622	821	739	776	891	507	533	
50%-80% AMI	29	48	39	41	26	42	33	
>80% AMI	61	64	63	63	71	24	48	
TOTAL	30,876	40,884	44,500	47,229	49,581	20,048	23,511	

Households on Waiting List by Household Type: Public Housing								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Non-elderly/non-disabled	18,340	23,320	24,269	25,962	24,570	8,024	10,653	
Elderly/non-disabled	1,133	1,343	1,051	1,343	980	341	275	
Disabled	969	1,751	2,251	2,445	2,753	2,988	4,483	
Other	50	64	51	47	45	0	0	
TOTAL	20,492	26,458	27,622	29,797	28,348	11,353	15,411	

Households on Waiting List by Household Type: HCVP								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Non-elderly/non-disabled	26,304	34,103	37,142	38,924	40,293	13,800	16,316	
Elderly/non-disabled	2,080	2,881	2,690	3,237	3,498	702	350	
Disabled	2,422	3,825	4,668	4,989	5,707	5,546	6,845	
Other	70	75	-	79	83	0	0	
TOTAL	30,876	40,884	44,500	47,229	49,581	20,048	23,511	

Households on Waiting List by Race: Public Housing								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Asian/Pacific Islander	111	185	140	150	138	43	66	
African American	19,780	25,505	26,653	28,733	27,341	10,564	14,289	
Native-American /Alaskan Native	59	69	65	74	73	26	26	
Caucasian	465	640	672	765	729	192	254	
Other	77	59	92	75	67	528	776	
TOTAL	20,492	6,458	27,622	29,797	28,348	11,353	15,411	

Households on Waiting List by Ethnicity: Public Housing								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Hispanic	700	412	542	548	518	1,058	1,054	
Non-Hispanic	19,792	24,609	27,080	29,249	27,830	10,295	14,357	
TOTAL	20,492	26,458	27,622	29,797	28,348	11,353	15,411	

Households on Waiting List by Race: HCVP								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Asian/Pacific Islander	154	263	231	263	288	77	106	
African American	29,722	39,335	42,803	45,383	47,643	18,639	21,803	
Native-American /Alaskan Native	90	100	164	113	125	52	45	
Caucasian	769	1,070	1,187	1,308	1,369	408	416	
Other	141	116	115	162	156	872	1,141	
TOTAL	30,876	40,884	44,500	47,229	49,581	20,048	23,511	

Households on Waiting List by Ethnicity: HCVP								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Hispanic	992	664	895	1,005	1,120	1,490	1,414	
Non-Hispanic	29,884	40,220	43,605	46,224	48,461	18,558	22,097	
TOTAL	30,876	40,884	44,500	47,229	49,581	20,048	23,511	

II. Occupancy Policies

Changes in concentration of lower income families

It is well documented that the District of Columbia has one of the hottest housing markets in the country. This fact, coupled with revised federal HCVP funding methodologies, and the low turnover rate and low incomes of our families in public housing units, create a challenge when implementing de-concentration policies. Nonetheless, DCHA has used a variety of tools to encourage and promote deconcentrated neighborhoods. For example, DCHA has three staff dedicated to assisting program participants to locate units in areas with less poverty concentration. Of the three staff, two are housing counselors who assist these households with finding housing by providing rental listings and demographic information on the neighborhood in which the unit is located. A third staff member is a professional realtor who conducts and updates the housing listing database on regular basis. The database allows the housing counselors to map out areas by census tracts, income data and other demographic indicators

During FY 2008, DCHA continued to add data variables to provide prospective tenants with more information about the unit and the neighborhood. This information includes the number of schools in the immediate neighborhood thereby allowing families not to only see the schools that their children may be attending, but also gives them an indication of the type of households that populate the neighborhood.

In 2008, DCHA partnered with the District of Columbia Housing and Community Development agency to provide access to SocialServ.org, an online affordable housing search website. This website is accessible from the DCHA website and allows households to search rental housing by zip code thereby allowing residents to find housing in specific areas of the city within their price range. This helps DCHA further its deconcentration efforts as it allows residents to identify units in areas and neighborhoods they may otherwise not have known about. In FY 2009, this database continued to serve as an important research tool for households seeking affordable housing.

As a continued deconcentration efforts, DCHA continues to seek ways in which to expand the rental housing inventory and increase landlord participation. In 2009, DCHA continued to hold informational workshops and conduct outreach for landlords to educate them about our housing programs.

DCHA began working on the database to include statistical data onto the database showing the number of HCVP households who have been deconcentrated and to the particular areas into which they relocated. The work was still in progress at the end of FY 2009 and projected to be completed during the last quarter of FY 2010.

In the public housing program, DCHA does not have any properties with a large number of families with relatively higher incomes, except in HOPE VI properties where explicit policies have been established to market to and recruit families with a wide-range of incomes. The majority of families in each DCHA property have incomes substantially below 30 percent of the

Area Median Income (AMI). Many DCHA properties have historically been located in low income neighborhoods. However, because of the rapidly increasing demand for homes in the District of Columbia, many of the neighborhoods surrounding DCHA properties have rising income levels. This continues to lead to a greater mix of incomes in neighborhoods that include public housing properties. Additionally, through its Community Supportive Services Program (CSSP), HCVP homeownership program, and resident employment opportunities programs, DCHA continues to encourage its residents to participate in educational and job training programs that will assist those who are unemployed or underemployed. The goal is to increase the incomes of existing public housing households and thus enable them access more housing options.

In FY '08, DCHA adopted a local regulation using MTW Flexibility that allows income from assets of less than $1,000 to be excluded from the determination of annual income. It also establishes a threshold which states total household assets of less than $15,000 do not need to be reported. In addition, imputed asset income is not included in the calculation of income. These new local regulations will reduce administrative overhead significantly. Prior to the adoption of these new regulations, DCHA staff was required to include copies of bank statements in the file for every applicant's file at initial certification and every year thereafter at recertification. While this paperwork was required for every household, less than one percent of our residents or participants had income from assets. This initiative was DCHA's first step towards rent simplification.

In FY '08, DCHA also implemented a multiyear recertification policy in the HCV program. Implementing this policy, required residents are required to report any increase or decrease in income within 30 days of a change. In cases of income increase, the residents' income or rent would not be recalculated as long as the increase is less than $10,000. On the other hand, if a tenant experiences a decrease in income, their rent is adjusted immediately. This not only encourages residents to seek and maintain gainful employment, it also lessens the administrative burden on the client and DCHA. DCHA continued to operate under this policy during FY 2009 and there were no future changes in FY 2009.

In the public housing program, DCHA implemented a revised Lease for the Public Housing Program during FY 2008. In the new Lease, DCHA defined in greater detail, the terms and conditions for tenancy in public housing extensively. For example, the revised lease now defines all of the parameters and conditions for lodging and boarding. In addition, to more effective communication of the terms of their lease, ensure that the residents fully understand the terms of their lease; DCHA produced a DVD where the lease is explained verbally and visually. All current and new renters are required to view the DVD before executing the lease. There were no further updates in FY 2009.

