DISTRICT OF COLUMBIA HOUSING AUTHORITY

2019 Moving to Work Plan

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This Moving to Work (MTW) Annual Plan is prepared in accordance with the "Amended and Restated Moving to Work Agreement" between the U.S. Department of Housing and Urban Development and District of Columbia Housing Authority. This agreement was signed by both parties in September 2010. The agreement was extended by Congress in 2016 and is scheduled to expire at the end of the Housing Authority's 2028 Fiscal Year. The required elements of the Annual MTW Plan and Annual MTW Report are detailed in HUD Form 50900 (OMB Control Number: 2577-0216 Expiration Date: 1/31/2021).

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Section I. Introduction

A. Overview

The District of Columbia Housing Authority (DCHA or Agency) is an independent public agency that provides housing assistance to almost ten percent of the city's population. As a landlord, property manager, voucher administrator, and real estate developer, DCHA is a key player in the provision, preservation and production of affordable housing in the District of Columbia. The Agency's local leadership role and its innovative approaches to sustaining its mission have made DCHA a national leader in its field.

For over a decade, many of the innovations DCHA has implemented are due in part to its participation in a federal demonstration program entitled Moving to Work (MTW). In 2003, DCHA became one of only 39 agencies currently designated by the U.S. Department of Housing and Urban Development (HUD) to participate in the MTW program. MTW allows participating agencies to design and test inventive approaches to local housing and policy issues. MTW also allows agencies to combine funding awarded by the U.S. Department of Housing and Urban Development (HUD) into one single budget with the flexibility to fund services and initiatives that may have been delayed or not undertaken at all due to funding gaps or other limitations. In FY2016, DCHA's MTW agreement with HUD was extended to 2028. As a result, DCHA is able to continue implementation of the flexibilities made possible by the MTW designation, in addition to identifying other innovations designed to address local affordable housing issues.

Through **I**nnovation, **M**anagement, and **P**erformance **A**ll **C**oming **T**ogether (IMPACT), DCHA is dedicated to making a meaningful **IMPACT** in the lives of low-income families in need of affordable housing in the District of Columbia, with the Agency's MTW authority as a major tool for achieving success.

With new agency leadership as DCHA enters its 16th year in the MTW program, the agency is poised to push the innovation envelope even further in its efforts to ***expand opportunities to maximize life outcomes*** for the families we serve.

DCHA's MTW Plan is guided by the principals set forth by the Agency's Mission Statement and Strategic Goals. In addition, the MTW activities advance at least one of the three MTW Statutory Objectives.

Mission Statement

The District of Columbia Housing Authority To provide quality affordable housing to extremely low- through moderate-income households, fosters sustainable communities, and cultivates opportunities for residents to improve their lives.

DCHA's Strategic Goals

Goal A: Create opportunities to improve the quality of life for DCHA residents, through collaboration and partnerships

Goal B: Increase access to quality affordable housing.

Goal C: Provide livable housing to support healthy and sustainable communities.

Goal D: Foster a collaborative work environment that is outcome driven and meets the highest expectations of the affordable housing industry.

Goal E: Effectively communicate DCHA's accomplishments and advocate for its mission.

MTW Statutory Objectives

1. Reduce cost and achieve greater costs effectiveness in federal expenditures;

2. 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

3. Increase housing choices for low-income families.

B. Short-term and Long-Term MTW Goals and Objectives
"Expanding Opportunities to Maximize Life Outcomes"

DCHA remains committed to actively exploring and aggressively seizing opportunities that move the agency forward in the fulfillment of its mission and strategic goals in ways that are reflective of local housing needs, while implementing activities designed to meet one or more of the MTW statutory objectives. DCHA acknowledges that the flexibility provided by its MTW designation has lessened the impact of reductions in federal funding on the provision of core services; however, funding remains a significant challenge. It is creating and accessing opportunities that continues to be key in meeting this challenge, whether it be implementing increased program efficiencies, leveraging resources to preserve/increase affordable housing or encouraging the improved well-being of the families we serve. To this end, DCHA has established the following long-term and short-term goals and objectives.

Long-term

DCHA is creating outcome based housing programs that incorporate streamlined administrative functions. With respect to Public Housing, the Agency continues its focus on: building a program that provides opportunities for seniors and the disabled to live with integrity; using the program as a platform for work-able adults to fully explore opportunities at making their families more self-sufficient; and providing opportunities for youth to fully explore their potential, both academically and socially. Understanding that the HCV subsidy is a pass-through to landlords and participants, DCHA as program administrator looks to continue improvements to the experiences of HCV landlords and participants with DCHA. In addition, DCHA plans to increase pathways to self-sufficiency for Public Housing and HCV families through homeownership and improved access to private/public services. Finally, DCHA will increase affordable housing opportunities in the District of Columbia by continuing to be a strong partner with the public and private sectors.

Short-term

DCHA's short-term goals and objectives provide the building blocks for the Agency's long-term vision:

Moving to Work

Encouraging Self-Sufficiency

DCHA has embarked on a re-branding of its self-sufficiency efforts, with a focus on workforce development. The new approach will result in a more comprehensive and coordinated focus on facilitating access to services/resources that meet the individual needs of residents and provide incentives for residents to work toward attaining self-sufficiency. In the short-term, based on existing MTW authority, DCHA will continue to:

- Increase the number of families achieving homeownership and renting in the private market
- Increase the number of families receiving self-sufficiency services through more focused and expanded service coordination efforts, inclusive of:
    - implementation of a new "on the ground" service coordination model with the establishment of Community Navigators in the Office of Resident Services;
    - provision of space in Public Housing developments for service providers/self-sufficiency activities;
    - enhanced programming at DCHA's workforce development center (created and funded through MTW single budget flexibility);
    - upgrading and establishing computer labs in public housing communities; and
    - enhanced community service and self-sufficiency approach;
- Increase the number of families experiencing increases in earned income as a result of rent reform efforts [i.e. removal of the earned income reporting requirement between scheduled biennial recertifications; escrowing a portion of rent in the Public Housing Achieving Your Best Life (AYBL) program for transitioning families from needing subsidized housing assistance; and
- Achieve initial implementation of the Family Stabilization through Housing and Education demonstration.

To further enhance the efforts described above, DCHA is proposing the following policy changes in the FY2019 MTW Plan:

- Modification of the agency's Homeownership Assistance Program (HOAP) to allow HCV households paying 100% of the contract rent who would otherwise transition off of the voucher program to participate in HOAP.
- Creating a simplified and more goal oriented incentive structure for the Family Self-Sufficiency program that eliminates the traditional escrow model.

Continue Exploration of additional Assisted Living Opportunities

With the establishment of the agency's first assisted living facility, DCHA will continue to evaluate opportunities to create additional affordable housing situations for the elderly and disabled who otherwise could not live independently.

Unit Protection Incentive Program

In FY2018, DCHA received approval to implement an initiative that adds an additional resource to the HCV toolkit that focuses on eliminating security deposits as a barrier to HCV clients when trying to find a unit to lease, while offering an incentive to landlords interested in assistance with funding

unit repairs when a tenant moves. The DCHA Unit Protection Incentive Program (UPIP) will guarantee funding not to exceed contract rent to cover unit damages for participating landlords/owners in lieu of a family providing a security deposit prior to move-in. DCHA anticipates full implementation in FY2019.

HCV Biennial Inspection Program for Landlords in Good Standing

DCHA anticipates improvements in the quality of the HCV housing stock through the new biennial inspections program, along with a reduction in the annual inspection costs. The biennial inspections demonstration will be fully implemented in FY2018.

HUD HCV Rent Reform Demonstration

In FY2018 the first complete triennial recertification cycle will be completed under the HUD HCV Rent Reform Demonstration activity. As such, the first complete impact assessment of the initiative policies will be conducted, providing some insight into broader applications of policies beyond the MTW demonstration. A final assessment will be issued in FY2019.

Implement New DCHA Market-based Rents for Public Housing

In response to the 2014 HUD requirement restricting flat rents to be set lower than 80% of the HUD defined Fair Market Rents, regardless of the location or characteristics of a Public Housing development and surrounding community, DCHA established a more realistic flat rent (referred to as Market-based rent) system. After additional analysis and consideration of using market-based rents for its intended purpose to incentivize residents to increase earnings by decoupling income from rent, DCHA has decided to set the agency's market-based rent schedule at 50% of the agency's HCV sub-market rents. This approach looks to set market-based rents to more closely reflect actual market conditions in the communities where DCHA Public Housing developments are located, while maintaining flat rents for the policy's intended purpose of encouraging self-sufficiency.

Increasing the Supply of Affordable Housing

Under the leadership of the DCHA Office of Capital Programs, the agency plans to continue its activities to increase the supply of affordable housing through production and preservation development activities. In FY2019, an additional 36 net new public housing units are slated to come on-line.

Through development and redevelopment activities, DCHA is working on several projects that may achieve financial closing and begin construction in FY2019. These projects are listed below:

- Barry Farm: the redevelopment of Barry Farm and Wade Road public housing will be a multi-phase project. The first phase will consist of approximately 400 rental units, with approximately 170 replacement units.
- Bruce Monroe: the redevelopment of the Park Morton public housing site includes a city owned parcel "Bruce Monroe" that is being redeveloped as mixed-income housing that will include approximately 90 offsite replacement units for Park Morton.
- Kenilworth Courts: the redevelopment of Kenilworth Courts will be a multiphase project. The first phase will consist of approximately 167 affordable rental units, of which approximately 118 will be replacement units.
- The Strand: the historical Strand Theatre is being redeveloped into a mixed-use project with ground floor retail space and approximately 86 rental units, of which, approximately 28 will be Lincoln Heights and/or Richardson Dwellings replacement units.
- Providence Place: a redevelopment on the historic Nannie Helen Burroughs School site in partnership with the Progressive National Baptist Church. The redevelopment will include

approximately 100 rental units, of which approximately 35 will be replacement units for Lincoln Heights and/or Richardson Dwellings.

- RAD Conversions: DCHA plans to continue stabilizing a portion of its portfolio through RAD conversions. Projects that may convert with a RAD closing in FY2019 include Ontario, Montana, Elvans Road, Lincoln Road and The Villager.
- City-View: a 58-unit new construction building in Ward 8 which overlooks the completed Sheridan Station HOPE VI will provide 30 ACC units. These units were anticipated as the eighth phase of Capper/Carrollsburg HOPE VI redevelopment to be included in the Park Chelsea development, but were moved to City View. The units at City View are anticipated to come online in FY 2020. The project is mixed income with 52 affordable units and 6 market rate units.
- Capper/Carrollsburg Square 767: this project is the seventh (7th) phase of the Capper/Carrollsburg HOPE VI redevelopment. The project will be mixed income and will provide no less than 48 public housing units.

Rental Assistance Demonstration (RAD) Program—Rent Phase-in Policy Update

DCHA is proposing to use its MTW authority to revise the RAD rent phase-in policy to mitigate the impact of rent changes households may experience when converting from public housing to the project-based voucher subsidy.

Non-Moving to Work

The following are some of DCHA's non-MTW activities that are worth noting.

DCHA Modified Apprenticeship Training Program

DCHA has created an agency apprenticeship training program for DCH A residents and Section 3 participants that is proving to be a "win-win-win" for program participants, employers and DCHA communities. A six-month work-based training opportunity, participants earn job skills through on the job training; earn income while they learn; and increase the likelihood of permanent employment opportunities. Since its inception in mid FY2018, 60 individuals have enrolled in the program. At the end of the six months, the top performers will compete for permanent positions within DCHA and with contractors who do business with DCHA.

New Economic Inclusion Policy

As a means of providing fuel to engage our resident economic engine, DCHA recently established an Economic Inclusion Policy that raises the bar for agency contractors as true partners in creating self-sufficiency opportunities. One of the essential elements of the policy includes the establishment of a Section 3 Training Fund to pay for resident self-sufficiency programming, paid Work Experience/Internship Programs, Youth Summer Employment Programs, and various other employment and training programs for residents. In addition, the site in which a Section 3 construction or project is occurring will receive a portion of funds generated from that site for programs and equipment related to resident training.

dcConnectHome

As one of the original 28 communities selected to participate in ConnectHome in 2015, dcConnectHome continues to work in partnership with local and national partners to make technology resources available to DCHA residents. With a focus on connectivity, training, devices and content, dcConnectHome and its partners continue to bring an array of resources to DCHA

households, from Wi-Fi connectivity for approximately 2,000 public housing households to a series of technology training experiences. In 2018, building on three successful girls' technology club activities, a boys technology club was established with plans to continue to offer programing for both boys and girls in FY2019. Technology is the new equalizer and is an essential asset for families as they effectively navigate the road to the middle class, and as such, dcConnectHome is committed to finding creative ways to expand access to technology for our residents as an essential tool in the self-sufficiency toolkit.

Rental Assistance Demonstration (RAD) Program

DCHA submitted applications to receive five CHAPs from its FY2016 portfolio reservation. The five CHAPs will cover Ontario, The Villager, Elvans Road, Montana and Lincoln Road, for a total of 140 units. DCHA also anticipates using RAD in the future as a tool to fund capital needs and stabilize DCHA properties within the senior and family portfolios. In addition, DCHA plans to explore using RAD to stabilize mixed-income properties such as Wheeler Creek and to help achieve the redevelopment goals of projects like Barry Farm.

Other Capital Endeavors

DCHA is continuing to identify opportunities to improve the quality of its housing inventory available to low-income families, and to provide opportunities for homeownership to Public Housing residents and other Public Housing eligible households. DCHA continues to update its long-range plan to address the redevelopment and modernization needs of its Public Housing sites. During FY2019, DCHA will continue to review and study various funding alternatives and redevelopment opportunities.

The ability to move forward on these plans depends on a variety of factors including economic conditions and the availability of financing. Funding will be sought through a number of sources including, but not limited to, Choice Neighborhood Initiatives (CNI) or similar federal grants designed to revitalize obsolete public housing sites RAD, Low Income Housing Tax Credits, Historic Tax Credits, New Market Tax Credits, Tax-Exempt Bonds, FHA Financing, and private financing.

Based on a thoughtful process of assessing viable planning projects, approximately 2,350 units are being considered for potential disposition/demolition. However, demolition timetables and the list of disposition/demolition candidate properties will be determined as planning and development evolve.

Among the funding sources being pursued by DCHA, in the absence of HOPE VI from the HUD budget, are CNI Planning and Implementation grants. To date, the agency has received CNI Planning Grants for the following developments/neighborhoods: Kenilworth Courts (290 units), and Barry Farm/Wade Apartments (444 units). The agency may submit additional applications for CNI Planning Grants for other sites in the future. Federal grants, such as CNI Grants would be valuable tools in helping DCHA address the redevelopment needs at its distressed public housing sites that are slated for redevelopment; consequently, the Agency may pursue planning and/or implementation grants that are available in FY2019.

New Communities Initiative

Locally, the District of Columbia has made great strides in its commitment to affordable housing and the City's New Communities Initiative (NCI). DCHA continues to engage public housing residents, community stakeholders, developers and others in long range planning for the DCHA sites in the NCI

footprints: Barry Farm/Wade Apartments (444), Lincoln Heights (440 units); Park Morton (174 units); Sursum Corda (28 units); Sibley Townhomes (22 units) and Richardson Dwellings (190). These efforts may require disposition/demolition of some or all of the units to facilitate the redevelopment of the sites. DCHA plans to submit demolition/disposition applications for Park Morton, Sursum Corda, Sibley Townhomes, Lincoln Heights and Richardson Dwellings in FY2019 to help achieve the agency's redevelopment goals under the NCI program. For all of its redevelopment sites, DCHA incorporates one-for-one replacement housing.