Agency-wide, DCHA has been updating its administrative plan. As of the end of FY 2009, DCHA staff was in the process of continued updated. The update is scheduled for completion for the last quarter of FY 2010.

DCHA is also working with its residents at each of the sites to develop a community standards of living policies specific to each public housing site or a group of sites based on the

feedback of the residents and DCHA staff. Specific policies were not developed in as of the end of FY 2009. DCHA will provide specifics on the policies, the intended impact and MTW flexibility when it begins to develop policies.

III. Changes in the Housing Stock

Number of Public Housing units in inventory								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected	9,219	8,807	7,000	7,876	7,800	7,941	8,202	
Actual	9,219	8,607	7,772	7,784	7,878	8,222	8,033[2]	

Number of Vouchers in inventory								
	End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected	9,355	10,800	10,800	11,261	11,261	11,959	10,950	
Actual	9,355	10,877	10,978	10,031	11,944	10,910	11,210[3]	

Public Housing Inventory

Per the MTW Agreement, DCHA is required to highlight the planned versus actual county of its housing stock inventory and describe differences. At the end of FY 2009, DCHA had a total of 8,033 units in its inventory compared to the projected 8,202. The difference is the number of units that were delivered or not delivered as anticipated and those units that were taken off the inventory. For example, the projected number included the units at Capitol Gateway that were in demolition at the end of FY 2009. The projected numbers also included units that were anticipated to be placed in services by the end of FY 2009, such as Ainger Place, but unit delivery was delayed.

HCVP

The total voucher inventory as of the end of FY 2009 was at 11, 210.

Homeownership

DCHA has a very active and successful homeownership program that utilizes a medley of federal and local tools to assist low and moderate income families achieve the American dream of homeownership. And given local market pressures, there is a strong demand for DCHA's homeownership counseling and financial assistance. In response to this demand, and through the MTW flexibility, DCHA continues to work towards expanding its existing HCVP homeownership program to include participants in the public housing program. Under this reinvigorated program, DCHA reaches out on an annual basis out to public housing residents and HCV program participants who meet certain income criteria.

[2] This count includes 21 of the ACC units that were delivered at Capitol Quarter Unit and 30 units at Marshall Fairlawn. This count also excludes the Capitol Gateway high rise units that were in demolition at the time the 2009 Plan was being finalized and were subsequently included in the 2009 projection.
[3] This count includes the projected 10,950 plus 175 VASH allocation, 42 opt-outs at Mayfair and 43 other opt-outs.

Specifically, DCHA implemented an initiative in 2005 that sought modifications to the Homeownership Program that make it more attractive to financial institutions or more user-friendly to potential beneficiaries. Specifically, the changes include the following:

1. The minimum down payment was set at 3 percent with no minimum required from the family's personal resources.

2. A recapture mechanism was established that allows for the recapture of a portion of the homeownership (mortgage payments) assistance if the family leaves the property in the first 10 years.

3. The employment requirement was increased from one year to at least two years.

4. Portability is no longer permitted under the Homeownership program.

5. A termination clause was included providing for the termination of a Household from the program if the household income falls below the minimum amount required for more than 12 months.

As in the HCVP program, DCHA works with residents in assisting and empowering them to achieve gainful employment, credit worthiness and self-sufficiency with the ultimate goal of working towards homeownership. During FY 2009, DCHA, through its Resident Services Program, offered homeownership counseling services to 60 households. Many of our residents continue to receive homeownership counseling through the CSSP program, preparing them for homeownership opportunities to be created at the HOPE VI redevelopment sites.

As of the end of fiscal year 2009 and since 2003, the first year DCHA became an MTW agency, DCHA generated a total of 669 affordable homeownership units, providing homeownership opportunities to households and families in the income categories between 30 to 80 percent of the AMI. During FY 2009, DCHA produced 18 affordable homeownership units at Capper and 30 units at Glenncrest.

As noted in previous reports, in its efforts to produce mixed income communities and to also make affordable units possible by generating sales revenue, DCHA has continued to produce market rate units, such as the units our HOPE VI sites and Scattered sites. Revenues generated by the sales of market-rate units are used to finance the construction of affordable and low income housing.

DCHA continued to offer homeownership readiness programs to both its public housing and HCVP households in effort to increase homeownership to this income group.

IV. Source and Amount of Funding

This section of the report presents preliminary unadjusted\unaudited income and expenses amounts compared to the budget amounts for fiscal year ending 2009. At the time this report was being finalized DCHA was in the midst of the fiscal year end closing of its books. The FY 2009 audit is underway and DCHA will provide a copy of the 2009 audit report once it is completed. The FY 2008 is the most recent audit report and is being included with this report.

The table presented below is a summary of the sources and amounts of funding for FY 2009. The table compares the projected sources presented in the FY 2009 plan and the preliminary sources and amounts of funding as of the end of FY 2009. The projected sources were based on DCHA's knowledge of grants approved and\or requested at the time of the plan was being finalized. It is important to note that the preliminary\unadjusted\unaudited sources and being provided from the accounting records of DCHA and have yet to be adjusted or audited for final financial reporting.

Sources

Sources	Budgeted FY 2009	Unadjusted/ Unaudited FY 2009
Low Rent Program	$65,473,924	$89,076,744
Housing Choice Voucher Program	165,076,334	165,949,577
Capital Fund	30,020,719	12,585,772[4]
HOPE VI Program & Other Development Grants	14,600,000	9,724,562
Bond Proceeds/Energy	20,463,429	6,439,423
Misc. Grants		
Neighborhood Network/ROSS	599,837	131,549
Ross (FY'08 award)	450,000	276,706
Subsidiary Corporations	5,466,346	3,447,045
Other Income/Interest	1,500,000	650,220
MTW Reserves	0	6,224,885
Total	**$303,650,589**	**$294,506,483**

As shown above, the preliminary unadjusted\unaudited budget was $303,650,589 for FY 2009, which is approximately nine million or 3.1 percent higher than what was projected when the plan was being finalized in July 2009. As noted in the plan, the projects developed in July 2009 were based on the best information and knowledge at the time. The actual budget was

[4] This figure includes the amounts for hard costs. The soft cost portion is included in the Low Rent Program. In past repots, both hard and soft costs were included in this line item. The projected figure of $30,020,719 represented both hard and soft costs.

board approved in August after the 2009 Plan was submitted. As such, the budget numbers shown in the table above represented preliminary pre-board approval budget numbers.

Looking at the sources of funds individually the Low Rent Program (minus the soft cost portion of the capital fund program) and the HCVP program remained relatively consistent with the projected budget sources while the other sources of funds, including HOPE VI, Bond proceeds, miscellaneous grants, subsidiary corporations, other income\interest and MTW reserved showed slightly to significant change. Below are brief summaries of each fund source and the variances.

Low Rent Program—this source category includes public housing rental subsidy, public housing operations funding and rental income from rent paying residents.

Housing Choice Voucher Program—this source category includes funding for Housing Assistance program funding that is paid out to landlords participating in the HCVP\Section 8 program and an amount for to DCHA for the administration of the program.

Capital Fund—this fund category includes funding for capital related project funding and administration. This fund category consists of RHF, CFP, and other smaller grants. As noted above, a great portion of the funding is included in the Low Rent program.

HOPE VI Program—this fund category includes HOPE VI funding for our remaining ongoing HOPE VI projects. The estimated amount for this source is based the amounts that DCHA projected to spend at the time the plan was being finalized. Total expenditure equals total sources because it is based on amounts drawn down for HUD's LOCCS system and the draws are based on actual invoices. Accordingly, DCHA estimated to spending or draw down $14.6 million during the course of FY 2009, but it only draw down $9,724,562 as of the end of FY 2009, showing a variance of nearly five million compared to what was estimated. The difference is due to less expense being incurred.

Bond Proceeds\Energy—this fund source includes proceeds from the bond and energy program. The funds for this program were used for capital repairs and administration of those repair efforts. Estimates from the 2009 Plan show an amount of $20,463,429 in bond\energy proceeds compared to preliminary data showing $6,439,423 in this fund source. As with the capital program, the administration portion of this source is included in the Low Rent Program. Aside from that, it appears that there may have been an over estimate.

Miscellaneous Grants—this fund source includes on grant funds such as the ROSS grant, Neighborhood Networks and other small grants. The estimate was based on the amount DCHA anticipated in grant funding based on the grant applications it submitted and was anticipating awards and/or grant applications it was considering for submission. Accordingly, DCHA project it would receive grant funding in the amount of over one million. Preliminary date shows that it received grant funding totaling $408,255, representing 60 percent of what it anticipated.

Subsidiary Corporations—this fund source is made up of income shares from its subsidiaries. DCHA currently has two subsidiaries, DCHE and CSA, which make an annual contribution to

DCHA. DCHA projected that it would receive $5.4 million during FY 2009 from its subsidiaries. Preliminary financial data shows that DCHA received $3.4 million during the course of FY 2009, indicating that the subsidiaries generated less income than projected to be able to meet the projected contribution to DCHA.

Other Income\Interest—this fund source is largely interest income from various investment or bank balances from DCHA sources. DCHA projected to receive $1.5 million in interest income during the course of FY 2009. Preliminary data shows that it received a total of $650,220 in interest income. The variance is due to market conditions that yielded lower rate the rate of return on investment than was anticipated.

MTW Reserves—this found source is DCHA MTW reserves. DCHA did not anticipating on using its MTW reserve funds at the time the 2009 MTW Plan was being finalized. Preliminary data shows that DCHA expended $6.2 million of its MTW reserve funds to carryout projects targeted at furthering affordable housing efforts.

Overall, comparing the projected sources and the sources received per preliminary financial data, DCH received $9.1 million or three percent less in funding than it anticipated. However, as will be shown in the Uses section of the report below, DCHA also expended $2.7 less than it projected, representing an overall $6.4 million difference in sources and uses in the pre-board approved budget to the preliminary\unaudited\unadjusted\ financial data showing the sources and uses for FY 2009.

V. Uses of Funds

As shown in the table below, the projected uses of the $303,650,589 was based on the amount DCHA anticipated on expending during the course of FY 2009. Preliminary financial data shows that DCHA spent $303,906,283, presenting one percent or $2.7 million less than it projected. Below are summaries of each use line item.

Uses

Uses	Budgeted FY 2009	Unadjusted/ Unaudited FY 2009
Administration	$38,288,092	$43,087,347
Tenant Services	981,341	664,064
Utilities	26,234,888	27,251,053
Maintenance	17,992,865	16,449,596
Security	6,505,270	7,523,012
General	14,932,940	17,575,486
Capital	44,620,719	$32,186,325
Housing Assistance Payments	154,094,474	156,169,400
Total	**$303,650,589**	**$300,906,283**

Administrative –This cost category includes the cost of direct property management services at all DCHA sites, as well as client placement (the occupancy function). In addition, many of the costs of private management service providers for DCHA's public housing units are also

categorized in this line item. As shown above, DCHA projected to spend a total of $38.3 million on administrative costs associated with the Public Housing program. Preliminary un-audited and unadjusted financial data shows an expenditure of $43.1 million, representing a difference of 12.5 percent from the projection. As noted above, the difference is due to increased modernization activities and the administration associated with the activities.

Tenant Services – As shown above, DCHA projected to spend $981,341 million on the Tenant Services line item compared to $664,064 as preliminary data shows, representing 32.3 percent difference. The difference is due to DCHA not receiving grant funding for which it applied. DCHA was planning to spend additional funding to launch additional services and programs as well as support existing program that would have been possible by new funding.

Utilities – As shown above DCHA projected to spend $26.2 million on utilities compared to $27.3 million it spent as shown in the preliminary data, representing a difference of 3.9 percent difference or slightly over a million dollars. The projected expenditure was based on utility costs in previous years.

Maintenance –This category includes salaries and benefits for the maintenance employees and specialized crews assigned to the housing developments. It also includes maintenance materials and maintenance contract costs such as heating, cooling, landscaping, and janitorial costs. DCHA projected to spend nearly $18 million on this line item. Preliminary data shows that DCHA spent $16.4 million, representing 8.6 percent less than projected.

General Expenses – This category includes employee benefits and all insurance premiums. It also includes rent collection losses, tenant relocation expenses and equipment purchases. Preliminary financial data shows the expenditure on this line item was $17.6 million or 17.7 percent higher than projected.

Capital – This includes all hard construction costs of the Capital Fund Program, as well as the HOPE VI development program, Replacement Housing Factor funded projects and bond\energy proceeds. Most of the HOPE VI funds in the HOPE VI developments have been or are nearly expended, with the exception of the Eastgate and Sheridan.

Housing Assistance Payments (HAP) – This category funds payment to landlords in the tenant and project based voucher programs, and is under extreme cost pressure, as the rental market continues to tighten in the District.

Reserve Balance at End of FY '09 and Adequacy of Reserves

Per its MTW Agreement with HUD, DCHA is required to maintain two months worth in operating reserve. DCHA's has reserves in the amount of $56 million.

VI. Capital Planning

Planned vs Actual Expenditures

The table in Appendix A reflects planned and actual capital expenditures at each existing property during FY 2009, using all capital funding sources. As shown in table A, DCHA obligated $260,247,850 million for FY 2009 on capital projects and expended $214,620,313 million, representing 82 percent expenditure rate. The sources of funds include Energy, Bond, Capital Fund Program (CFP), and Replacement Housing Factor Funds (RHF) and ARRA funds. In the 2009 MTW Plan, DCHA provided proposed expenditure plan for the 2009 CFP funds only, which are to be expended over a four year period. The sources listed in the Appendix A of this report are multiple year awards and multi funding sources.