Scattered Sites

As a means of leveraging funds to move forward with redevelopment plans, DCHA intends to dispose of 2 scattered site Public Housing units, the balance of 47 units approved by HUD for disposition in FY2016.

Long-Term Redevelopment Sites

DCHA has completed the initial stages of planning for the future redevelopment of Greenleaf and is exploring redevelopment options for other sites such as Kelly Miller, Woodland and Benning Terrace

DCHA has planned for the remaining 3 parcels to be redeveloped as part of the Capper/Carrollsburg HOPE VI. DCHA is currently working on Square 767 with an anticipated closing in FY2020. Units in Squares 739, 768 and 882S will be produced to deliver the balance of the 707 public housing units.

Additional Demolition/Disposition Plans

DCHA received HUD approval of a land exchange in FY14 to exchange a portion of the DCHA owned parcel at the Montana Terrace site with the owner of an adjacent vacant parcel of land. The owner has committed to creating three homeownership units (projected for FY19 completion), with one unit to be made available for purchase by a Public Housing resident.

Long-term Debt Evaluation

DCHA continues to evaluate long-term debts with respect to Public Housing Energy Performance Contract (EPC) and Public Housing Capital Fund Financing Program (CFFP) Bond against current market economic conditions, and determine feasibilities of potential refinancing and optional prepayment using MTW Block Grant Fund.

DCHA previously borrowed $76M in proceeds from the District of Columbia Housing Finance Agency Capital Program Revenue Bonds to provide for renovations to a number of DCHA's properties. DCHA made a $3.2M optional redemption in FY18, leaving an outstanding balance of approximately $39M. Payments on the loan are paid and secured by a pledge of federal appropriations of public housing capital funds allocated to DCHA. Any optional redemptions requires HUD approval and DCHA is restricted to the current level of capital funds pledged for debt service.

Other Policy Initiatives

Public Housing Smoke-Free Policy

In accordance with the U.S. Department of Housing and Urban Development's (HUD) final rule "Instituting Smoke-Free Public Housing" and guidance provided for implementing the rule outlined in HUD PIH Notice 2017-03, the District of Columbia Housing Authority (DCHA) is implementing a Smoke-Free Policy for its public housing communities.

Section II. General Housing Authority Operating Information

A. Housing Stock Information

1. Planned New Public Housing Units

DCHA does not have any plans to add public housing units to its portfolio in FY2019.

As projected in the FY2018 MTW Plan, the 50 new public housing units at the Deanwood Hills development are on schedule to come online in FY2018.

2. Planned New Public Housing Units to be Removed

DCHA plans to take action to remove approximately 619 Public Housing units in FY2019. This includes 477 units that are a part of the District's New Communities Initiative (NCI). All of the NCI redevelopment includes one-for-one replacement and DCHA will continue to engage Public Housing residents, community stakeholders, the City and developers to review and update the NCI redevelopment plans for each site.

In addition, DCHA anticipates removing 140 units from the agency's public housing portfolio for conversion to project based vouchers under the Rental Assistance Demonstration (RAD) program.

Planned Public Housing Units to be Removed During the Plan Year			
PIC Dev. # / AMP and PIC Dev. Name	**Number of Units to be Removed**	**Explanation for Removal**	**Estimated Cost of Demo/Dispo (if applicable)**
DC001003090 Barry Farm	444	These are units of distressed obsolete housing for which DCHA received a demolition/disposition approval in FY2017 as part of the redevelopment plan for the site through the its partnership with the District of Columbia under the city's New Communities Initiative.	$15,502,520.00
DC001002130 Lincoln/Richardson	33	These are long-term vacant units of distressed obsolete housing and will be the first units to be demolished based on HUD's approval of the disposition application. This is part of an ongoing partnership with the District of Columbia to redevelop the site under the city's New Communities Initiative.	$1,116,505.50
DC001001370 Scattered Sites	2	One two-unit building for which HUD has approved demolition/disposition applications.	NA
DC001001640 Ontario	13	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.	NA
DC001003361 The Villager	21	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.	NA
DC001001290 Lincoln Road	20	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.	NA
DC001003850 Elvans Road	21	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.	NA
DC001001440 Montana Terrace	65	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.	NA
Total Number of Units to be Removed	**619**		**$16,619,025.50**

New Communities Initiative (NCI) Sites

Barry Farm—The redevelopment of Barry Farm is part of the city's New Communities Initiative (NCI). The redevelopment plan includes demolition and disposition of the existing 444 units at Barry Farm/Wade Apartments to be replaced with up to 1,400 units of newly constructed mixed-income housing. The first phase is currently in predevelopment. DCHA received HUD's demolition approval in FY17.

Currently, relocation is underway and is expected to be completed by the 2nd quarter of FY19 with demolition to be completed by the 4th quarter of 2019. The Planned Unit Development (PUD) approved by the DC Zoning Commission in December 2014 was vacated in June 2018 after the courts cited a number of concerns with the plan during the zoning appeal. DCHA, the Development team and the District of Columbia are working with the community to revise the plan.

Lincoln Heights and 4427 Hayes Street— The redevelopment of Lincoln Heights, and a neighboring public housing site – Richardson Dwelling, will include approximately 1,000 units of new housing. In anticipation of the redevelopment, there are 33 long-term distressed vacancies at Lincoln Heights. DCHA submitted a demolition application in February 2016 that was approved in FY17. As part of the redevelopment plan, the District has invested in three projects to provide replacement housing for Lincoln Heights and Richardson Dwellings residents in the surrounding neighborhood. One such property was 4427 Hayes Street, a 26 unit affordable housing project. Originally, this property was slated to include 9 units of public housing under the MTW OPERA program; however, the development plans changed and public housing was not included in the project. Consequently, DCHA removed it from its portfolio.

Park Morton – The redevelopment of Park Morton will include demolition and disposition of the existing 174 units. The redevelopment will be implemented in phases with a total of 462 units. The project has been approved by the District of Columbia Zoning Commission and is in the predevelopment phase.

Sursum Corda and Sibley Townhomes – These two properties are in the Northwest One boundaries under the District's Northwest One Redevelopment Plan for New Communities. DCHA intends to redevelop the sites as part of the Northwest One plan.

Other Sites

Kenilworth – Kenilworth Courts is an existing 290-unit public housing site that will be redeveloped with up to 530 newly constructed units of residential housing. The plan includes rental and affordable homeownership opportunities. The redevelopment will be implemented over approximately 3 phases. The first phase will consist of 167 units on a portion of the site that currently occupies 88 public housing units. The project has been approved by the District of Columbia Zoning Commission and is in the predevelopment phase.

Scattered Sites—DCHA intends to dispose of 2 scattered site Public Housing units. The agency received approval to dispose of 26 units in FY2013 and 20 in FY16.

3. Planned New Project-Based Vouchers

Property Name*	Number of Vouchers to be Project-Based	RAD?** (Yes or No)	Description Of Project
Ontario Road	13	Yes	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.
Elvans Road	21	Yes	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.
The Villager	21	Yes	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.
Montana Terrace	66	Yes	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.
Lincoln Road	20	Yes	DCHA applied for a CHAP under its FY2016 RAD Portfolio Award. DCHA plans to convert the property to RAD for stabilization. This will be a non-debt transaction and the property will continue to be owned and managed by DCHA or its wholly owned affiliate.
Parkway Overlook	55	No	The project basing of Parkway Overlook units is the result of a partnership with several local agencies, led by the city's Department of Housing and Community Development to develop affordable housing, some with a permanent supportive services component. Families assisted include the chronically homeless and individuals with mental or physical disabilities.
Square 769N	8	No	As part of the Arthur Capper/Carrollsburg HOPE VI redevelopment, DCHA is project basing eight (8) units in the building to be erected on Square 769N.
Total	**204**		

*Tenant-based vouchers that the MTW PHA anticipates project-basing for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) will be in place by the end of the Plan Year.
**Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

In FY2019, DCHA anticipates converting 140 public housing units to project based vouchers under the Rental Assistance Demonstration (RAD) program. The other 55 units will be project based at Parkway Overlook—the result of a local multi-agency collaboration to create affordable housing in the District of Columbia. The ongoing effort is led by the Department of Housing and Community Development through a reoccurring local Request for Proposal process.

4. Planned Existing Project Based Vouchers*

	Property Name	Number of Project Based Vouchers	Planned Status as the End of the Plan Year**	RAD? (Yes or No)	Description of Project
1	Meridian	34	Leased	No	Family
2	Edgewood Senior	38	Leased	No	Senior
3	2008 3rd Street	11	Leased	No	Family
4	Chapin House	15	Leased	No	Family
5	Euclid	17	Leased	No	Family
6	Weinberg House	6	Leased	No	Family
7	First Street	12	Leased	No	Family
8	Soho	4	Leased	No	Family
9	Beacon House—Good Hope Road	15	Leased	No	Family
10	Kenyon	12	Leased	No	Family
11	Champlain	28	Leased	No	Family
12	Shalom House	90	Leased	No	SRO
13	Green Door	4	Leased	No	Family
14	Capital Gateway Senior	151	Leased	No	Senior
15	Robert Walls Senior	47	Leased	No	Senior
16	Henson Ridge	92	Leased	No	Senior
17	Oxford Manor	3	Leased	No	Family
18	Carver Terrace	103	Leased	No	Senior
19	Accessibuild 22 – DCHA	22	Leased	No	Family
20	Beacon House	13	Leased	No	Family
21	Delafield	1	Leased	No	Family
22	JW King	74	Leased	No	Senior
23	St. Paul – Wayne Place Senior	49	Leased	No	Senior
24	Birchmere Homes, LLC	2	Leased	No	Family
25	Fairlawn	10	Leased	No	Family
26	The Overlook	201	Leased	No	Senior/Family
27	Affordable Housing Corporation of the District of Columbia	1	Leased	No	Family
28	Crawford – Bethune House	20	Leased	No	Family
29	Edgewood – Wheeler Terrace	4	Leased	No	Senior
30	Williston	25	Leased	No	Family
31	Loumis Taylor	1	Leased	No	Family

	Property Name	Number of Project Based Vouchers	Planned Status as the End of the Plan Year**	RAD? (Yes or No)	Description of Project
32	Edgewood – Gregory	50	Leased	No	Family
33	Kenilworth	132	Leased	No	Family
34	Urban Village	13	Leased	No	Family
35	Beacon House	10	Leased	No	Family
36	Community Connections – North Carolina	12	Leased	No	Family
37	SOME – Independence Place	21	Leased	No	Family
38	Charles Thorton	2	Leased	No	Family
39	Bourne Enterprise, LLC	1	Leased	No	Family
40	St. Martin	10	Leased	No	Family
41	Fendall Height – SOME	29	Leased	No	Vash
42	SOME – Griffin House	1	Leased	No	Family
43	VIDA Senior	9	Leased	No	Senior
44	Ernestine	2	Leased	No	Family
45	Kulipe	1	Leased	No	Family
46	Gibson Plaza	20	Leased	No	Family
47	WC Smith – 1320 Mississippi Ave	19	Leased	No	Family
48	St. Dennis – 1636 Kenyon St	8	Leased	No	Family
49	NCC – VASH	60	Leased	No	Vash
50	Mi Casa – Intergenerational	20	Leased	No	Intergenerational
51	Columbia Road/Colorado Road	44	Leased	Yes	Family
52	Matthews Memorial	35	Leased	Yes	Family
53	Fairlawn Marshall	30	Leased	Yes	Family
54	Conway Center	20	Leased	Yes	SRO
55	St. Stephens	18	Leased	Yes	Family
TOTAL		1,672			

*Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP is already in place at the beginning of the Plan Year. Indicate whether the unit is included in RAD.
**Select "Planned Status at the End of the plan Year" from: Committed, Leased/Issued.

5. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year

A part of ongoing efforts to address the redevelopment and modernization needs of the agency's public housing portfolio, DCHA will continue to review and study of various funding alternatives and redevelopment opportunities. Listed below are anticipated changes in FY2019 to the Agency's public housing stock and related properties.

PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR
Choice Neighborhoods Initiative (CNI) Grants/Federal Revitalization Grants: DCHA may submit a CNI implementation grant application to help achieve the agency's redevelopment goals to revitalize public housing. Sites that DCHA will consider for such grants include Barry Farm/Wade Apartments and Kenilworth Courts. In addition, DCHA will evaluate submitting a planning grant opportunity.
Rental Assistance Demonstration (RAD): DCHA anticipates using RAD as a tool to fund capital needs at DCHA properties within the senior portfolio and the family portfolio. Some of those sites that may be considered for conversion or transfer to RAD subsidy include: Wheeler Creek, Barry Farm, Fort Lincoln, Garfield Terrace and Park Morton.
New Communities Initiative (NCI): NCI is a local government initiative designed to revitalize severely distressed subsidized housing and redevelop neighborhoods into vibrant mixed-income communities. The following DCHA sites are located within the NCI footprint: Barry Farm/Wade Apartments (444 units), Lincoln Heights (440 units); Park Morton (174 units); Sursum Corda (28 units); Sibley Townhomes (22); and Richardson Dwellings (191 units). DCHA will evaluate the most cost effective method to achieve the redevelopment goals for these sites including to lease or transfer the developments to other entities that would have access to funds necessary for development not available to DCHA.
Scattered Sites Disposal: As a means of leveraging funds to move forward with redevelopment plans, DCHA intends to dispose of 2 scattered site Public Housing units, the balance of 47 units approved by HUD for disposition in FY2016.
Changes to DCHA Owned Land
Capitol Gateway Urban Farm: At the Capitol Gateway HOPE VI Site there is approximately 5-6 acres which will be developed as a mixed-use development in future years. Most recently, DCHA has partnered with the University of the District of Columbia (UDC) and a private farmer to use the site as an urban farm and farmers market.

Anticipated Demolition/Disposition Application Submission During the Plan Year			
PIC Dev. # / AMP and PIC Dev. Name	**Number of Units to be Removed**	**Explanation for Removal**	**Estimated Cost of Demo/Dispo (if applicable)**
DC001001340 Park Morton	174	These are units of distressed public housing that DCHA will submit a demolition application. The site will be redeveloped into mixed-income housing.	$6,235,448.35
DC001001290 Sursum Corda	28	These are units of distressed obsolete public housing that will be redeveloped under the District's Northwest One Redevelopment Plan	$1,060,103.00
DC001001290 Sibley Townhomes	22	These are units of distressed obsolete public housing that will be redeveloped under the District's Northwest One Redevelopment Plan	$847,869.00
DC001002130 Lincoln/Richardson	407	These are units that are a part of an ongoing partnership with the District of Columbia to redevelop the site under the city's New Communities Initiative. The 407 units are the balance of the 444 units at Lincoln Heights minus 33 units for which HUD already approved a demo/dispo application.	$14,214,018.50
	190	These are units at Richardson Dwellings that are a part of an ongoing partnership with the District of Columbia to redevelop the site under the city's New Communities Initiative.	$6,667,540.00
DC001005190 Kenilworth Courts	89	Kenilworth Courts will be redeveloped into mixed-income housing. DCHA has received demolition approval from HUD for the 89 units that are in the first phase of the project, but has not yet received the disposition approval necessary to proceed. In FY2019, DCHA anticipates resubmitting the disposition application to HUD.	$3,152,799.75
Total Number of Units to be Removed	**910**		**$32,177,778.60**

6. General Description of All Planned Capital Fund Expenditures During the Plan Year

The following outlines the projected planned capital expenditures for FY2019. In light of continued federal underfunding of DCHA's capital needs, the ongoing challenge for the Agency is identifying priorities when faced with more need than funding to address an aging Public Housing portfolio (also see Sources and Uses section).

GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR
The following describes the general planned capital fund expenditures for fund year FY2019 for the following developments: Claridge Towers – $550,000 for roof replacement. Ft. Dupont Dwellings – $196,379 for roof replacement and trim repair. Harvard Towers – $550,000 for envelope water infiltration resolution (50% final). Hopkins Apartments – $320,000 for units, hallways, and fire alarm. Judiciary House – $450,000 for roof replacement. Kelly Miller – $200,000 for roof replacement. Kentucky Courts – $500,000 for unit upgrades. Knox Hill – $150,000 for roof replacement. Ledroit Apartments – $150,000 for roof replacement. Lincoln Road – $250,000 for unit upgrades. Stoddert Terrace – $200,000 for site improvements and unit repairs. Expenditures ($100,000) are planned to cover front line costs at various properties related to blueprints, designs, inspections and fees. Expenditures ($100,000) at various properties are planned to cover various repairs, upgrades, and emergencies. DCHA will continue updating closed circuit television systems due to age at various properties ($76,000). Expenditures ($300,000) are planned to cover expenses related to inspectors' capital costs. DCHA has budgeted for the relocation of 21 residents ($50,000). The total grant value for the DCHA Net Capital Fund Budget is $4,142,379.
Planned FY2019 Expenditures of Unexpended Fund from Previous Grant Years: **CFP-501-17 ($2,979,788)—**townhome improvements, site Improvements at various sites; bathroom exhaust fans; hallway work, various unit rehabilitation/upgrades, fire alarms, basement renovation, design fees, CCTV security systems; and resident relocation.
Anticipated RHF/DDTF Expenditures: DCHA intends to convert 141 public housing units across five properties (Ontario, Villager, Lincoln Road, Elvans Road and Montana) to RAD. Approximately $1M RHF funds may be used for the RAD conversions to make moderate improvements at the site, establish an operating reserve, and establish a replacement reserve or operating subsidy. DCHA will submit any anticipated use of RHF funds for RAD in its RAD Financial Plans.

B. Leasing Information

1. Planned Number of Households Served

The following is a snapshot and unit month information on the number of households DCHA plans to serve at the end of the Plan Year.

Planned Number Of Households Served Through	Planned Number Of Unit Months Occupied/Leased*	Planned Number Of Households To Be Served**
MTW Public Housing Units Leased	**94,476**	**7,873**
MTW Housing Choice Vouchers (HCV) Utilized	**118,320**	**9,860**
Local, Non-Traditional: Tenant-Based^	**NA**	**NA**
Local, Non-Traditional: Property-Based^	**NA**	**NA**
Local, Non-Traditional: Homeownership^	**NA**	**NA**
TOTAL	**212,796**	**17,733**

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA plans to have leased/occupied in each category throughout the full Plan Year.

** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year.

^ In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the MTW PHA should estimate the number of households to be served.

Local, Non- Traditional Category	MTW Activity Name/Number	Planned Number Of Unit Months Occupied/Leased*	Planned Number Of Households To Be Served*
Tenant-Based	**NA**	**NA**	**NA**
Property-Based	**NA**	**NA**	**NA**
Homeownership	**NA**	**NA**	**NA**

* The sum of the figures provided should match the totals provided for each local, non-traditional categories in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

2. Description of any Anticipated Issues/Possible Solutions Related to Leasing

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
MTW Public Housing	DCHA will be focusing on fulfilling transfer requests of Public Housing residents in FY2019. The time to turn over the unit vacancies created by the transfers may be increased, depending on the conditions of the unit, and may affect the timeliness of lease-ups. With the creation of off-site replacement units under the New Communities Initiative at Lincoln Heights and Richardson Dwellings, DCHA is expecting to experience a significant number of vacancies due to families transferring to the off-site units. DCHA is still experiencing high vacant unit rejection rates at these sites as mentioned in the FY2018 MTW Plan. DCHA will build upon steps outlined in the FY2018 MTW Plan to address this issue (i.e. DCHA police officers living on the site, improved lighting and expanded CCTV). The Office of Capital Programs is continuing to work diligently to bring uninhabitable units that are offline for modernization back online. However, it is important to note that DCHA has concerns about the impact of continued reductions in the capital fund on these efforts along with vacant unit turn around work to make routine vacancies ready for occupancy.
MTW Housing Choice Voucher	DCHA does NOT anticipate any difficulties in leasing HCV units in FY2019. DCHA's ability to lease additional HCV units is limited by funding. Although DCHA is placing families from off its waiting list to keep pace with normal attrition, it is anticipated that less families will be brought into the program because of the rising housing cost. Finally, using DCHA's single fund flexibility, the agency is also utilizing voucher funding for critical agency functions in support of DCHA's mission (e.g. public safety initiatives, resident services, and the continued modernization of DCHA's public housing).
Local, Non-Traditional	NA

C. Wait List Information

1. Wait List Information Projected for the Beginning of the Plan Year

DCHA suspended application intake for its Public Housing, Housing Choice Voucher and Moderate Rehabilitation programs in FY2013. DCHA is assessing projected unit turnover for certain populations and unit bedroom sizes (where applicable) to determine if there is a need for a partial or complete re-opening of any of the wait lists. Based on preliminary projections, DCHA does not anticipate opening the public housing wait list in FY2019. In addition, depending on potential changes in the waiting list preference structure, DCHA may consider opening the HCV wait list.

Waiting List Name	Description	Number Of Households On Waiting List	Waiting List Open, Partially Open Or Closed	Plans To Open The Waiting List During The Plan Year
Federal MTW Public Housing	Community-wide	26,650	Closed	No
Federal MTW Housing Choice Voucher (Tenant-based and Project-based)	Community-wide	40,222	Closed	TBD
Federal MTW Public Housing (Mixed Finance/Service Rich)	Site-based	5,899	Varies by Site--DCHA has various mixed finance/service rich unit sites that have site-based wait lists. Each site makes decisions about the need to open or close their respective wait lists.	Will vary by site

Section III. Proposed MTW Activities

Summary of Proposed MTW Activities: HUD Approval Requested

DCHA is proposing the following MTW activity(ies) for HUD approval.

Initiative #	Initiative/Activity	Statutory Objective	Original Year Identified/ Year Implemented	Authorization(s) Existing/Additional
32	Modifications to the HCV Family Self-Sufficiency Program	• Increase housing choices for low-income families	FY19	Attachment C, Section D(1)(a)

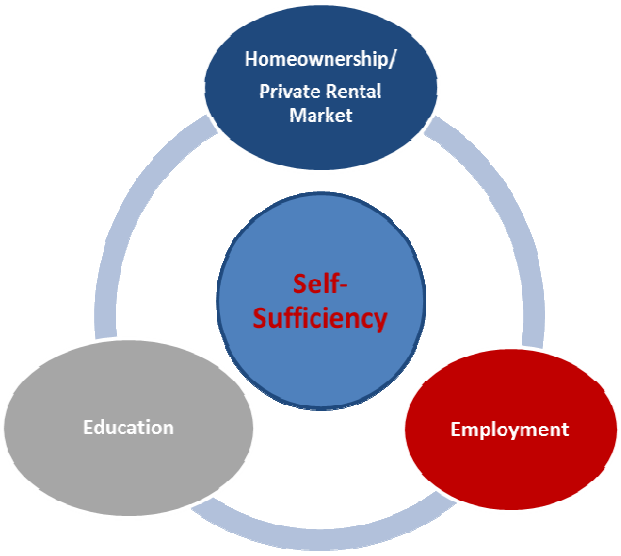
Initiative 32: Modifications to the HCV Family Self-Sufficiency Program

Description/Update

DCHA is committed to providing all the residents served by the agency's housing programs with opportunities for achieving economic independence and self-sufficiency. Understanding that one size does not fit all when it comes to the resources and supports a family may need to improve their economic condition, DCHA's self-sufficiency platform consists of a suite of resources and incentives that when accessed provide pathways to employment, education and homeownership/unassisted rental.

As DCHA re-tools its self-sufficiency program, the agency is exploring ways to maximize incentives that are more effective in motivating families to become self-sufficient. To better effectuate this goal, DCHA looks to transition from the traditional FSS model to one that supports DCHA's multi-pronged approach to moving families toward self-sufficiency. Specifically, DCHA is proposing creating an incentive structure that requires MTW authority to eliminate the traditional escrow model. These program changes would provide incentive investments in the form of an income exclusion, rent cap, educational stipend, mortgage down payment/rental grant or employment grant based on the self-sufficiency pathway chosen.

Figure 1. DCHA Pathways to Achieving Self-Sufficiency



Implementation

Program size will be set at 200 to reflect 1:50 ratio of Self-Sufficiency Coordinators to participants. Specifically, the program slots will be allocated relative to each self-sufficiency pathway:

- Homeownership/Renting in Private Rental Market =100
- Education= 50
- Employment = 50

Implementation of the new framework will begin as current FSS households transition off the program. Once the families participating under the current framework transition off the program, the open slots will be administered under the new model. The families currently on the FSS waiting list will be offered new program slots first. There are currently 215 FSS households and 82 households on the FSS waiting list.

Upon approval by HUD, DCHA will update its Administrative Plan via local regulations, inclusive of the 30-day comment period. In addition, necessary notifications/outreach and systems adjustments/procedural changes will be made. DCHA looks to begin this implementation process with the update of the Administrative Plan by the end of the 3rd quarter of FY2019.

Anticipated Impacts

The existing FSS program is already designed to meet the following *MTW statutory objectives*:

- encourage families to obtain employment and become economically self-sufficiency; and
- increase housing choices for low-income families

It is DCHA's intention that the re-tooling of the program will further enhance the agency's ability to meet these objectives. Specifically, the new program model more directly aligns incentives to participant goals and program outcomes related to employment and access to additional housing options.

DCHA anticipates the following with the implementation of this initiative:

- A simpler program design and clearer incentive structure making it easier for clients to make decisions about their participation. Program Incentive Investments (i.e. homeownership down payment, rental market grants and tuition subsidy and employment incentive) will be known to the client when weighing the decision to apply for the program.

- DCHA will be able to better anticipate incentive program costs because the new incentive structure will be simpler and less variable.

- With an incentive structure tailored to DCHA's pathways to self-sufficiency, DCHA expects to see more families:
  - Moving off of the voucher subsidy completely
  - Increasing earnings

- Making housing subsidy available to house families from the HCVP waiting list as families move off of the program

- Elimination of the administrative burden of calculating and maintaining escrow accounts

Pathways to Self-Sufficiency —Incentive Model

Pathway (Primary Goal)/ Participation Elements	Homeownership/Rental in the Private Rental Market	Education	Employment
Incentives	$2,000/year set-aside for each year in the DCHA Self-Sufficiency Program Disbursed upon successful completion of the program (maximum disbursement = $10,000) • Homeownership—in time for settlement • Private Rental Market—approval for a lease If a family needs a voucher to purchase a home, they will also be enrolled in the HCV Homeownership Assistance Program.	A maximum of $2,000 made available each year to be paid by DCHA toward tuition at a community college, four year college, professional certification or vocational training program. DCHA will make tuition payments directly to the educational institutions Earned Income exclusion from calculation of rent (using $ from rent for education prep and tuition)	Tenant portion of rent will remain the same as long as the family is in the program $600 for each 12 months of consecutive part-time/full-time employment
Basic eligibility	Households with incomes between 50% and 80% of median income range, depending on household size = $41,050-$102,250 @ least $32,000 in earned income (HOH and spouse)	GED or High School Diploma Pass an educational readiness assessment Part-time employment	Head of Household has $0 earned income
Program Length	Up to 5 years	Up to 5 years	Up to 5 years
Program Size (initial) Based on staff capacity	100	50	50
The program will maintain financial literacy as a core component across pathways.			

For households not meeting the eligibility requirements for this component of the DCHA self-sufficiency program, they will have access to the suite of resources made available through DCHA's Workforce Development Initiative (WDI) headquartered at the agency's Southwest Family Enhancement and Career Center. Many of the same resources are available through WDI minus the case management and incentive investments.

Cost Implications

Precise overall cost implications cannot be projected until families are enrolled in the program given a range of variables that will impact costs—i.e. participant and household income/rent, time on the program, and when the Incentive Investments are triggered.

In order to provide a sense of potential impact, we considered the following:

- The average escrow disbursement under the current program model over the last five years (FY13-FY17) has been about $123,689 annually, with a total disbursement over the five years of $618,447. The average annual disbursement for the last two years was $193,425.

- Projected costs and related assumptions based on Incentive Investments by pathway:

Pathway/Cost Implication	Cost Projection	Assumptions
Homeownership/ Private Rental Market	$500,000/5 year total OR $100,000/year on average	• One-time disbursement at end of program participation. Total cost and timing of disbursement dependent on time it takes participant to achieve goal. • 50% of households projected to achieve goal.
Education	$76,000/year	• Up to 2 disbursements a year depending on the tuition payment requirements not to exceed $2,000/year • 75% of participating households enroll in school and trigger the incentive for an avg of 3 years
Employment	$10,800/12 months	• 60% of participating households become employed for 12 consecutive months and trigger the incentive for an avg of 3 years.
Potential average annual exposure	**$186,800/year**	**DCHA does not anticipate costs to reach the maximum projections.**

While not relatively significant, there will be an elimination of staff time and agency cost related to escrow calculations. Staff time will go from 40 minutes per calculation to 0 and the related agency cost is estimated to go from a range of $568-$1,000 to $0.

It is DCHA's hope to expand the proposed program changes over time through additional funding streams. The agency will aggressively seek partnership opportunities with foundations, local organizations and companies with a shared interest in supporting families in their efforts to move toward self-sufficiency.

HUD Defined Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Determination/Calculation of Escrow Credit	$568-$1,000/year Salary Hourly Rate X Time to complete the task X Approximate # of escrow calculations in a year	0 (escrow calculations will be eliminated)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Determination/Calculation of Escrow Credit	40 mins	0 (escrow calculations will be eliminated)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average earned income of Households affected by this policy in dollars (increase).	To be determined at the time new households enter the FSS program under the new policy.	To be determined at the time new households enter the FSS program under the new policy.	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS#3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Report the following information separately for each category:	Head(s) of households in the respective employment category prior to implementation of the activity (number).	Expected head(s) of work-able households in the respective employment category after implementation of the activity (number).	Actual head(s) of work-able households in the respective employment category after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Employed Full- Time	0 (assumes baseline generated by households enrolling in the program under the new policy)	•Homeownership Year 1 = 30 •Education Year 1 = 12 •Employment Year 1 = 0	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS#3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Employed Part- Time	Homeownership & Employment = 0 (assumes baseline generated by households enrolling in the program under the new policy) Education = 50	•Homeownership Year 1 = 10 (assumes households w/other adult members who are working) •Education Year 1 = 50 •Employment Year 1 = 12	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation
Enrolled in an Educational Program	0 (assumes baseline generated by households enrolling in the program under the new policy)	•Homeownership Year 1 = 5 •Education Year 1 = 10 •Employment Year 1 = 5	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation
Enrolled in Job Training Program	0 (assumes baseline generated by households enrolling in the program under the new policy)	•Homeownership Year 1 = 0 •Education Year 1 = 0 •Employment Year 1 = 15	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation
Unemployed	0 (assumes baseline generated by households enrolling in the program under the new policy)	•Homeownership Year 1 = 0 •Education Year 1 = 0 •Employment Year 1 = 12	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation
Other	0 (assumes baseline generated by households enrolling in the program under the new policy)	•Homeownership—NA •Education—NA •Employment—NA	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS #2: Increase in Household Incentive Investments				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of "incentive investments" provided to households affected by this policy in dollars (increase).	Average amount of "incentive investments" provided to households affected by this policy prior to implementation of the activity (in dollars). This number may be zero.	Expected Average amount of "incentive investments" provided to households affected by this policy after implementation of the activity (in dollars).	Actual average savings/escrow amount of households affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of Incentive investments provided to households affected by this policy in dollars (increase). • Homeownership • Education • Employment	$0	• Homeownership = up to $10,000 @ end of 5 years • Education = up to $2,000/year for up to 5 years • Employment = up to $600 for every 12 consecutive months of employment (part-time or full-time)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark***	**Outcome***	**Benchmark Achieved?***
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number).	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving TANF assistance (decrease).	To be determined at the time new households enter the FSS program under the new policy.	10% (90% of the participants who enroll under the new policy who are on TANF at the time of enrollment will transition off of TANF by the time they complete the FSS program) Unable to provide a # before enrollment	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

*Benchmark and outcomes assumes 5 years of participation in the program. While outcome data and observations will be provided annually, initiative benchmark achievement will be based on participants' outcomes for the full intervention period.