Discussion

DCHA has established a grand goal for its capital programs. After a comprehensive assessment of the physical needs of its portfolio and a realistic review of available resources, DCHA has placed each of its developments into one of three capital categories. The first category is for those sites that have already been targeted and funded for major revitalization. This includes the HOPE VI sites and other mixed finance sites throughout the city. The second category is for those sites that will be treated and brought to 20 year viability during the bond funded, four year accelerated modernization program. The third category was established for those sites that due to their size, physical needs, and harsh social dynamics require substantial investment and potential redevelopment.

Modernization Program

In 2005, DCHA received Bond funds to modernize its housing stock inventory. By borrowing funds to accelerate the modernization of DCHA properties, DCHA planned to stop further deterioration of targeted properties and resulting increases in routine maintenance costs. Through bond proceeds, DCHA modernized its housing stock by updating and replace major systems in most of its developments and make other physical investments important to our clients.

As of the end of FY 2009, DCHA had expended all of its CFFP bond funds. The targeted 41 properties underwent major renovations. The activities include a wide range of modernization efforts, including retrofitting units for UFAS, replacement of boiler systems and removal and replacement of condensing roof tops.

During FY 2009, DCHA also received $27.01 million as its Capitol Fund Recovery Action as part of the ARRA funds. Of these funds, DCHA has obligated $11.8 million and expended $1.5 million.

During FY 2009, DCHA continued to improve its housing stock through the Energy Capital Improvement loan fund. Under this program, DCHA received a loan in the amount of $26 million. Of the $26 million, DCHA obligated $13.4 million and expended $11.5 million as of the end of FY 2009.

DCHA's FY 2009 Capital Fund allocation was in the amount of $16.3 million. As of the end of FY 2009, DCHA obligated $11.3 million and expended $11.1 million. DCHA continued to obligated and expend its earlier CFP funds at the end of the FY 2009. A list of activities and the payments made to date can be found in Appendix A.

It should be noted that these funds are spent over a multiple years. As such, the obligations and expenditures shown in appendix C only show those funds that were obligated and/or expended during the course of FY 2009. Expenditure reports are also submitted to HUD quarterly.

Revitalization Sites—HOPE VI Sites

Sheridan Terrace is the most recent HOPE VI award is the redevelopment of a former public housing site into a green, transit-oriented, mixed use, mixed finance development. The development will include a total of 344 units, including 110 public housing units, 69 Low Income Tax Credit units, 80 workforce homeownership units, and 85 market rate homeownership units. Sheridan is also the recipient of American Recovery Reinvestment Act 2009 funds. Units will start to be delivered towards the end of FY 2010.

Eastgate—A HOPE VI redevelopment site, Eastgate is broken into two components-Triangle View Senior and Glenncrest Family, which includes rental and homeownership units. At the senior building, 61 were completed during FY 2007. At the family site, 100 have also been delivered. During FY 2009, 30 affordable homeownership units were delivered. DCHA continued to work on delivering additional affordable and market rate units.

Capper/Carrollsburg—A HOPE VI redevelopment site which will include a total of 1,562 units, consisting of rental and homeownership units for low, moderate and market renters and purchasers. To date, DCHA has completed two sites, Capper I and 400 M Street (Capper II) both buildings housing 300 public housing units. In 2008, construction on the third release, Capitol Quarter, of the public housing units (39 units) continued to progress. In addition, Capitol Quarter will consist of 162 total units. As of September 2009, 21 of the 39 public housing units were delivered. In addition, 21 workforce units were completed as well as 36 market rate units. Capitol Quarter will be completed towards the end of FY 2010.

Capitol Gateway—A HOPE VI redevelopment site, which includes a total of 742 units consisting of public housing units and affordable rental and homeownership units for all income levels. Of the 742, 252 are public housing units, 124 affordable rental units and 366 homeownership units targeted for market and low and moderate income purchasers. To date, there have been 20 homeownership units were placed in services of which 12 were sold to Housing Choice Voucher holders and the remaining 8 sold at market rate prices. On the rental side, DCHA has delivered a total of 42 rental units of which 36 were occupied by returning

households. During FY 2009, DCHA continued to work towards the securitization of additional funding to demolish the senior high rise building to make way for the second phase of the development, which will include a supermarket, office and additional housing for all income levels. DCHA successfully secured the funding and began demolition during FY 2009. The Demolition is projected to be completed during the third quarter of FY 2010.

Henson Ridge—A HOPE VI redevelopment site that includes a total of 600 units consisting of public housing units and rental and homeownership units for low and moderate income households. To date, DCHA has delivered a total 530 units of which 280, of which 68 units are ACC, were rental units and 250 homeownership units. Of the total 530 units, 20 of the units were for sales units and were delivered during FY 2009. The remaining 70 units will be homeownership units and construction on those units is market drive.

During FY 2009, DCHA was awarded American Reinvestment and Recovery Act in the amount of $34.4 million. The funds will continue projects that were temporarily stalled due to funding and new projects. The table below is a summary of the funds uses and projects associated with the funds.

Project Name	Planned Activities	Category of Funding Requested	Amount of Funding Awarded
2905 11th Street NW Assisted Living	Converts a vacant 14-units building into a 15-unit assisted living/independent living facility. DCHA is collaborating with a local assisted living facility operator to create a program of services both house and through local service providers.	1 (Senior and Disabled)	2,258,750.00
Kenucky Courts Park	Funds the completion of a park and garden on an unused corner of the Kentucky Courts Senior property. Improvements will Include outdoor meeting space, handicap-accessible gardening facilities, and a water feature.	1 (Senior and Disabled)	651,481.00
Arthur Capper Carrollsburg Townhomes Phase II	Funds the public infrastructure which, in turn, permits the vertical construction to move forward for Phase 2. The planned units will include: 163 total units, 47 public housing, 116 market rate/HCVP/workforce homeownership units.	3 (Gap Financing)	9,584,843.00
Matthews Memorial Apartments	Replacement housing for the redevelopment of Barry Farms into a New Communities project. The planned units will include: 99 rental units - 35 public housing units, all units for households	3 (Gap Financing)	6,847,689.00

	under 60% of AMI		
Project Name	**Planned Activities**	**Category of Funding Requested**	**Amount of Funding Awarded**
Sheridan Station	New construction of a former public housing site into a green, transit-oriented, mixed use, mixed finance development. The planned units will include: 110 public housing units, 69 tax credit units, 80 workforce homeownership units, and 85 market rate homeownership	4 (Greening and Energy - New Construction)	5,827,882.00
Highland Dwellings	Provides funds for the rehabilitation of the 208-unit Highland Dwellings development. Rehabilitation will focus on improving energy efficiency, ecological sustainability, and healthfulness of the property. This will include new heating and cooling systems and insulation to provide better tenant comfort with less fuel use; replacement of flooring, paint, and other interior furnishings with nontoxic materials. Site improvements to include more shade trees and better site drainage will also be included.	4 (Greening and Energy - Moderate Rehab)	7,308,570.00
Scattered Sites	Five grants provide funds for the gut rehabilitation of a total of 26 scattered site units throughout Washington DC. These units will be renewed from varying states of repair and disrepair, from structural repairs to the complete replacement of building systems. These units will go from being energy and water wasters to being models of resource and cost efficiency.	4 (Greening and Energy - Moderate Rehab)	1,927,406.00
Total			**$34,406,621.00**

To date, DCHA has obligated all of the funds for the Kentucky Courts and Sheridan projects. Contract negotiations are underway for the other projects and will be followed with the obligation of the funds. DCHA will start expending its ARRA funds in the third quarter of FY 2010.

UFAS Activity

DCHA continues to work ardently on the creation of UFAS units to meet the requirements of a Voluntary Compliance Agreement (VCA) with HUD and a court ordered mandate. At the end of the During FY 2009, DCHA completed a total of 562 units UFAS units.

Additionally, DCHA will continue to aggressively work towards full compliance with the VCA with HUD and its court order mandate of 585 UFAS units. As noted previously, DCHA produced a total of 562 UFAS units as of the end of the FY 2009, 23 units short of the total number of units required by the VCA. As part of this ongoing efforts, DCHA continues to review bids for the UFAS unit production loan program where Project Based Section 8 subsidy is provided to owners in the private market willing to convert their units. This innovative program will utilize the fungibility available to DCHA through the MTW program, and will provide units, particularly hard to find family-sized units, to households with special needs. The housing authority also continues to make significant progress in converting the common areas of various developments to a UFAS standard.

During FY 2009, DCHA began working with a developer and HUD's regional office to bring additional 20 UFAS units into our inventory. Upon approval from HUD, the development, Gibson Plaza, will include a total 73 units of which 20 will be project based UFAS units and 53 conventional public housing units. Unit delivery is expected to begin towards the end of FY 2010. The additional of the 20 UFAS units tied to this project will bring us to full compliance of the VCA.

VII. Management Information for Owned/Managed Units

A. Vacancy Rates by Property at end of FY '09

Property	Total # of Units	# of Available Units at the End of FY '09	# of Occupied Units at the End of FY '09	Actual Adjusted Vacancy Rate at the End of FY '09	Planned Adjusted Vacancy Rate for the End of FY '09
DCHA – Rock Creek					
Colorado	21	1	1	0.00%	2%
Columbia Road	23	0	0	n/a	2%
Garfield Terrace	279	272	265	2.57%	2%
Harvard Towers	193	108	108	0.00%	2%
Kelly Miller Apartments	160	126	119	5.56%	2%
Langston Addition	34	34	34	0.00%	2%
Langston Terrace	274	268	238	11.19%	2%
LeDroit Apartments	124	114	105	7.89%	2%
Park Morton Apartments	174	167	158	5.39%	2%
Scattered Sites	63	19	19	0.00%	2%
Fort Lincoln	120	107	102	4.67%	2%
Greenleaf Gardens	278	273	268	1.83%	2%
Greenleaf Senior	215	212	209	1.42%	2%
James Apartments	141	140	136	2.86%	2%
James Creek Apartments	239	233	230	1.29%	2%
Judiciary House	271	162	152	6.17%	2%
Montana Terrace	64	63	61	3.17%	2%
Syphax Gardens	174	167	160	4.19%	2%
TOTAL	**2,847**	**2,466**	**2,365**	**4.1%**	**2%**

Property	Total # of Units	# of Available Units at the End of FY '09	# of Occupied Units at the End of FY '09	Actual Adjusted Vacancy Rate at the End of FY '09	Planned Adjusted Vacancy Rate for the End of FY '09
DCHA – Potomac					
Barry Farm	432	419	399	4.77%	2%
Benning Terrace	273	255	236	7.45%	2%
Carroll Apartments	60	60	57	5.00%	2%
Elvans Road	20	1	1	0.00%	2%
Fort DuPont Addition	16	16	15	6.25%	2%
Fort DuPont Dwellings	104	103	102	0.97%	2%
Highland Addition/Dwellings	326	316	310	1.90%	2%
Kenilworth Courts	290	286	277	3.15%	2%
Kentucky Courts	118	115	113	1.74%	2%
Knox Hill Senior	122	122	119	2.46%	2%
Lincoln Heights	440	410	387	5.61%	2%
Marley Ridge	9	9	9	0.00%	2%
Parkside Addition	42	42	42	0.00%	2%
Richardson	190	185	175	5.41%	2%
Stoddert Terrace	158	151	149	1.32%	2%
The Villager	20	19	19	0.00%	2%
Wade Apartments	12	11	11	0.00%	2%
Woodland	234	227	212	6.61%	2%
Scattered Sites	15	10	10	0.00%	2%
TOTAL	**2,881**	**2,757**	**2,643**	**4.1%**	**2%**

Privately Managed Properties					
Property	**Total # of Units**	**# of Available Units at the End of FY '09**	**# of Occupied Units at the End of FY '09**	**Actual Adjusted Vacancy Rate at the End of FY '09**	**Planned Adjusted Vacancy Rate for the End of FY '09**
Claridge	343	340	208	38.8%	2.0%
Horizon House	105	61	61	40.2%	2.0%
Regency House	160	157	150	4.5%	2.0%
Lincoln Road/Ontario	39	38	38	0.0%	2.0%
Sibley Plaza	224	217	217	0.0%	2.0%
Sibley Plaza II	22	22	21	4.5%	2.0%
Sursum Corda	28	24	24	0.0%	2.0%
Potomac Gardens	352	317	317	0.0%	2.0%
Hopkins Apts.	158	147	147	0.0%	2.0%
Wheeler Creek	158	148	148	0.0%	2.0%
Kentucky Courts	12	12	12	0.0%	2.0%
Capper I	162	162	162	0.0%	2.0%
400 M Street (Capper II)	139	138	138	0.0%	2.0%
Triangle View-Senior	100	100	100	0.0%	2.0%
Glenncrest-Family	61	59	59	0.0%	2.0%
Capitol Gateway-Family	61	61	61	0.0%	2.0%
Edgewood	89	84	84	0.0%	2.0%
Henson Ridge	68	68	68	0.0%	2.0%
Oxford Manor	30	30	30	0.0%	2.0%
Fairlawn Marshall	30	30	30	0.0%	2.0%
Capitol Quarter	21	21	15	28.6%	2.0%
Total	**2,362**	**2,236**	**2,090**	**6.5%**	**2.0%**

Discussion

DCHA's overall average vacancy rate was 4.9 percent. It should be noted, however, the vacancy at the particular properties is only a snapshot view as of the last day of fiscal year 2009. As such, a property showing 5 vacancies indicates that there were 5 vacant units on the date in which the report was generated and is not indicative of the of the vacancy and occupancy rates for the entire fiscal year.

Looking at the properties individually, some of the properties had greater vacancy than others. Below is a table with description of summarizing the vacancies at the individual sites.