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number).	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual number of households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase self sufficiency (increase).	0	200 (maximum FSS program capacity based on 1:50 ratio of staff to clients)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark***	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self sufficiency prior to implementation of the activity (number).	Expected households transitioned to self sufficiency after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
# of households to become homeowners/rent in the private rental market as a result of completion of the FSS program under the new policy	0	50 households (50% of households enrolling under the new policy—assuming 100 program slot capacity)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

*Benchmark and Outcome assumes 5 years of participation in the program. While outcome data and observations will be provided annually, initiative benchmark achievement will be based on participants' outcomes for the full intervention period.

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity.	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	50 households (50% of households enrolling under the new policy—assuming 100 program slot capacity)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households that purchased a home or moved into the private rental market as a result of the activity (increase).	Number of households that purchased a home or moved into the private rental market prior to implementation of the activity (number). This number may be zero.	Expected number of households that purchased a home or moved into the private rental market after implementation of the activity (number).	Actual number of households that purchased a home or moved into the private rental market after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households that purchased a home or moved into the private rental market as a result of the activity (increase).	0	50 households (50% of households enrolling under the new policy—assuming 100 program slot capacity)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number).	Actual number of households receiving these services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase housing choice (increase)	0	100 (after 1 full year of implementation)	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

Data Sources

DCHA program management software—Wizard/Yardi Voyager; Office of Resident Services project management database; service provider/partner reporting

Need/Justification for MTW Flexibility

Attachment C, Section D, 2—Rent Policies and Term Limits

This authorization provides DCHA with the flexibility needed to exclude earned income from the calculation of income and rent for participants on the Education Pathway and to cap tenant rent for participants on the Employment Pathway.

Attachment C, Section E—Authorizations Related to Family Self-Sufficiency

This authorization provides broad flexibility in tailoring a local self-sufficiency program and provides DCHA, for purposes of this initiative, the flexibility needed to establish other rent incentives and the option not to establish escrow accounts.

Rent Reform Information

i. Impact Analysis

(1) There will be no increases in household rent/tenant share for the Employment pathway. There may be a decrease in household rent/tenant share for the Education pathway.

(2) DCHA will track the following related to changes in rent policies in order to identify program impacts:

a. Increases and decreases in income from all sources
b. Periods of employment, training and education programs

(3) A numerical analysis of costs cannot be projected until participants are enrolled in the program.

(4) DCHA's plan for determining whether changes in the new policy are necessary will be based on an assessment of data related to income and employment referenced above, in addition to qualitative observations through participant surveys.

ii. Hardship Case Criteria

Since participation is voluntary, there is no need for a hardship policy. If a family is terminated for non-compliance with the FSS program requirements, but remains in compliance with voucher participation program rules, they will continue to receive the voucher subsidy.

iii. Description of Annual Reevaluation

See i(4) above

iv. Transition Period

As part of program outreach and the eligibility determination process, households will be informed of the changes to rent charged relative to the investment incentives for the Employment and Education pathways.

Summary of Re-Proposed MTW Activities: HUD Approval Requested

Initiative #	Initiative/Activity	Statutory Objective	Original Year Identified/ Year Implemented	Authorization(s) Existing/Additional
3	Modifications to HCV Homeownership Program ***Expanding Program Eligibility***	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2004 & FY2016	Attachment C, Section D(1)(b) *Attachment C Section D(8)(a)*
25	Local Blended Subsidy (LBS) ***Proposed New Project***	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2013	Attachment C, Section B(1); Attachment D, Uses of Funds

Initiative 3: Modifications to HCV Homeownership Program (formerly 1.4.04)

Description/Update

As part of DCHA's efforts to develop new housing opportunities for low-income families that promote self-sufficiency, the Agency explored and implemented various modifications to its HVCP Homeownership Program (HOAP), as regulated by HUD, that make it:

- more attractive to financial institutions and DCHA participants/residents,
- more user-friendly to DCHA participants interested in homeownership,
- more cost efficient to administer, and
- more realistic in promoting long-term homeownership success.

The result was the establishment of the following policies utilizing MTW flexibility:

1. The minimum down payment was set at 3% 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.

Provisions for Converting from Voucher Use for Homeownership to Rental Subsidy (FY2016 Plan Proposed Initiative Amendment)

DCHA is utilizing its MTW authority to clarify provisions of its Homeownership Assistance Program (HOAP) to limit the circumstances under which a family utilizing a voucher for homeownership can stop using it for that purpose and begin using it for rental assistance. Currently, there are no prohibitions. Under the proposed policy, DCHA would only allow elderly

and/or disabled families and those families who have lost income that cannot be replaced to go from using a voucher for purposes of homeownership to rental assistance.

As is the case with other policies established under this initiative, this policy clarification is a pro-active step to strengthen the DCHA's HOAP. The objective of this policy, implemented along with other efforts like pre and post purchase counseling, is to ensure the success of voucher participants as homeowners. It seeks to discourage families from using the voucher for a windfall related to earnings from the sale of a home and discontinuing efforts to maintain their mortgage, resulting in foreclosure.

With respect to costs, the major difference between processing a voucher for purposes of a rental versus a homeownership subsidy is that annual inspections are only conducted for the rental subsidy. As there is no annual cost associated with inspections for homeownership vouchers the baseline cost would be $0. With a goal of not having any homeowners switch the use of the homeownership voucher to rental, the benchmark cost for this policy would also be $0.

Achieving Your Best Life Rewards (AYBL)

In addition to the above HOAP policy changes, DCHA created a homeownership component in HOAP for Public Housing residents as part of the Agency's second phase of implementation for this initiative. The Achieving Your Best Life Rewards (AYBL) Program was created to encourage and support upward mobility of Public Housing residents by facilitating the provision and utilization of necessary incentives and supportive services with homeownership as a goal.

The most important feature that distinguishes this program from Public Housing self-sufficiency/homeownership programs offered elsewhere is that this program is place-based. All of the neighbors in the community will have similar motivations and will work towards the same goals. It is the intent that this model will foster an environment in which participating families support and learn from each other while working toward the end goal of homeownership. The first developments to be designated as AYBL Reward Properties were Elvans Road and Columbia Road.

It is expected that after five years, participating residents will have the down payment for the purchase of a home through the assistance of a Savings Escrow Account. If the family has successfully completed homeownership preparation, identified a home, and received a mortgage commitment, participating residents will be issued a homeownership voucher through HOAP.

A result of a review of existing federal requirements for Public Housing Authorities (PHAs) administering homeownership/self-sufficiency programs, lessons learned from the experiences of clients participating in the existing program, and the realities of the financial markets, DCHA utilized its MTW authority to create AYBL with the intent to increase the chances for acquiring financing and for long-term homeownership success for program participants. The following outlines key program elements for which MTW authority was utilized:

Eligibility: To be eligible for AYBL, unless the lessee(s) or spouse is elderly or disabled, the lessee and spouse must have a combined earned income sufficient to be able to afford a house with voucher assistance within five years. Currently, the minimum requirement for entry into the program is $35,000 in earned income.

Transfer into Rewards Properties: AYBL-eligible families are relocated to designated Public Housing communities—referred to as Rewards Properties. These communities will have undergone major modernization prior to the initial occupancy by AYBL eligible families; the modernization should make the units easy for the residents to maintain.

Rent, Utilities and Savings and Maintenance Escrows: The payments required of the AYBL participants have been established to reflect the budgeting required of a homeowner. However, in place of the mortgage payment, the resident will pay into Savings Escrow and Maintenance Escrow accounts. Home maintenance costs will be reflected in the required Maintenance Escrow payment. Utility costs will be charged to reflect the reality of homeownership. Non-elderly or non-disabled AYBL residents will pay rent based on their unearned income with the expectation that this income source will cease as their earned income increases.

Rent: AYBL participants will pay 30% of their unearned income as traditional rent. Elderly and disabled families will be able to use unearned income to qualify for the program and pay into the escrow accounts rather than rent.

Savings Escrow Account: A major incentive of the program is that a portion of the family's earned income (28%), which is excluded from income in the calculation of rent, will be placed in a Savings Escrow account for the down-payment on a home. Account funds will be released to the AYBL participant when the family has a contract on a home, has a mortgage commitment and is ready to close on a purchase. Interim account disbursements will be considered, with DCHA approval, if needed to complete a task(s) in their Individual Training and Service Plan (ITSP).

Maintenance Escrow Account: As part of their homeownership training, AYBL families will be responsible for the upkeep of their unit with technical assistance provided by DCHA. To pay for unit maintenance costs, AYBL families will pay 2% of their earned income into a Maintenance Escrow account. The Maintenance Escrow account will be available to cover maintenance costs.
Elderly and disabled families will be able to use unearned income in the determination of eligibility and to pay into the Savings and Maintenance escrow accounts.

Homeownership Preparation: In addition to AYBL participants participating in homeownership training, home maintenance training, money management, credit repair and similar activities identified during the Needs Assessment process, they are responsible for the maintenance of their unit and for paying the utilities.

Program Term: It is expected that over the course of the five years of participation in the program, the residents will be able to increase their earned income to at least $45,000; so that, when combined with a HOAP voucher and the five years of Savings Escrow funds the participant is able to purchase a home. If after five years, the family is not successful and thus not ready to buy a home, they will be required to transfer to another conventional Public Housing unit and the escrow account balances will be forfeited to DCHA.

The local regulations governing AYBL were approved by the Board of Commissioners and published in FY2011 after working closely with the housing advocate community and in accordance with the local public review process. In addition, recruitment, eligibility screening and the first families moved into Elvans Road during the latter part of FY2011. As of the close of FY2013, eleven families were admitted to AYBL.

As discussed in the FY2014 Plan and FY2013 Report, DCHA considered making changes to AYBL program eligibility requirements and adding a program goal as a means of increasing program participation. In FY2014 those changes were made to include:

(1) Expanding the program goal of homeownership to renting in the private market without federal or local housing assistance

(2) Increasing the pool of potential applicants in the event AYBL units cannot be filled with families residing in conventional public housing by allowing the selection of families residing in mixed finance properties and applicants from the public housing waiting list selection pool

(3) Allow applicant families up to four (4) late rental payments in either public housing or the private market within the twelve (12) months prior to the approval of an AYBL application.

While these changes did not require MTW authority, measurement of the additional program goal will be captured with a HUD standard metric.

Status
Implemented and Ongoing

Planned Significant Changes for FY2019

Homeownership Assistance Program Participation for $0 HAP Voucher Households

Description/Update
Under DCHA's current policy, families are transitioned off of the Housing Choice Voucher Program (HCVP) after 12 months of paying 100% of their contract rent. Specifically, these are households for which DCHA is no longer paying any subsidy to the landlord on behalf of the household because the family is paying all of the rent for the unit. As part of the agency's focus on maximizing self-sufficiency opportunities for DCHA families, DCHA is proposing an expansion of its Homeowner Assistance Program (HOAP) to create a voluntary homeownership option for HCVP households who are paying 100% of their contract rent for at least 12 months. Participating households would have an additional five years to retain their voucher while working towards homeownership instead of being terminated from the voucher program after 12 months.

As HOAP participants, these families will enter into a Contract of Participation, not to exceed five years, that outlines a plan for achieving homeownership. In addition, participants will be assigned a HOAP Coordinator to provide assistance in preparing for homeownership, along with a suite of resources provided through various partners that have expertise in the key elements of homeownership preparation.

The participating families will stay on the voucher program, although no subsidy will need to be paid by DCHA toward the contract rent. However, in the event that a family experiences a decrease in their household income that impacts their ability to pay 100% of the rent, DCHA will make a rent adjustment

and pay the needed subsidy to the landlord on behalf of the participant. DCHA anticipates minmal HAP expenses, allowing the agency to issue vouchers to families on the waiting list.

Entrance into the program for these families will be capped at 50 households. There are households who are currently paying full contract rent and are ready for transitioning off of the program. Most of these households already meet the Department of Housing and Community Development (DHCD) first-time homebuyer assistance program (Home Purchase Assistance Program or HPAP) income requirements for their household size. The average gross household income of these households is $71,756, with a range of incomes between $31,200-$147,275. Contract rents for these households range between $1,000 and $1,400 a month, with the lowest contract rent at $745 a month while the highest is $2,309 a month.

Eligible families must:

- *Need the homeownership preparation assistance provided through HOAP in order to purchase a home. At the time a household demonstrates interest in the program, DCHA will work with a program partner(s) to determine a household's ability to obtain a mortgage without participation in HOAP or a voucher.*

- *Have household income that meets the minimum threshold of the DHCD HPAP program—the homebuyer's downpayment assistance program that has made homeownership possible for the vast majority of DCHA households that have purchased homes.*

DCHA would make the HOAP resources available for those households who may have the income to pursue homeownership and are interested in it as a housing option, but need assistance preparing to become homeowners. As a result, the proposed policy change increases housing choice for those families.

Statutory Objective(s)

- *Increasing housing choices for low-income families*

Anticipated Impacts

The statutory objective DCHA anticipates will be achieved by this initiative is increasing housing choices for low-income families.

DCHA anticipates an increase in the number of HCVP families moving to homeownership as a result of this initiative, estimating that at least 75% of the households that enter HOAP as a result of this policy change will move to homeownership.

Given the level of household income of the families already positioned to apply, DCHA anticipates that some households will get to the end of their HOAP participation and will not need voucher subsidy to purchase a home. This was an unintended outcome experienced with the implementation of the public housing self-sufficiency program—Achieving Your Best Life (AYBL). If this does occur, DCHA will use the subsidy made available by the transition to house families from the HCV waiting list.

An unintended outcome may be that households decide not to pursue homeownership and intentionally decrease their household income (i.e. quit a job) in order to retain the voucher.

Cost Implications

Precise cost implications cannot be projected at this time as it is variable based on the families who enroll; whether or not some households experience fluctuations in income during the their participation in the program, requiring DCHA to provide some rental subsidy through the voucher; and which households require the use of the voucher to purchase a home.