Property	Total # of Units	# of Available Units at the End of FY '09	# of Occupied Units at the End of FY '09	Actual Adjusted Vacancy Rate at the End of FY '09	# of Vacant Units	Explanation
Garfield Terrace	279	272	265	2.6%	7	On average, this property had five vacancies during FY 2009.
Kelly Miller Apartments	160	126	119	5.6%	7	On average, this property had 8 vacancies during FY 2009. This property is need of major renovations. During FY 2009, DCHA began undertaking staggered renovation efforts. Plans are currently in place to vacate buildings to complete comprehensive unit renovations. It will take several years to complete the entire property.
Langston Terrace	274	268	238	11.2%	30	. On average, this property had 17 vacancies during FY 2009, which is 6.3% for the year compared to 11.2% shown for month of September. Similar to the other development sites, Langston Terrace is the Agency's oldest property. It was built in 1937and it is in need of major renovation work. During FY 2009, DCHA continued its work in replacing the windows of the entire development and also began undertaking various repair works including replacement of, doors, and HVAC systems throughout the entire development. Plans are currently in place to vacate buildings to complete comprehensive unit renovations. It will take several years to complete the entire property.
LeDroit Apartments	124	114	105	7.9%	9	The average vacancy rate at this property was 5% for FY 2009. The 7.9% rate for September is an anomaly.
Park Morton Apartments	174	167	158	5.4%	9	The site had an average of 8 vacant units for FY 2009. This property in need of major repairs. The property is slated for redevelopment projected to start towards the end of FY 2010 or beginning of FY 2011.
Fort Lincoln	120	107	102	4.7%	5	This is an acceptable give the total number of units.

Property	Total # of Units	# of Available Units at the End of FY '09	# of Occupied Units at the End of FY '09	Actual Adjusted Vacancy Rate at the End of FY '09	# of Vacant Units	Explanation
James Apartments	141	140	136	2.9%	4	The average vacancy rate for this site was less than less than 2% or 3 units for the fiscal year. There were four vacant units September, which is reasonable rate.
Judiciary House	271	162	152	6.2%	10	This property is currently undergoing comprehensive modernization. Units and all common areas were being renovated throughout the year. Unit offers were frequently rejected due to the level of ongoing construction in the building. The common area construction is now complete. However the unit renovations are ongoing.
Montana Terrace	64	63	61	3.2%	2	This is within an acceptable range given the total number of units.
Syphax Gardens	174	167	160	4.2%	7	This is also one of the sites that is difficult to market. The units at this property are also in need of major repairs Modernization of this site is scheduled to begin in FY10. This will include modernization of the common areas, building entrances and some unit upgrades.
Barry Farm	432	419	399	4.8%	20	Similar to Lincoln Heights. This site is part of the District's New Communities redevelopment program and is a candidate for potential redevelopment.
Benning Terrace	273	255	236	7.5%	19	The location of the development and past criminal history of the property and the general location makes it hard to attract households.
Carroll Apartments	60	60	57	5.0%	3	This is within reasonable range given the number of units and that some of them were ADA units, and that this is a Senior building.
Fort DuPont Addition	16	16	15	6.3%	1	This is within a reasonable range given the total number of units

Property	Total # of Units	# of Available Units at the End of FY '09	# of Occupied Units at the End of FY '09	Actual Adjusted Vacancy Rate at the End of FY '09	# of Vacant Units	Explanation
Knox Hill Senior	122	122	119	2.5%	3	This is within reasonable range given the number of units and that that some of the vacancies were / are ADA units, and that this is a senior building.
Lincoln Heights	440	410	387	5.6%	23	The location of this development makes the site one of the least desirable housing options for many of residents.
Richardson	190	185	175	5.4%	10	Location makes this site difficult to attract households.
Woodland	234	227	212	6.6%	15	Location makes this site difficult to attract households.
Claridge	343	219	208	5.0%	8	This is within a reasonable range given the total number of the units and the fact that this is a senior site. It was reported that several of the seniors who occupied units at the site were transferred to an assisted living facilities.
Regency House	160	157	150	4.5%	7	This is within a reasonable range given that it is a senior building.
Sibley Plaza II	22	22	21	4.5%	1	This is within an acceptable range.
Capitol Quarter	21	21	15	28.6%	6	The vacancies at this site are due to timing. While 21 units were delivered by the end of the fiscal year, residents were still undergoing re-entry progress thus six households had not completed their re-entry application process by the end of the fiscal year. All units at the site were scheduled to be occupied the beginning of 2010.

B. Rent Collections

Rent Collections: Cash Collected compared to Rent Billed

		End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected		98%	98%	98%	98%	98%	98%	98%	
Actual		99%	99%	97%	98%	99%	96%	95%	

DCHA maintains a high percentage of cash collected compared to rent billed, with an average of 95% collection rate.

C. Work Orders

Work Orders: Days to Complete Routine Work Orders

		End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected		23	23	23	23	23	23	23	
Actual		20	23	23	23	18	18	21	

DCHA has tracked this measure according to the requirements of its MTW Agreement benchmark, where it looks at the number of days it takes to complete routine work orders. Attachment B, on the other hand, requires that we report the percent of routine work orders that are completed within 30 days. DCHA's current work order tracking system does not allow for the data to be captured in such a way, thus we are only able to capture the number of days in which routine work orders are completed. As shown above, routine work orders are completed within 21 days, two less days than our benchmark of 23 days.

Work Orders: %-age Emergency Work Orders completed within 24 hours

		End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected		100%	100%	100%	100%	100%	100%	100%	
Actual		100%	100%	100%	100%	100%	100%	100%	

D. Inspections

Units and Systems Inspected Annually

		End of FY '03	End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected		100%	100%	100%	100%	100%	100%	100%	
Actual		100%	100%	100%	100%	100%	100%	100%	

VIII. Management Information for Leased Housing

A. Leasing Information

Target vs Actual lease-ups at end of period

		End of FY '04	End of FY '05	End of FY '06	End of FY '07	End of FY '08	End of FY '09	End of FY '10
Projected		8,680	9,300	9,643	10,200	11,092	10,950	
Actual		9,249	9,908	9,905	10,276	10,022	10,345	

Rent Reasonableness

DCHA performs rent reasonableness reviews for each new lease and request for rent increase by landlords using a comprehensive automated system and on-staff real estate analysts who maintain the district-wide database of comparable properties. DCHA's HQS inspectors have been trained and tasked with gathering data, on site, during the initial pre-lease-up inspections for the use of the real estate analysts in completing an accurate rent reasonableness determination for units newly entering the program. DCHA's inspection unit now schedules and conducts its HQS inspections electronically, which has improved the timing and scheduling of our inspections.

Expanding Housing Opportunities

DCHA has implemented Fair Market Rents based on the 50th percentile and established a high payment standard of 110 percent in order to expand housing opportunities for its voucher recipients. Each of these past actions has served to expand housing opportunities for DCHA's low income families. DCHA also has staff dedicated to working with clients who encourage the use of vouchers in neighborhoods with relatively low voucher utilization, thereby furthering the deconcentration goal. DCHA's voucher program grew 50 percent over a five year period and the lease up success rate is 75 percent. The authority has modified and improved its rent reasonableness practices to be more efficient and has worked hard to increase the opportunities for voucher participants to live in non-poverty impacted areas. In FY 2008, DCHA began the process of updating its rent reasonabless database and continued to do during FY 2009. As noted in the FY 2010, DCHA is working to add a mapping component to the Rent Reasonableness database whereby it can track those households who relocated to areas of less poverty concentration. DCHA was looking forward to completing this task by the end of FY 2009, however, the system still required more work and thus the mapping capabilities are still in progress.

In an effort to serve a diverse population, DCHA continued to operate several programs utilizing the voucher as a housing subsidy. Within these programs, we partnered with numerous stakeholders to provide housing opportunities. These programs include:

- **Tenant Based Vouchers**
- Linguistically Isolated Program
- Family Unification Program
- Mainstream Disability Voucher Program
- Veteran Administration Supportive Housing (VASH) Program

- Witness Relocation Program
- Public Housing Relocation Program
- Home Ownership Voucher Program
- DMH / Homeless Voucher Program
- HUD Opt-Outs Program
- VCA ADA/504 Programs

- **Project Based Voucher Program**
- Partnership Program
- Multicultural Program
- KPRMC Settlement Program
- Mod Rehab / SRO Program
- 11b New Construction Program

B. Inspection Strategy

Planned versus actual inspections

DCHA increased the workload of its HCVP inspectors by doubling the number of households participating in the HCV program. The HCV program inspects rental units annually. Given the age of the District's rental housing stock, almost 50 percent of the units inspected fail annual inspection, but DCHA continues to work with landlords who have substandard units to ensure they correct all deficiencies and bring the units up to standard. DCHA's goal is to provide safe and habitable housing in this extremely high-cost housing market without having to force voucher families to move.

While the program units are inspected initially and annually, landlords are responsible for knowing the condition of their property throughout the year and whether it meets HUD's Housing Quality Standards (HQS). Tenants are responsible for notifying landlords of any problems in their units. Clearly, no inspection system is flawless and unit conditions in any housing structure are dynamic and change over time based upon maintenance performed and the actions of households residing in the units. Accordingly, as discussed further below, DCHA has made additional program improvements to further insure that inspection standards are adhered to consistently and quality control processes used to monitor the correction of unit deficiencies are more effective.

During FY 2008, DCHA met its goals of completing 100 percent of planned HQS Inspections for occupied units and 100 percent of pre-contract inspections. The housing authority has also begun a new quality control inspection initiative which will be operated out of DCHA's Office of Audit and Compliance. The goal of this new effort is to enhance consistency of inspections and to strengthen the inspection standards used by staff.

As of the end of FY 2009, DCHA saw the impact of this initiative resulting in improved quality control and efficiency of the HCVP HQS inspection. Quality control reports are now more frequently provided to HCVP supervisory staff for review of inspection results and trends as well as identifying training needs of individual HQS staff.

DCHA began evaluating the trends in HCVP inspections in 2008 in order to develop a plan of improvement in the overall process. This included a month by month analysis of inspection results by inspection type. This analysis from 2008 data has been used to develop procedural changes in the HCVP inspections process as well as training criteria for landlords. As of the end of FY 2009, DCHA has fully implemented its new handheld devices. These devices, atop the process changes, has enabled HCVP to better coordinate inspections and track unit failed items that may results in contract terminations or recommendation of terminations for repeat tenant-caused violations.

HQS Enforcement

DCHA requires that HQS violations identified are repaired or funding to the landlord is abated. Health and safety (emergency) violations must be repaired within 24 hours. If a landlord does not complete required repairs after an extended period, the participants have the option, and are sometimes encouraged to, transfer to another unit, and the HAP contract with the initial landlord is terminated.

IX. Resident Programs

DCHA has applied its MTW flexibility to exercise the fungibility to ensure that the Office of Resident Services (ORS) remains operational, which in turns makes it possible to continue to provide important services and programs to residents.

DCHA continued to provide and expend its work force development program in FY 2008. As in previous years, in 2009, DCHA continued to carryout the following self-sufficiency efforts and resident services programming, including:

Public Housing Kinship Care Partnership.

The purpose of this effort was support these grandparents, through collaboration with the DC Department of Child and Family Services to insure that the needs of impacted children are addressed and grandparents are linked with programs and services for which they qualify. DCHA will continue to purse this measure more in 2009 by applying for funding. During the course of FY 2009, DCHA determined that many of its elderly households raising their grandchildren were younger than the age of 62 and many of the programs available for these households had an age limit of 62. This age restriction limited the level of services we were able to provide to our elderly households who are raising their grandchildren. Nonetheless, DCHA continued to search out and match its elderly residents and their dependents with programs and services from they may benefit.

Employment Support

As noted in the FY 2008 report, DCHA opened the Southwest Family Enhancement Career Center and has continued to successfully operate in FY 2009. During FY 2009, the employment program at the SW Family Enhancement Career Center offers our residents a 3-tiered employment and career program consisting of Core Services (self-directed job searching), Intensive Services (job-readiness, case management) and Training Services (occupational skills and apprenticeships). DCHA works with several area services providers to provide these services. Our partners consist of UPO, All-Faith Consortium, UDC, Anchor Renaissance and Rehabilitation Services. Below are the services and number of residents who have received employment and self-sufficiencies services.

Service	Number of Residents Assisted
GED Preparation	17
Homeownership Counseling:	60
Job Placements	36

Network of Services Providers

During 2009 continued to work to compile a comprehensive directory of agencies that can offer residents with services and programs towards self-sufficiency. Specifically, DCHA entered into agreements with the two organizations, Anacostia Community Outreach Center and

United Planning Group. Below is a summary table describing the types of services these two organizations provide and at which DCHA community they are located.

Name of Organization	Property Where Housed	Types of Services
Anacostia Community Outreach Center	Langston Dwellings	Emergency Assistance (food, clothing, rental help); Fatherhood Initiative Program; Basic Computer skills training, Microsoft Certification, Job Preparation
United Planning Organization	James Creek	GED/ABE classes; after school activities for the youth, nutrition and enrichment for seniors, case management, basic computer classes

Moreover, DCHA continued to work with its residents to identify the types of partnerships DCHA should pursue. To that end, during FY 2009, DCHA and its Resident Council developed a matrix showing the services are that are most likely to benefit their staff. Each of the services areas are a designated committee. The table below is a summary of those service areas.