With respect to staffing costs, a new HOAP Coordinator will need to be hired to handle the additional caseload based on a 1:50 staff to client ratio. The estimated cost of the new FTE would be $90,913 in salary and benefits.

Anticipated Implementation Plan

Upon approval by HUD, DCHA will update its Administrative Plan via local regulations, inclusive of the 30-day comment period. In addition, necessary notifications/outreach and systems adjustments/procedural changes will be made. DCHA looks to begin implementation of the new policy during the 3rd quarter of FY2019.

Metrics

HUD Standard Metric(s)

CE #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of Section 8 and/or 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease). **$0 HAP Households**	$0	$0	To be provided in the MTW Annual Report after policy implementation	To be provided in the MTW Annual Report after policy implementation

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households that purchased a home as a result of the activity (increase).	Number of households that purchased a home prior to implementation of the activity (number). This number may be zero.	Expected number of households that purchased a home after implementation of the activity (number).	Actual number of households that purchased a home after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households that purchased a home as a result of the activity (increase). **$0 HAP Households**	0	38 (75% of 50 households over 5 year participation cycle)	To be provided in the MTW Annual Report after policy implementation	To be provided in the MTW Annual Report after policy implementation

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number).	Actual number of households receiving these services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase housing choice (increase) **$0 HAP Households**	0	50 (after 1 full year of implementation)	To be provided in the MTW Annual Report after policy implementation	To be provided in the MTW Annual Report after policy implementation

Data Source

Data will be collected using DCHA's internal data systems.

Need/Justification for MTW Flexibility

- *Attachment C, Section D(3)(b)—Operational Policies and Procedures*
  This authorization gives DCHA the flexibility to extend the term of a voucher for households who have been paying 100% of their contract beyond the 12 months.

- *Attachment C Section D(8)(a) –Homeownership Program*
  This authorization gives DCHA the flexibility to establish a reasonable homeownership program that meets local needs.

Initiative 25: Local Blended Subsidy

Description/Update

For over a decade, the District of Columbia Housing Authority (DCHA) has undertaken an aggressive redevelopment program to both replace and revitalize its public housing. As DCHA continues its efforts to replace units demolished and disposed of, as well as reconstruct existing functionally and physically obsolete housing, it intends to use its MTW authority to improve its ability to leverage public and private investment in order to meet its capital improvement needs. With diminished appropriations to support the management, operation and long term capital replacement requirements of public housing, it is critical that effective approaches to financing development and redevelopment of public housing communities be created to replace losses in public funding. Accordingly, DCHA proposes in certain cases to blend its MTW section 8 and public housing funds to subsidize units reserved for families earning at or below 80 percent of Area Median Income (AMI). This is done to create an operating expense level which is adequate to provide essential operating services while also supporting debt to meet capital needs in a manner structured to maximize the amount of equity (primarily through Low Income Housing Tax Credits "LIHTCs") available to redevelop or replace public housing with minimal public housing capital funds. Public housing authorities have long used Project Based Vouchers (PBVs) in a similar manner, but DCHA proposes using a more efficient, effective and targeted approach using MTW authority through a Local Blended Subsidy (LBS) Program.

DCHA is flexible in its approach to using LBS to both upgrade and redevelop certain existing public housing sites, as well as to create new replacement housing. The LBS is targeted to developments where the units require a subsidy level other than that available through the traditional public housing program and/or would experience operational and administrative inefficiencies due to a the combination of different housing types.

As a part of the analysis, DCHA reviews comparable properties to assist in determining budgets that are reasonable and appropriate for the housing being operated as well as the characteristics of the households being served. The approach is to structure the LBS where it uses comparable standards which approximate the PBV program and/or offer a total expense level which creates no "overhang" in the total aggregate amount of MTW funds being provided (compared to LIHTC and/or market rent levels) so as to minimize reserve requirements while maximizing permanent debt and equity commitments as well as in some cases, the level of cross subsidization from privately financed unassisted units within the same development. The high amount of leverage obtained for these redevelopment projects is evidenced in the financing proposals submitted to HUD which also reflects that LBS is being used in a manner which minimizes risk to DCHA.

DCHA recognizes any project for which LBS is utilized will need to be subjected to a Subsidy Layering Review (SLR) or other appropriate analysis by HUD. Given DCHA's expereicne with The Lofts and Highland, DCHA is confident that any future projects will meet HUD's subsidy layering review and analysis requirements.

DCHA has developed an extraordinary capability in the development and redevelopment of its public and assisted housing. It intends to pursue both co-development (with private and non-profit partners) and self-development using LBS. In pursuing these types of programs, DCHA has and will continue to develop direct relationships with lenders and investors. Moreover, in making commitments for these

projects, DCHA has developed a formalized structure for minimizing any risks in these transactions to DCHA through an effective use of affiliates (instrumentalities) in the development and ownership structure. Further, to help insure the integrity and transparency of this process, DCHA has instituted a formal review process that is overseen by an investment committee which approves each of these types of development transactions whether or not LBS is utilized.

DCHA understands the following as it relates to the key aspects of utilizing MTW authority in this way:

- The authority to combine subsidies would only last through the term of the MTW Agreement which is currently set to expire, unless it is extended. If the MTW Agreement expires, DCHA will work with HUD pursuant to the MTW Agreement to have this initiative extended; commit to convert the projects to traditional public housing or seek to covert some or all of the units to PBVs; or utilize the Rental Assistance Demonstration (RAD) or similarly structured program permitted by HUD.

- DCHA ensures all financial partners are aware of the subsidy structure and the implications of using this financial model. This would be evidenced in the financing documents as appropriate or a signed document.

- DCHA is subject to the traditional process required under 24 CFR Part 941 and anticipates that any debt structure would be subject to HUD review as HUD deems appropriate. DCHA further understands that LBS would have an impact on the Replacement Housing Factor (RHF) funds received and there are limitations for using capital funds for debt service.

- Where LBS results in adding public housing units, this would increase the agency baseline.

- If subsidies are combined within one unit, the unit would be considered public housing for purposes of regulatory compliance.

DCHA's LBS is intended to increase housing choice for low income families and to provide housing of improved quality and type for low income families.

Initial Projects Completed Using LBS

- **Lofts at Capitol Quarter**
  No public housing capital funds were used to create the 39 units of new replacement public housing units to be operated in accordance with public housing requirements. The total development cost of this project was approximately $12 million fully covered with a capital contribution from the market component of $2.5 million, approximately a $5.4 million permanent loan from Citi Community Capital and approximately $4 million in tax credit equity from RBC. The leverage on the Lofts at Capitol Quarter is evidenced by a permanent loan and the capital contribution to the construction cost of the affordable units from the market component.

  DCHA provided supplemental MTW Block Grant funding which will fund the difference between an amount not to exceed 110% of area wide FMR and the total expense level computed in accordance with the Operating Fund Rule. Specifically, the terms for this project provide that the DCHA provide MTW funds up to an expenses level equal to 110% of FMR or the amount needed to cover operating costs, debt service, incentive management fee and required reserves

(i.e., replacement reserves), whichever is less. Moreover, any excess funds will be returned to DCHA based on an annual audit and true up. Any program income generated by the affordable units is used for MTW purposes. The estimated MTW block grant funds needed on an annual basis is just over $400,000 which is covered by the cash flow to be earned by DCHA on the market component of this project as evidenced in the Rental Term Sheet provided to HUD.

With respect to the LBS used on the Lofts, the funding equates to approximately 32 fewer vouchers being utilized. Cash flow on the market units in this project is expected to be realized after the first year of utilizing LBS. At that point, the revenue will eliminate the need for LBS and those funds will be available to assist additional families.

- **Highland Dwellings**

  Work at Highland consisted of a combination of rehabilitation and new construction of 208 low-income units where between 70-75% of the capital funds were generated through private debt and equity. The total development cost for this project was approximately $62 million and the debt and equity raised using LBS was over $46 million (consisting of a permanent loan from CapitalOne of approximately $21.6 million and tax credit equity of approximately $25 million from Wells Fargo).

  Similar to the Lofts, Highland did not use MTW funds for capital costs, but MTW Block Grant funds are used to supplement funds available for the 208 ACC units through the Operating Fund Rule. The estimated annual MTW Block Grant funds is approximately $1.7 million (as indicated in the Rental Term Sheet submitted to HUD for this project). The amount of MTW Block Grant funds is essentially equal to the amount previously modeled when the project was proposed to be 125 ACC units and 83 PBV units. This enabled DCHA to obtain subsidy for all units under ACC while providing no more funds than would have been provided as HAP funds using its MTW Block Grant. This was done as the previous method for financing the project was tremendously inefficient as it layered an extreme overhang for the PBV units creating millions of dollars in investor reserve requirements over and above that required using LBS, while generating significantly less tax credit equity and debt financing. Thus, LBS enabled the project to be redeveloped in a much more comprehensive manner. For example, rather than up to $3 million in affordability reserves being required, there was only $1 million required by investors. As opposed to generating approximately $24 million in debt and equity, the project generated over $46 million. The rents levels can be up to 110% of FMR; however, rent levels are modeled at an amount approximating Low Income Tax Credit (LIHTC) rents, which are well below 110% of FMR. Therefore, DCHA has and intends to use its LBS authorization in a manner that maximizes funds for its redevelopment while minimizing the funds required to achieve needed investor and debt contributions.

  The LBS used on Highland equated to 83 fewer utilized vouchers. This has given DCHA the ability to preserve existing public housing with this private capital infusion and frees-up future capital funds due to the properties self-sufficiency with meeting its capital needs. In addition, this has given DCHA the ability to utilize its capital funds from Highland to serve an additional 40 families.

  This development is operated in accordance with public housing requirements.

This activity increases housing choice for low-income families by allowing DCHA to both add and maintain financially viable, subsidized units and leverage additional private resources to expand housing opportunities.

Status
Implemented and Ongoing

The LBS was successfully implemented at its Highland Dwellings redevelopment and The Bixby (f.k.a The Lofts at Capitol Quarter), a new development project which is part of its Capper/Carrollsburg HOPE VI Program. For Highland Dwellings, DCHA successfully completed construction in 2017; converted to a permanent loan in late April 2018; and was successfully able to leverage over $50 million in private tax credit equity and private mortgage financing. This public housing development is now fully occupied and serving 208 low income households in fully redeveloped or newly constructed rental units with new support services and management space. For the Bixby over $5 million in private mortgage financing was leveraged along with approximately $4.5 million in tax credit equity as well as an Affordable Housing Program loan of $479,000. This property provides 39 units of low income public housing in a truly mixed income setting in which there are 156 high end market rate rental units. This project was completed in 2017 and converted to permanent financing in February 2018.

Planned Significant Changes for FY2019

DCHA intends to build upon the success of the LBS initiative by embarking on a comprehensive redevelopment of Park Morton which is part of the District of Columbia's New Communities Initiative.

The expanded initiative is to consist of certain key non-MTW components:

1) *Submission of a disposition application for the Park Morton site while 90 replacement units are being planned for the adjacent site which was the location of a former school (Bruce Monroe).*

2) *Seek disposition approval based on obsolescence and request replacement Tenant Protection Vouchers (TPVs) which will be used for relocation of existing residents (who choose not to relocate to another DCHA public housing development), with the remainder of the unused HAP funds (along with other needed funds) as MTW Block Grant to support a rent structure which approximates Fair Market Rents (FMRs).*

3) *Request that it be permitted to access the same number of units (147) through DCHA's Faircloth cap. With this ACC subsidy, help support the long term financial assistance needed to secure private loan and tax credit equity financing.*

4) *As soon as permissible (following entry of the units into PIC and DOFA), DCHA will seek to convert the LBS units to RAD assistance, if possible, at or prior to the conversion of the applicable project component to permanent loan financing. This method will permit the DCHA to create more assisted units and to attract significant amounts of leveraged financing as was demonstrated at the Bixby and Highland Dwellings sites using LBS.*

As in the initial use of this initiative, DCHA recognizes any project for which LBS is utilized will need to be subjected to a Subsidy Layering Review (SLR) or other appropriate analysis by HUD. Given DCHA's expereicne with The Lofts and Highland, the agency is confident that any future projects will meet HUD's subsidy layering review and analysis requirements.

As DCHA pursues its LBS program for Bruce Monroe/Park Morton, it will actively assess the applicability of the above approach for its Kenilworth Courts Phase I development initiative which is seeking to replace 118 public housing units as a part of a total 167 unit redevelopment plan. Similar to Park Morton, DCHA will seek to convert as soon as permissible the 118 replacement units to RAD. If this path continues in a successful manner, this opportunity will also be considered for the redevelopment of Barry Farm where a minimum of 344 new replacement units out of the total 444 units at the site will be developed with affordable and market rate housing (100 replacement units have already been developed at Matthews Memorial and Sheridan Station).

Statutory Objective(s)

- *Increasing housing choices for low-income families*

Anticipated Impacts

DCHA's LBS is intended to increase housing choice for low income families and to provide housing of improved quality and type for low income families. Through LBS, DCHA intends to reduce the cost of developing and redeveloping housing to the public housing program. Bruce Monroe and Park Morton are the first projects proposed under the modification of this initiative—two sites that are a part of the overall redevelopment of the Park Morton public housing community. Bruce Monroe is an off-site parcel of land owned by the District of Columbia that was indentifed for building replacement housing for families who currenly live at Partk Morton. Bruce Monroe is the 1st phase of redevelopment of Park Morton. The following describes the project, including cost implications:

- ***Bruce Monroe and Park Morton—****For all new construction, it is intended that no public housing capital funds will be used to create the new replacement housing units to be operated in accordance with public housing requirements. The total development cost of Bruce Monroe is $134 million with capital subsidy provided from the District of Columbia and the balance leveraged from Low Income Tax Credit equity and permanent debt . The overall development of 198 units includes: 90 public housing units; 111 Low Income Housing Tax Credit units; and 72 market rate units. At Park Morton, the development of 189 units will consists of 57 replacement public housing units, 44 moderate/affordable units, and 88 market rate units.*

This activity increases housing choice for low-income families by allowing DCHA to maintain financially viable, subsidized units and leverage additional private resources to expand housing opportunities. With respect to the project(s) to be implemented under DCHA's LBS program, DCHA does not anticipate adversely impacting the overall families served by the agency or the agency's ability to continue meeting its baseline obligations. Ninety (90) new units of public housing will be created at Bruce Monroe while an additional 57 replacement units will be developed at Park Morton. The LBS used at Park Morton equates to 90 fewer utilized vouchers. This will give DCHA the ability to preserve existing public housing with this private capital infusion and will free-up capital funds due to property self-sufficiency with meeting its capital needs. In addition, this gives DCHA the ability to utilize capital and PBV funding to serve other families.

Anticipated Implementation Plan

Once the program change is approved by HUD, DCHA will move forward with accessing the program flexibility and fungibility made available as needed.

Planned Changes to Metrics/Data Collection

Below are the additional metrics for measuring the modifications to this initiative.

DCHA Defined Metrics

Metrics	Baseline (FY2019)	Benchmark	Outcome	Benchmark Achieved?
New Public Housing Units created through this initiative	0	147 ACC units at Bruce Monroe and Park Morton	TBD	TBD
Number of former Public Housing households that remain in units	0	147 Park Morton Households	TBD	TBD
Increase in Debt and Equity **Bruce Monroe**	$0	Additional $13 million in debt for Bruce Monroe	TBD	TBD
Increase in Debt and Equity **Park Morton**	$0	$ 47,000,000 (Debt & Equity combined)	TBD	TBD
Cost Savings to the Project (as compared to using PBVs for Highland Dwellings)	$0	33% reduction in affordability reserves	TBD	TBD

HUD Defined Metrics

Cost Effectiveness #4: Increase in Resources Leveraged				
Units of Measurement	**Baseline (FY2019)**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Amount of Funds Leveraged in dollars (Increases)	Amount leveraged prior to implementation of the activity (in dollars).	Expected amount leveraged after implementation of the activity (in dollars)	Actual amount leveraged after implementation of activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Amount of Funds Leveraged in dollars (Increases)	$0	$13,012,427	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline (FY2019)**	**Benchmark**	**Outcome (FY2021)**	**Benchmark Achieved**
Number of new housing units made available for households at or below 80% of AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box	Housing Units of this type prior to implementation of the activity (number). This number may be zero)	Expected housing units of this type after implementation of the activity (number)	Actual housing units of this type after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available Increase **LIHTC Units**	0	155	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

Housing Choice #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline (FY2019)**	**Benchmark**	**Outcome (FY2021)**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number)	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number)	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number)	Whether the outcome meets or exceeds the benchmark
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase) **Bruce Monroe**	90	90	To be provided in the MTW Annual Reports after policy implementation	To be provided in the MTW Annual Reports after policy implementation

Data Source
The Office of Capital Programs will monitor metrics using the office's project management software.

Need/Justification for MTW Flexibility
The proposed new project does not require any additional authorizations to this initiative.

- *Attachment C, Section B(1); Attachment D, Uses of Funds—Single Fund Budget with Full Flexibility This authorization gives DCHA the ability to use MTW single fund (block grant) flexibility for purposes of funding the redevelopment efforts of this initiative.*

Section IV. Approved MTW Activities (Initiatives)

The following outlines DCHA's Ongoing MTW Activities (also referred to as "Initiatives"). Note that for simplification purposes, the numbering of the MTW Activities has changed since FY2012. For ease of reference when accessing previous plans and reports, the old numbers are included in the summary listing.

A. Implemented Activities

Table IV.1 Summary of MTW Activities/Initiatives

New Number	Old Number	Activity	Statutory Objective	Yr. Identified	Yr. Implemented
1	1.1.04; 1.5.05; 1.9.06	Modification to DCHA's Project-Based Voucher Program	• Increase housing choices for low-income families	FY2004; FY2005 & FY2006	FY2004; FY2005 & FY2006
2	1.3.04	Designation of Elderly-Only Properties	• Reduce cost and achieve greater cost effectiveness	FY2004	FY2004
3*	1.4.04	Modifications to HCV Homeownership Program	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2004 & FY2016	FY2004
4	2.1.04	Simplified Certification and Multi-Year Income Recertification	• Reduce cost and achieve greater cost effectiveness • Encourage families to obtain employment and become economically self sufficient	FY2004 & FY2016	FY2004
5	2.2.04	Modifications to Market-Based Rents	• Reduce cost and achieve greater cost effectiveness • Encourage families to obtain employment and become economically self sufficient	FY2004, FY2016, & FY2018	FY2004
7	4.1.04	DCHA Subsidiary to Act as Energy Services Company	• Reduce cost and achieve greater cost effectiveness	FY2004	FY2004
8	1.6.05 3.8.10	Modifications to Methods for Setting Total Tenant Payments and Determining HCV Market Rents and Promoting Deconcentration	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2005 & FY2010	FY2005 & FY2010
11[1]	1.10.06; 2.5.04; 22	Site-based In-take and Waiting List Management of Public Housing, Redeveloped Properties and Service Rich Properties	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2004	FY2005
12	3.5.06	Rent Simplification and Collections	• Reduce cost and achieve greater cost effectiveness	FY2006	FY2006
16	2.7.11	Requirement to Correct Minor HQS Unit Condition Discrepancies—Tenant/Landlord Self-Certification	• Reduce cost and achieve greater cost effectiveness	FY2011	FY2012

[1] Initiative 11 (*Applicant Intake Site Designation/Revised Site-Based Waiting List Policies and Procedures*) has been combined with Initiative 22 (*Housing Public Housing Residents in Service Rich Units)* and name of initiative changed. See narrative for Initiative 11 for detail.

New Number	Old Number	Activity	Statutory Objective	Yr. Identified	Yr. Implemented
17	2.8.11	Change in Abatement Process, including Assessment of a Re-inspection Fee as an Incentive to Maintain Acceptable Housing Quality Standards (HQS) in Voucher Assisted Units	• Reduce cost and achieve greater cost effectiveness	FY2011	FY2012
18	3.9.11	Creation of Local Authorization and Release of Information Form with an Extended Expiration to Support the Biennial Recertification Process	• Reduce cost and achieve greater cost effectiveness	FY2011	FY2012
20	2.9.12	Enhance Neighborhood Services within Public Housing Communities	▪ Encourage families to obtain employment and become economically self-sufficient	FY2012	FY2012
23	3.10.12	Encourage the Integration of Public Housing Units into Overall Hope VI Communities	• Increase housing choices for low-income families	FY2012	FY2015
24	NA	Simplified Utility Allowance Schedule	• Reduce cost and achieve greater cost effectiveness	FY2013	FY2014
25*	NA	Local Blended Subsidy (LBS)	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2013	FY2014
27	NA	Family Stabilization through Housing and Education Demonstration	• 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	FY2013	FY2015
28	NA	Rent Reform Demonstration (HCVP)	• 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	FY2014	FY2015
29	NA	HQS Biennial Inspections for Landlords in Good-Standing	• Reduce cost and achieve greater cost effectiveness	FY2015	FY2018
31	NA	Unit Protection Incentive Program(UPIP)	• Increase housing choices for low-income families	FY2018	FY2018

*DCHA is proposing modifications to these initiatives in the FY2019 Plan. As such, descriptions of the initiatives, along with the modifications, can be found in Section III: Proposed MTW Activities—Summary of Re-proposed Initiatives.

Initiative 1: Modifications to DCHA's Project-Based Voucher Program

Description/Update

In order to increase housing choices for low-income families, as part of its Partnership Program, DCHA modified existing project-based voucher (PBV) rules and regulations. Specifically, the changes:

- Allow a longer HAP contract term—from 10 to 15 years.
- Increase the threshold of units that can be project-based at a single building from 25% to 100%.
- Increase the percentage of DCHA's total voucher allocation that can be project-based to greater than 20%, thereby eliminating the cap on the percentage of DCHA's voucher allocation that can be project-based.
- Allow the owners of PBV units to establish site-based waiting lists.
- Allow applicants on the Public Housing waiting list who are determined to be eligible for accessible units meeting Uniform Federal Accessibility Standards (UFAS) to be eligible for UFAS PBV units that are subsidized through the Partnership Program.
- Allow Public Housing residents with a right of return to a HOPE VI development to have preference in returning to PBV units that are subsidized through the Partnership Program.
- Create a UFAS Loan Program to assist landlords in converting existing units to UFAS units or create new UFAS units that are subsidized through the Partnership Program and thus creating more housing choices for the disabled and their families.

Status

Implemented and Ongoing.

During FY2019, DCHA will project-base vouchers at Parkway Overlook as part of the local intra-agency NOFA collaboration led by the Department of Housing and Community Development to increase affordable housing in the District of Columbia. The PBVs were awarded through the local DHCD NOFA process.

Planned Significant/Non-Significant Changes

DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection

DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes

DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 2: Designation of Elderly-Only Properties (formerly 1.3.04)

Description/Update

DCHA established a local review, comment and approval process designating properties as Elderly-Only. This replaced the requirement for HUD review of proposed Elderly-Only designation of Public Housing properties with a local review, broad community input and approval by the Board of Commissioners. In addition, under this initiative, designation of Elderly-Only properties automatically renews from year to year indefinitely from the date of the designation unless otherwise rescinded or modified by the Board of Commissioners.

As is required locally, implementation of this initiative included adoption of local regulations outlining the process. These regulations can be found at Title 14 of the District of Columbia Municipal Regulations Section 6115 and are summarized below:

1. Staff reviews of resident and applicant needs and requests, market conditions and resource availability.
2. If review findings support an Elderly-Only designation of a DCHA property(ies), staff makes a recommendation to the Board of Commissioners.
3. The Board of Commissioners considers staff recommendations in committee.
4. Upon committee approval, the proposed Elderly-Only designation is published as part of the Board agenda for consideration at a Board of Commissioners' meeting.
5. The Board of Commissioners either accepts or rejects the designation after receiving comments from the public.
6. If the Board of Commissioners accepts the staff recommendation, the name of the new designated Elderly-Only property is published it the DC Register.
7. The designation continues from year to year indefinitely from the date of the designation.

In FY2004, the following conventional sites were designated as Elderly-Only: Knox Hill, Regency House, Arthur Capper Senior I and Carroll Apartments. That same year Elderly-Only existing designations were extended for units at Wheeler Creek as part of a HOPE VI project and the redeveloped Edgewood Terrace.

In FY2007, Elderly-Only units were designated at Henson Ridge as part of a HOPE VI project.
In the FY 2011 MTW Plan, it was anticipated that units at Mathews Memorial would be designated as Elderly-Only. However, during FY2011, it was determined that the Elderly-Only designation was not necessary for Matthews Memorial. While there will be units in the overall site that are designated Elderly-Only, as referenced in the DCHA MTW 2012 Plan, the 35 units for which DCHA is providing Public Housing subsidy will be family units.

To date, DCHA has designated seven properties in whole or in part as Elderly-Only.

Status

Implemented and Ongoing.

There are no plans to designate any elderly-only units in FY2019.

Planned Significant/Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 4: Simplified Certification and Multi-Year Income Recertification (formerly 2.1.04)

Description/Update
This initiative has two parts—Simplified Certification and Multi-year Recertification, both designed to make the income and eligibility determination process more efficient and cost effective. The initiative has a double benefit. First, saving staffing costs so that scarce resources can be used where they bring more benefit to DCHA's customers. Second, providing greater convenience, as well as incentives for self-sufficiency to residents of DCHA properties and applicants for housing or assistance provided through DCHA.

Simplified Certification
At final determination of eligibility, as applicants are pulled from the waiting lists and forwarded to HCV or Public Housing for lease-up, DCHA extended the length of time to 180 days that the verified application data is deemed valid. This has reduced the amount of duplicative work required of eligibility staff in DCHA's Client Placement Division as well as reduce the time necessary to build a qualified applicant pool.

Multi-year Recertification—Biennial Recertification
In FY2007, DCHA began conducting recertifications for HCV participants every two years, instead of annually. In conjunction with this change, DCHA adopted local rules for the HCV program that provide work incentives for all participants. Specifically, any increase in earned income in the amount of $10,000 or less would not result in an increase in rent until the family's next scheduled biennial recertification. However, a family may request an interim recertification and reduction of rent as a result of a reduction in income. These revised procedures provide a lifetime incentive to residents and voucher holders to increase income by removing the current limitation on eligibility for the earned income disregard.

The biennial recertification initiative has been fully implemented for the HCV and Public Housing programs.

As part of the DCHA FY2015 MTW Plan, after further consideration of a previously implemented policy utilizing MTW authority that required families to only report increases in earned income greater than $10,000 between scheduled recertifications, DCHA sought approval to remove the requirement. In FY2016, the HCV local regulations (Administrative Plan) were revised to reflect the FY2015 Plan approval to eliminate the reporting of any increases in income between recertifications. Going forward, families will not have to report any increases in earned income, regardless of how large, between scheduled biennial recertifications. As DCHA works to encourage self-sufficiency through other activities aimed at

residents obtaining employment and increasing earned income, it is anticipated that this change will further incentivize residents.

As part of the FY2016 MTW Plan, DCHA proposed and received HUD approval to implement triennial recertifications in the HCV and Public Housing programs for Elderly and/or Disabled households on fixed income.

Status
Implemented and Ongoing.

Multi-year Recertification (Triennial Recertifications)—Public Housing and HCV
All eligible households were converted to the triennial recertification process in FY2017 for both HCV and the Public Housing programs. In particular, all eligible households were identified, notified, and their recertification dates were adjusted.

Planned Significant/Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 5: Modifications to Market-Based Rents (formerly 2.2.04)

Description/Update

The local regulations developed under this initiative simplify the process of providing a work incentive to Public Housing residents. The regulation discontinues the HUD requirements that DCHA:

- Provide all residents information about the market-based and income-based rents associated with the unit in question; and
- Obtain written documentation of their choice of rent calculation method

Instead, DCHA calculates a resident's income-based rent, compares it to the market-based rent (DCHA's version of flat rents) from a periodically updated rent schedule and automatically charges the resident the lower of the two rent options.

If a family's income decreases between recertifications, residents, regardless of the method used for calculating their rent, may request an interim recertification and the rent charged will be the lower of the two rent calculation options, automatically. There is no longer the requirement that the resident demonstrate a particular hardship to return to income-based rent from market-based rent. In addition, DCHA has removed the provision outlined in earlier plans and reports that families on market-based rent will recertify every three (3) years. Instead, these families currently recertify annually and will be included in the Public Housing biennial recertification process once implemented.

DCHA received approval as part of the FY2016 MTW plan process for the establishment of a ***Local Public Housing Market-Based Rent Schedule***. In response to the HUD mandate to establish Public Housing flat rents at no less than 80% of the HUD established Fair Market Rents (FMR), DCHA was approved to establish a local flat rent (market-based) schedule for its Public Housing communities that more realistically reflects local market conditions at the submarket or neighborhood level by allowing market-based rents to be set at 80% of the DCHA Housing Choice Voucher Program (HCVP) submarket rents. Upon further review of the impact of basing the DCHA local public housing market-based rent (flat rent) schedule on 80% of the DCHA HCV submarket rents, DCHA proposed and HUD approved to adjust the setting of schedule rents from 80% to 50% as part of the FY2018 MTW Plan. The DCHA local market-based rent schedule and the ability to adjust the HUD FMRs in order to set reasonable payment standards are two tools important to DCHA's efforts addressing the issue of affordability in Washington DC. In those "emerging" neighborhoods where our public housing communities are located and the submarket rents have increased to reflect the changes in the surrounding private rental market, it is necessary to set flat rents that balance the local hyper-dynamics of the increased cost of renting in the private market while striving to preserve the idea of flat rents as an incentive for families to move toward self-sufficiency. In an attempt to account for both the realities of the surrounding rental housing and the existing attributes of our public housing stock, DCHA looks to set flat rents at 50% instead of 80%. DCHA will assess the local market-based rent schedule and make appropriate modifications in accordance with annual decisions about adjustments to the agency's payment standards, the local rental market and any changes in the attributes of the agency's public housing properties.

DCHA will phase-in any rent payment increases of 35% or more that result from this policy change in the event that a family's income-based rent is lower than the new locally established market-based rent but

higher than the current market-based rent the family is paying. The phase-in will take place at each scheduled biennial recertification and increases will not be more than 35% at each recertification.

Status
Implemented and Ongoing

Based on the March 2018 HUD approval DCHA plans to update the Admissions and Continued Occupancy Policy (ACOP) by the end of the 1st first quarter of FY2019 with the revised Market-based rent schedule in place by the end of the 3rd fiscal quarter of FY2019.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 7: DCHA Subsidiary to Act as Energy Services Company (formerly 4.1.04)

Description/Update
In 2007, following HUD's approval of DCHA's Energy Capital Improvement Plan, DCHA closed an Equipment Lease/Purchase Agreement in the amount of $26,024,925. DCHA used Construction Services Administration, LLC (CSA), a wholly owned subsidiary of DCHA, as its Energy Services Company (ESCo). DCHA used HUD provisions allowing, for the purposes of energy subsidy calculation, a frozen base of consumption costs plus actual consumption costs savings to amortize private financing of a comprehensive DCHA energy management program. The frozen base method of operating subsidy calculation was used for some aspects of the program in conjunction with an add-on for energy conservation related debt service for other aspects of DCHA's comprehensive energy conservation program.