Committee
Advocacy, HUD Regulations & Compliance
Bulk Services and Purchases
Communications & Marketing
Family Resource Center
Fitness, Wellness, Nutrition
Freshman Officers
Giving Back to My Community
Grants and Proposals
History and Archives
Mentor Presidents
Services to Youth

Youth Development

Do Your B.E.S.T. Summer Youth Employment Program

ORS continued its annual Do Your B.E.S.T. (DYB) Program in FY 2009 and sent out 49 invitation letters were sent out to "Returning Participants" and began recruitment for new participants. Invitations to return were based primarily on attendance and job performance. For the first time, interested applicants were able to complete and submit applications on-line. ORS has also begun the recruitment process for the two (2) contractual DYB staff. During FY 2009, in its efforts to expand this program, submitted a funding application to a private foundation for funding, but was deemed ineligible due to the organizational designation of the DCHA subsidiary, Community Visions, who was the applicant. DCHA will continue to shop the

program for other funding opportunities as an effort to get increase higher education opportunities to more public housing residents.

The Visions of Hope Art Initiative officially kicked off on during FY 2009. DCHA partnered with DayBreak Ministries to provide weekly art instruction to youth who are enrolled in their after-school program. Approximately 14 youth (ages 8-12) participated in the first art class. Additionally, DCHA partnered with the Hopkins Boys & Girls Club to make weekly art classes available to youth enrolled in their popular after-school program. This program serves public housing youth at the Hopkins and Potomac Gardens sites.

Fund Development

As in previous years, DCHA has continued to seek and pursue available grant funding. In addition, DCHA hosted its annual bazaar where vendors participated to showcase and sell their good. Funds raised at this event are used to off-set expense associated with the annual Gift of Love Tree campaign. The Gift of Love Tree campaign is an annul gift giving campaign where children of public housing residents and HCV program participants receive holiday gifts.

During FY 2009, ORS prepared an application for the ROSS Coordinator grant funding. If approved, DCHA will receive funding for three service coordinators to serve Ft. DuPont, Hopkins and Woodland Terrace developments. Service Coordinators help public housing residents attain economic and housing self sufficiency. The program is intended to promote development of local strategies to coordinate the use of assistance under the Public Housing Program with public and private resources.

Additionally, staff provided technical assistance to several Resident Councils and other prospective applicants that are eligible to apply directly for ROSS grant. The resident council at Park Morton and James Creek successfully submitted funding applications.

In the 2008 Plan, DCHA noted that it will conduct a Resident Satisfaction survey. The survey had multipurpose uses. One purpose was to determine the types of programs that the residents of each community believed to be the most beneficial. The result of the survey showed various needs at each community. Based on the results, DCHA grouped the communities by service area and target populations. This information will be incorporated into the Resident Services component of the long range asset management strategies for each public housing site.

During the course of FY 2009, it was determined that conducting a Resident Satisfaction survey infeasible. In its place, DCHA conducted a survey that looked at the demographics at each of our public housing sites and the services that are provide at or near the sites to assess the services needed for each site or group of sites. This service needs assessment is currently being used to develop programming and services for the upcoming years.

IX. Other Information Required by HUD

The results of the latest completed 133 Audit are included in this report at Appendix F. All required certifications were submitted with the FY 2008 CLS Plan, including:

Form HUD-50070	Certification of a Drug-Free Workplace
Form 038-0046	Disclosure of Lobbying Activities
Form HUD 50071	Certification of Payments to Influence Federal Transactions and the Moving to Work Demonstration Program Certification for FY 2008 Annual Plan

Part II: CREATIVE LIVING SOLUTIONS INITIATIVES

Overview

Under the terms of DCHA's Moving to Work (MTW) agreement, DCHA has the authority to develop local regulations that better meet the needs of the 50,000 District of Columbia residents that the housing authority serves. During the past fiscal year, DCHA has worked with the residents of its properties, the participants in its HCVP voucher program, the landlords who house voucher recipients, local leadership, the advocate community and other stakeholders to work on the initiatives listed in the FY 2009 Creative Living Solutions Plan (CLS). DCHA values this participatory approach in its policymaking, and takes very seriously the input of all of its stakeholders. As a result of this extensive exploratory process, some initiatives proposed last year have been implemented, some have been closed without implementation, and others will be continued in FY 2010. Of the fourteen initiatives proposed in the FY 2008 Creative Living Solutions Plan, implementation began or continued on five. DCHA's FY 2009 plan submitted to HUD last year speaks to the continued implementation and exploration of twelve initiatives previously included in the FY 2009 plan.

Overview of Local Regulatory Process and Implementation of Initiatives

Prior to starting the public rulemaking process DCHA consults with and obtains comments and input on any proposed rule changes or new rules from key stakeholders such as the DCHA Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and Participant Advisory Committee, and the local housing advocate community. Once a draft rule has been prepared taking all views into account, it is presented to the appropriate committee(s) of the Board of Commissioners. The Board of Commissioners has four committees with defined responsibilities. These committees are:

- Development and Modernization;
- Operations;
- Finance; and
- Education

Once the appropriate Board committee has provided authorization to publish the proposed rule, it is published for 14 to 30 days in the DC Register by the government of the District of Columbia. Written comments are received and reviewed. Based on the comments and further discussion with stakeholders the proposed rule may or may not be amended. If it is significantly amended it is taken back before the appropriate Board committee(s) and with the committee(s) authorization republished for an additional notice and comment period. If there are no significant changes, the proposed rule is brought back to the committee(s) with the written comments. If the committee(s) approves the proposed rule it is placed on the Board of Commissioners public agenda for action after public testimony. The agenda is distributed to all of the Resident Council Presidents and reviewed with the Citywide Resident Advisory Board, and the HCVP Landlord Advisory Committee and the Participant Advisory Committee. Prior to taking action at the Board meeting, the Board of Commissioners calls on staff for a public

presentation of an analysis of the proposed rule and its potential impacts. The new rule or rule change is not in effect until the Board of Commissioners has adopted a resolution in a public meeting approving it, and final notice is published in the DC Municipal Register.

For ease of tracking, the initiatives under each Objective start with the number of the objective, followed by the number of the initiative based on the order in which it was proposed in a CLS Plan, and finally followed by the year of the Plan in which it was first proposed. Thus in Objective l, "Development of Enhanced Housing Opportunities", there were four Initiatives in the CLS Plan for '04 ending with 1.4.04 so that Initiatives proposed for the '05 Plan start with 1.5.05. Initiative 1.5.05 indicates that is falls under Objective 1, it is the fifth initiative under this objective and it was proposed in Fiscal Year 2005. Only Initiatives still under development from a prior year and new Initiatives for the Plan's CLS Year will be included in the following pages of this plan. Once an Initiative has been implemented it will not appear in the Plan, but will continue to appear in the Annual MTW Report. An Initiative that has been explored but not pursued will not appear in the Plan and will be reported in the Annual MTW Report in the year DCHA has determined not to further explore implementation of such Initiative.

See **Appendix C** (**MTW Initiative Status Summary**) for a matrix summarizing each DCHA MTW initiative from designation as a MTW site through the end of FY 2009.

Appendix A: Capital Expenditures at Existing Properties

Appendix B: Independent Audit for FY 2008—Most recent

Appendix C: MTW Initiative Status Summary