Using its MTW Authority, DCHA may, without prior HUD approval, modify the current energy performance contract (EPC) or enter into new performance contracts with Energy Service Companies (ESCos), also called Energy Service Agreements (ESAs), and determine the terms and conditions of EPCs, provided that, with respect to each contract, (i) the term does not exceed 20 years and (ii) the Agency maintains adequate file demonstrating EPC performance. DCHA or its agents or subsidiaries may also function as its own ESCo, provided that any financing complies with requirements (i) through (ii) of this paragraph. HUD will honor the terms and conditions of such contracts during and beyond the term of DCHA's MTW Agreement.

DCHA has also received approval to pledge its reserves or other funds for use during the term of the MTW demonstration to guarantee the payment of debt service in the event the energy savings are not adequate to cover debt service costs.

DCHA secured $26 million in funding to implement DCHA's energy efficiencies as articulated in the Agency's plan. As of the end of FY2013, the entire $26 million of the loan proceeds have been

expended. In FY2012, DCHA took advantage of a favorable interest rate environment and refinanced its energy loan. The flexibility to execute the new loan documents without HUD approval greatly simplified and sped up the process, saving an unknown amount of DCHA and HUD staff time. The refinancing shortened the term on the loan while keeping payments relatively unchanged, greatly reducing interest expenses over the life of the loan

HUD released PIH Notices 2011-36 and 2014-18 providing guidance to allow PHAs the ability to retain 100% of cost savings if they (1) reduce energy consumption and (2)produce energy. In addition, HUD has provided further guidance to allow PHAs to capture future savings from ECIP Phase I as an incentive to upgrade the ECIP Phase I equipment at the end of its useful life.

Status
Implemented and Ongoing.

DCHA is on track to close on financing on ECIP Phase II by the end of FY2018.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 8: Modifications to Methods for Setting Total Tenant Payments and Determining HCV Market Rents and Promoting Deconcentration (formerly 1.6.05 & 3.8.10)

Description/Update
As part of DCHA's ongoing efforts to maximize the resources available for DCHA's customers and to reduce the administrative cost of making these resources available, DCHA:

- modified the process for making rent reasonableness determinations;
- established a new method for reviewing rent increase requests and payment standards;
- established administrative adjustments that improved the efficiency of payments to landlords; and
- limited moves so that the new lease can only start on the first of a month, thereby avoiding overlapping leases and duplicative payments.

DCHA explored options to enhance the housing authority's ability to encourage voucher participants to exercise their choice in housing, especially related to moving into neighborhoods with low levels of poverty. Recognizing that using one city-wide fair market rent (FMR) encouraged voucher holders to reside in low-cost, high-poverty neighborhoods, DCHA devised a method for establishing Payment Standards and reasonable rent determinations that are in line with existing market rents. Specifically, DCHA gathers data annually on unassisted market units that have been rented (not advertised) within

each neighborhood in the District of Columbia. The first quarter of each fiscal year DCHA conducts a market analysis that consists of neighborhood canvassing to ask renters in person what they are paying in rent; internet searches; and collection of rent comparables from landlords, as well as comparables pulled from the MRIS Realtor Database. Realtors from across the city advertise units for rent and sale using the MRIS Realtor Database. In addition, realtors/landlords are required to post rental listing price as well as the rent at which the property actually rented. DCHA then excludes from those comparables any tax credit or federal/locally assisted units to inform the setting of reasonable rents. This method allows DCHA to approve contract rents that are in line with existing market rents that are based on thorough and ongoing analyses of the District of Columbia rental market. By creating the in-house capacity to analyze rents annually, with monthly assessments of changes in the District of Columbia submarkets, DCHA has the increased flexibility to be more responsive to changes in established submarkets, while setting Payment Standards that mirror area rents.

Status
Implemented and Ongoing.

During FY2018, DCHA decided to maintain its payment standard at 175% of the FY2017 HUD Fair Market Rent (FMR) after an assessment that determined moving to 175% of the FY2018 HUD FMR would result in a cost prohibitive increase of three percent.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 11: Site-based In-take and Waiting List Management of Public Housing, Redeveloped Properties and Service Rich Properties (formerly 1.10.06, 2.5.04, 3.9.12 & 22)

Description/Update
Due to the close relationship of Initiative 11 (*Applicant Intake Site Designation/ Revised Site-Based Waiting List Policies and Procedures*—formerly 1.10.06, 2.5.04) and Initiative 22 (*Housing Public Housing Residents in Service-Rich Environments*—formerly 3.9.12) with respect to the "Special Purpose" sites and "Service Rich" units, these initiatives are being combined. In addition, the name of the combined initiatives better reflects the activities being undertaken.

Redeveloped Properties are mixed-finance communities owned by private entities which communities are created through HOPE VI or other public funding combined with private financing, which have some or all of their units assisted by operating funds provided by DCHA. These properties have site specific in-take and waiting list management policies and procedures.

Service Rich Properties may be DCHA-owned, conventional public housing or privately owned units assisted with operating funds provided by DCHA and managed by DCHA or third parties, which provide

and/or oversee the delivery of services for residents. Service Rich sites are supportive service intense sites that serve special needs populations or residents who have self-selected to pursue the goal of self-sufficiency. The site-based waiting lists at Service Rich sites have eligibility and screening criteria that are site specific. The waiting list can be either for initial occupancy or transfer waiting lists from other Public Housing properties. As part of DCHA's efforts to provide Service Rich environments for Public Housing residents with special needs, the Agency will contract out the management of a limited number of conventional units to organizations selected for their expertise in providing such services. Moving to and living in these properties will be voluntary. These properties may also have their own house rules equivalent to DCHA's Community Living Standards that are an addendum to the lease and their own rules for rent calculation. The organizations will bring additional funding outside of Public Housing that will allow the creation of these service-rich environments—for example, Medicaid.

This initiative also includes the establishment of centrally managed site-based waiting lists at DCHA's conventional Public Housing sites. To implement the site-based waiting lists at conventional Public Housing, DCHA is in the midst of undertaking a waiting list reengineering project which includes a multi-phase review and purge of its Public Housing waiting list.

Status
Implemented and Ongoing.

Site-based Waiting Lists
As part of a waiting list redesign project, DCHA suspended the intake of new applications for conventional Public Housing sites in FY2013. After updating the waiting lists in FY2014 to confirm applicants continued interest in housing assistance, DCHA will begin in FY2015 the process of establishing site-based waiting lists for the agency's conventional Public Housing sites. During FY2016 and FY2017, DCHA began populating the Public Housing site-based waiting lists. We anticipate a full migration in FY2018.

Special Purpose Sites/Service Rich Units

Assisted Living
DCHA completed the rehabilitation and conversion of a 14 unit building (located at 2905 11th Street, NW) to a Medicaid funded assisted living facility in FY2014. A firm with experience in managing assisted living facilities in public housing has been retained to manage the facility (Mia Senior Living Solutions). The services to be provided will be in compliance with the local Assisted Living statute and State Medicaid Plan for Home and Community Based Services Waivers.

Services that allow residents to avoid moving to an institution, such as a nursing home, for as long as possible will be provided on an individual basis to each resident based on an individual services plan developed in consultation with the resident after the completion of a medical and functional assessment. Examples of services to be provided include:

- Attendant Care 24 hours per day, 7 days per week by Certified Nursing Assistants
- Oversight of care by a Registered Nurse
- Transportation to and from medical appointments
- Medication Management
- Activities and counseling to maintain acuity and prevent depression and isolation

- Professionally developed Diet Plans that take into consideration all medical limitations. In accordance with diet plans, the provider will also provide nutritious meals and snacks.

In accordance with the State Medicaid Plan for Assisted Living Services under the Home and Community Based Services Waiver, residents of the Assisted Living Facility will be required to pay for these services by providing their entire income to the facility. Residents will pay the firm managing the facility directly, as with all of DCHA's mixed finance and privately managed sites. All of the residents of the facility will be Medicaid eligible and thus have incomes below the Federal Poverty Level. As the units are public housing units, the incomes of residents will be less than 80% of AMI. The Facility will allow the resident a monthly allowance ($100) for incidental living expenses, regardless of their actual income. As part of Initiative 22, DCHA will be excluding the monthly allowance from the adjusted income of the resident in the calculation of rent.

DCHA's new rent policy for the Service-Rich Environments:

1. Any amount that a family is required to pay for services provided at the Special Needs Property shall be considered to be medical expenses and shall be deducted from the family's gross income for the purposes of determining adjusted income and calculating rent. In the event that the amount calculated for rent is less than zero dollars ($0), the rent charged will be zero dollars ($0).

2. Payments or allowances to residents of Special Needs Properties for incidental living expenses shall be considered as exclusions for the purpose of calculating rent. Utilities will be paid by DCHA.

3. Participating families will not be required to pay for utilities.

DCHA anticipates that the establishment of the Service Rich Environments will facilitate the provision of service resources in residential settings for low-income special needs residents. This activity will increase housing choices for low-income families. It will result in preventing institutionalization, preventing victimization that results from allowing residents to stay in unsupported living environments, increasing neighborhood stability and leveraging additional outside funds to serve the needs of our residents. DCHA will implement these provisions at 2905 11th Street, NW. Additional sites, including any additional flexibilities, will be added by way of future MTW Plans for HUD approval prior to implementation.

Status
Implemented and Ongoing.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 12: Rent Simplification and Collections (formerly 3.5.06)

Description/Update
DCHA explored various ways to simplify the rent calculation and collections models. As part of its exploration, DCHA looked at self-certification of assets and excluding local stipends for grandparents. The goal of this initiative was to build on existing rent simplification models to design a model that simplifies the calculation process and lessens the burden of rent calculations for the neediest families. As Phase 1 of this initiative, DCHA implemented the following as part of DCHA's Rent Simplification strategy:

- Self-certification of Assets less than $15,000, including an increase in the threshold for reporting Assets.
  It is initially expected that the cost and staff time associated with this change will decrease with the implementation of this initiative. However, as incomes increase overtime as families move toward self-sufficiency, cost and time savings may increase.

Status
Implemented and Ongoing.

PlannedNon-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 16: Requirement to Correct Minor HQS Unit Condition Discrepancies—Tenant/Landlord Self-Certification (formerly 2.7.11)

Description/Update
Housing Quality Standards (HQS) defines what "major and minor" violations are. Minor violations do not involve health or safety issues and thereby are marked as "Pass with Comments". Although HQS does not require that an agency re-inspect to insure that minor violations identified as "Pass with Comment" are addressed, DCHA has mandated that minor violations that are "Passed with Comment" are corrected and confirmed through the use of an Inspection Self-certification form.

Prior to implementation, DCHA had a self-certification procedure, but there were no consequences if the tenant or the landlord did not comply with self-certification. Whether or not the minor violations have been corrected, because the unit passed inspection, the landlord could request and receive a rent increase or the tenant could request and be approved for a transfer to a new unit regardless of who caused the violation. In the event that one party does not self-certify, both tenants and landlords can

(and often do) request a re-inspection. A self-certification process that has consequences should reduce the number of re-inspection requests and thereby save staff time and reduce administration costs. DCHA will use its MTW authority to implement the following consequences faced by tenants and/or landlords who fail to sign an Inspection Self-Certification form:

- For tenant caused violations: the tenant will be unable to move with continued assistance.
- For landlord caused violations: the landlord will not be granted a rent increase.

This change is focused on enforcement. As such, the new flexibility does not necessitate any change to the existing self-certification form.

Status

Implemented and Ongoing.

Planned Non-Significant Changes

DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection

DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes

DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 17: Change in Abatement Process, including Assessment of a Re-inspection Fee as an incentive to Maintain Acceptable Housing Quality Standards in Voucher Assisted Units (formerly 2.8.11)

Description/Update
DCHA is required to conduct a re-inspection for units that fail an annual HQS inspection to ensure that the owner has corrected the violations. If the landlord does not correct the violations by the time of the re-inspection, DCHA must abate the landlord's payment and terminate the HAP contract. In FY 2010, DCHA conducted third inspections on over 7% of its HCV units.

Prior to termination of the HAP contract (which is typically 30 days from the abatement), if the owner wants DCHA to come out for a third inspection, DCHA is using its MTW authority to charge the landlord a fee for the third inspection. The current fee for the third inspection is $75.00. The fee for the inspection does not remove the abatement of the subsidy; rather, DCHA is seeking to impose this fee due to the administrative costs of conducting an inspection that is not required. If the unit passes after the third inspection, DCHA will lift the abatement effective the date the unit passed.

Status
Implemented and Ongoing.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 18: Creation of Local Authorization and Release of Information Form with an Extended Expiration to Support the Biennial Recertification Process (formerly 3.9.11)

Description/Update
Since DCHA moved to biennial recertifications for HCV, and with future implementation planned for Public Housing, a longer release of information authorization is needed. Currently, income data provided for Public Housing and Housing Choice Voucher program participants through the HUD Enterprise Income Verification (EIV) system is only accessible for 15 months with a signed HUD Form 9886 (HUD 9886). The HUD 9886 is a release of information authorization signed by every adult member of the household. The HUD 9886 gives DCHA the ability to conduct third party verifications of income for up to 15 months from the date the adult members complete the form. If resident/participant data is not accessed within the 15 month period, DCHA will lose the ability to run the third party income data. The extension of the expiration date ensures compliance with annual file reviews. Prior to implementation of this initiative, DCHA's annual file review error rate was 6% based on annual audit findings.

Using its MTW authority, DCHA has developed a local form that gives the Agency the authority to conduct 3rd party verifications of income for each adult member for 36 months instead of 15 months as long as said member remains a part of the household composition of the assisted household. This form is executed for each adult member of the participating household and conforms with 24 CFR 5.230 as required to access EIV. The packet sent to each participating household at the time of recertification contains a reminder that the authorization form was previously signed.

Status
Implemented and Ongoing.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 20: Enhance Neighborhood Services within Public Housing Communities (formerly 2.9.12)

Description/Update
As a means to better integrate Public Housing developments into surrounding communities while encouraging self-sufficiency, DCHA will convert public housing dwelling units into non-dwelling units to create space providers of services that help our residents/participants achieve self-sufficiency. These units will be classified as MTW Neighborhood Services Units in PIC. Many of these providers will serve both Public Housing residents and members of the surrounding community, including HCV participants, reducing the isolation that characterizes many Public Housing developments. In addition, the on-site services will augment those available elsewhere in the community so that available resources are used efficiently and residents will be encouraged to leave the community to meet some of their needs. Working with Resident Councils to identify needs, opportunities and resources, DCHA will provide space to organizations providing the following range of services: occupational skills/job training, GED preparation, after school mentoring and tutoring, parenting training and support, case management and counseling, money management and business development, nutrition classes, health screening, gang intervention and violence prevention. This activity augments workforce development activities already provided to DCHA Public Housing residents and HCV participants. It is expected that these services will result in reductions in drug abuse, crime prevention, healthier communities and a reduction in maintenance and management costs.

DCHA will designate conventional Public Housing units as non-dwelling space based on need, unit configuration, existing services in the area, and availability and interest of service providers. Units will be determined based on the amount of space needed to support the on-site activities. DCHA will carefully consider development/unit designations, weighing the need to maintain available housing opportunities with the importance of families achieving self-sufficiency. Upon approval of this initiative,

DCHA will submit requests with descriptions of services to be provided and justifications to the HUD field office to designate specific units as MTW Neighborhood Service Units.

Status
Implemented and Ongoing,

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 23: Encourage the Integration of Public Housing Units into Overall HOPE VI Communities (formerly 3.10.12)

Description/Update
Many of DCHA's Mixed Finance communities include rental Public Housing units and market rate homeownership units. This often causes disagreements and misunderstandings that can best be resolved by bringing all the residents together in a Community Association.

Currently many or our Mixed Finance properties have Homeowner and Tenant Associations (HOTAs)/Community Associations. They are not as effective as they could be because the dues structure does not provide an adequate operating budget to engage in community building activities. With the implementation of this Activity, a budget will be developed that will allow the HOTAs/Community Associations to become an effective force in equitably governing and unifying the community. A community with a healthy, equitable Community Association is a truly mixed income community, rather than several communities segregated by income level or housing tenancy that exist in physical proximity to each other. When a truly mixed income community is thus created it creates real housing choice for DCHA's low income clientele.

In order to be full-fledged members of the community, Public Housing residents, or their landlords on behalf of the Public Housing residents, must pay HOTA dues to ensure that the community is well maintained and that a forum for discussing and resolving differences is always available.

Similar to the mechanism planned to allow the provision of selected service-rich environments, DCHA is utilizing its authority for rent simplification to ensure that residing in these units is affordable even though the property has greater expenses than is typical in Public Housing. DCHA will adopt local rent calculation regulations that allow the managers of Mixed Finance properties to establish an income based rent and fee structure that ensures that the rents and fees, including HOTA fees, are no more than 30% of adjusted income. Each public housing tenant will be given a HOTA dues allowance similar to a utility allowance, thus reducing the total rent charged so that the cost of the dues will not increase the tenant's housing expenses.

Status

Implemented and Ongoing

Planned Non-Significant Changes
DCHA does not anticipateany non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 24: Simplified Utility Allowance Schedule

Description/Update
DCHA is proposing to simplify the calculation of utility allowances for Housing Choice Voucher participants. The current utility allowance is based on the dwelling type, the number of bedrooms, the services paid by the tenant and the fuel type. DCHA will implement a simplified utility allowance schedule based on the bedroom size, heating fuel, and whether the tenant is responsible for paying the water and sewer bill to simplify the rent calculations.

The policy will be implemented in all new HCV contracts and at the time of recertifications (either biennial or interim) for current participants. The simplified utility allowance schedule will be updated annually, but applied to HCV participants at the time of recertifications. In addition, the DCHA will simplify the definition of bedrooms used in the assignment of utility allowances. Currently, utility allowances are assigned to households based on the actual size of the physical unit. DCHA will simplify the definition to be the lower of the voucher size or physical unit bedrooms when defining bedrooms for the assignment of utility allowances. This will follow the same definition used for the assignment of payment standards for HCV participants.

This initiative will improve administrative efficiency due to the decrease in time spent computing the correct utility allowance, verifying through inspections and documenting carefully on the Housing Assistance Payment (HAP) Contract. It will also help voucher participants in their unit search since it will give them an exact amount of rental assistance available. Participants can elect to go on DCHA's website to pull the maximum approved contract rent for the unit they have chosen, and then apply the new utility allowance formula to get the gross rent. This gross rent can be used to enable the family to calculate the tenant share of rent. With the simplified utility allowance, DCHA will be able to implement plans for a "Rent Portion Estimator" that utilizes real family income, unit and utility details, and 50058 calculations to allow the family to plug in variables for potential new moves that would give the family a close approximation of what their portion of rent would be if they moved into that unit.

Based on current utility rates the proposed schedule is below:

Bedroom Size	0	1	2	3	4	5	6
Baseline	89	120	152	183	239	280	322
Electric or oil heat add-on	48	64	80	96	140	159	183

Water & sewer add-on	28	57	84	112	141	196	225

Anticipated Impact(s)

From a cost savings/efficiency perspective, this activity will reduce administrative burden for the Agency by decreasing the time spent on utility allowance calculations.

From a direct cost (HAP expenditure) perspective, the utility allowance levels were set to be revenue neutral. That is, the total monthly utility allowance is expected to be virtually unchanged from the current policy. Because DCHA expects to grant some hardship waivers initially, the new policy is likely to be slightly more expensive to DCHA during the first several years of transition. These costs will be off-set by the increased efficiencies.

From the perspective of increasing housing choices for low-income households, the activity will reduce reluctance of landlords to participate in the program. Owners are provided a maximum contract rent (factoring in average utility allowances). There are many cases where the actual utility allowance would impact the owner receiving the maximum (for instance if all utilities are electric making the gross rent too high for subsidy approval). By utilizing this simplified methodology; owners can now get a real sense of what they would be able to receive upfront – eliminating any confusion after RFTA submission.

Additional benefits of the activity are a reduction of confusion for voucher participants, increased participant awareness to find more energy-efficient units, consistent with HUD's greening initiatives, and a shorter lease-up period. In addition it will help residents in their apartment search since the amount of subsidy will be clearly defined.

The impact of the proposed policy change on HCV participants is varied – some will see no change, some will see a utility allowance increase, while others will experience a utility allowance decrease. The magnitude of those changes will also vary.

Based on data from early May, 2012, the following table summarizes the percentage of clients positively and negatively impacted:

Bedroom Size	No Utility Allowance, No Change	Increase	Decrease	No Change
0	81%	8%	11%	0%
1	22%	31%	40%	8%
2	17%	25%	49%	9%
3	14%	20%	61%	5%
4	8%	56%	28%	4%
5+	8%	48%	34%	7%
Total	21%	27%	45%	7%

While 45% of participants will experience a decrease in their utility allowance (and therefore a corresponding decrease in rental assistance), less than 9% will experience a larger than $25 per month decrease and less than 1% will see a larger than $100 per month decrease. Based on preliminary analysis, some of those experiencing the largest impacts will not be due to the change in policy but due to the clean-up of errors in the current calculation of utility allowance.

DCHA does not anticipate any protected classes to be adversely affected by this activity. Individual choice of structure type is the factor that most affects the utility allowance change, with those choosing to live in single-family detached structures most likely to have the largest impact.

Hardship Policy

- If any Family's simplified utility allowance decreases by more than $25.00 and the decrease equals more than 10% of the household's adjusted monthly income, the Family may request a hardship waiver.

- To qualify for the hardship waiver, the head of household must provide tenant paid utility bills, or other proof of tenant paid utility charges from the assisted unit from the previous six months to demonstrate that the average monthly cost exceeds their new utility allowance.

- Any request for a hardship must be in writing and received by DCHA within thirty-five (35) days of the DCHA notice to the family of their new rent determination.

- A Family that can demonstrate hardship shall be provided with a one-time six month simplified utility allowance waiver and the utility allowance will be set at either the lower of:
  a) the previous utility allowance; or
  b) Family's average tenant paid utility bills from the past six months.

- At the end of the six month hardship period, the simplified utility allowance shall be applied.

<u>Status</u>
Implemented and Ongoing

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 27: Family Stabilization through Housing and Education Demonstration

Description/Update

Chronic truancy has been described as "an educational crisis" in the District of Columbia, with rates as high as 40% at some high schools. According to a study conducted by the Urban Institute, student absenteeism in the 8th grade is a predictor of truancy levels in high school. Chronic absenteeism places a child's educational progress in jeopardy. If students are not in school, they are not learning and 46% of high school students based on recent data are not graduating in the District of Columbia. It is DCHA's intent to help address some of the underlying causes contributing to chronic absenteeism, with a focus on truancy, before students reach high school. Under District of Columbia law, once a child has 10 unexcused absences the child is referred, depending on age to Child and Family Services or the Court Social Services and/or the Office of the Attorney General. DCHA plans to provide supports for those children and their families so that such referrals do not occur. This will include working with families on strategies to reduce occurrences and ultimately eliminate unexcused absences. To do this, DCHA proposes to expand its relationship with the District of Columbia Public Schools (DCPS), District of Columbia Charter Schools, and other partners to establish an educational stabilization demonstration that will provide case management for DCHA Public Housing families with children in elementary and middle school, ages 10-14, who appear to already have challenges with school attendance.

DCHA's program will be voluntary for Public Housing families and participation in the program will last until the child completes high school. The potential length of participation could be up to nine years for fourth graders entering the program. Families in which absenteeism/truancy are or may become an issue will be identified for outreach to participate in the program. DCHA is working with DCPS and the Deputy Mayor's Office on Education and Human Services to identify a Public Housing site(s) and partnering elementary/middle schools by cross-referencing school and DCHA resident data. Similar work will be undertaken with DC Charter Schools. This exercise will inform the size of the program along with the number of families meeting basic eligibility requirements. Based on DCHA existing staffing capacity, the initial program size would not exceed 20 families. However, as DCHA identifies other funding sources (both direct and in-kind) that can support a larger demonstration, the size of the program may grow. Other anticipated partners include the Office of the State Superintendent (OSSE), DC Department of Human Services (DHS), DC Department of Behavioral Health (DBH), DC Department of Employment Services (DOES), DC Department of Child and Family Services (CFSA), and DC Office of Justice Grants Administration (JGA). In addition, DCHA will be exploring new and existing relationships with non-governmental organizations that provide supportive services.

Each family will have a case manager who will work with the family to identify a plan for addressing their child's absenteeism/truancy, inclusive of strategies to deal with those familial, school and environmental challenges. In addition to supporting each child's academic achievement, DCHA will provide support to parents in moving the family toward self-sufficiency (i.e. GED preparation, job readiness, life skills, etc.).

In our efforts to fund the program, DCHA will utilize existing staff resources, including the provision of case management/coordination. In addition, DCHA will utilize existing supportive service resources provided through existing partnerships with agencies/organizations to augment case management and access to other services needed by participating families (i.e. DCPS tutors, DOES jobs programs, job training provided at DCHA's Southwest Family Enhancement Center, etc.). An example of maximizing existing case management effectively and efficiently is through the many clients DCHA and DHS serve. Through DHS's Case Coordination Model, detailed Individual Responsibility Plans (IRP) are established

for families receiving Temporary Assistance for Needy Families (TANF). Based on a family assessment, these plans outline steps for families to move toward self-sufficiency. For participants in the DCHA demonstration program who also receive TANF, as an addendum to DCHA family commitment plans, the Agency would utilize DHS IRP plans and work with DHS case managers to monitor progress and assist clients with those goals related to overcoming family based barriers to attendance and working toward self-sufficiency. DCHA has already begun discussions with DHS about supporting shared clients through their Case Coordination Model. In some cases, DCHA will tap into existing truancy/truancy prevention programs to identify services/supports for DCHA families participating in this initiative. DCHA will also be actively seeking additional direct funding through foundations and governmental grants.

Successful completion of DCHA's demonstration program would include sustained improvements in a child's attendance and academic achievement. In addition, a family's progress toward self-sufficiency, based on realistic goals outlined in their family commitment plan will also be an indicator of successful program completion.

As a work incentive, DCHA will cap the rents of participating families upon entry into the program, but rents will not be less than $25 a month. The rent being charged at the point the household enters the program will be capped for the lifetime of the family's participation in the program. For example, if a family enters the program with calculated rent at $100/month, DCHA will not increase the rent based on increases in earned income. While all program participants have to pay at least $25/month in rent, this will not be a requirement for entry into the program. Instead, families paying less than $25/month at program entry will experience rent increases as earned income increases until their rent reaches the $25/month threshold. At that point, any new earned income coming into the household will not be counted toward rent. In addition, a portion of any new employment income entering the household will be escrowed to go toward the child's educational goals (i.e. college, vocational education, etc.). The established escrow contribution of the family will be based on the goals identified in the family commitment plan. DCHA will explore the possibility of providing a percentage match through other sources, if possible. It is important to note that only about 5% of all Public Housing households are currently paying rent between $0-$25. Of that number, less than half have school age children.

Throughout a family's participation in the project, their compliance with program requirements will be monitored by their case manager. If a family has difficulty meeting program requirements, the case manager will provide additional supports. Should the family be determined to be unable or unwilling to comply with the requirements, their participation in the program will end and their slot in the program will be granted to another qualifying family. Should a family drop out of the program for any reason, their position in the program will be granted to another qualifying family.

Implementation of the demonstration would take place over a 2 year period and include the following key activities:

Summer 2018- Fall 2018 Activities

- Finalize DCHA property and schools to participate
- Assure necessary commitments of DCPS, Charter School Board and participating schools
- Analyze causes of turnover at participating schools
- Determine number of current DCHA students attending the selected schools
- Determine number of possible participants
- Develop strategies for meeting with staff and parents
- Consult with community and school staff

- Determine available resources of community partners/service providers
- Assure commitment of district administration
- Hold community comment events
- Develop plan and pursue additional funding sources
- Identify program evaluation team

Spring 2019-Summer 2019 Activities

- Plan teacher training
- Develop staffing and needs
- Secure community partners/service providers
- Consult with community and school staff
- Identify training for parents
- Design collection and tracking tools
- Establish eligibility rules
- Establish accountability rules
- Draft Family Commitment Plans
- Parents sign Family Commitment Plans
- Case Managers hired
- Baseline data collected
- Pursue additional funding sources

Fall 2020 Implementation Activities

- Students start spring semester
- Parents begin program activities
- Pursue additional funding sources

While truancy is the critical issue driving this initiative, DCHA recognizes that a holistic approach may be necessary to positively impact the life outcomes of children and their families who are struggling with this issue. Initially, DCHA anticipates the following impacts:

- Parents will improve their economic and employment status.

- Participating students will show greater gains in school outcomes (including reduction in absenteeism/truancy rates, grades and standardized test scores) relative to other low-income students attending their school and other schools. Each participating child will be monitored several times a year through various means (e.g. report cards, district/state assessment scores, case manager communications with teachers and other program partners).

- Parents of students will play a larger role in supporting their child's academic and social growth leading to improved achievement in the project

As the initiative moves forward during year one, DCHA will work with DCPS, DC Public Charter Schools and other community partners to determine if there are any additional likely impacts.

<u>Status</u>
Implemented and Ongoing

DCHA continues work with DCPS, Charter Schools, and OSSE on the planning/implementation schedule. As such the dates have been revised for FY2019. To date, a data-sharing MOU with OSSE has been drafted and is under review by counsel.

Planned Non-Significant Changes
There has been an adjustment to the planning/implementation timeline (see "Status" section).

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 28: Rent Reform Demonstration (HCVP)

Description/Update
The District of Columbia Housing Authority (DCHA) has been selected to participate in a demonstration commissioned by the U.S. Department of Housing and Urban Development (HUD) to evaluate a Housing Choice Voucher (HCV) alternative rent reform policy (the "Demonstration"). MDRC, a nonprofit and nonpartisan education and social policy research organization, is conducting the Demonstration on behalf of HUD. The Demonstration sets forth alternative rent calculation and recertification strategies that will be implemented at several public housing authorities across the country in order to fully test the policies nationally.

The goals of this alternative rent policy are to:

- Create a stronger financial incentive for tenants to work and advance toward self-sufficiency
- Simplify the administration of the HCV Program
- Reduce housing agency administrative burden and costs
- Improve accuracy and compliance of program administration
- Remain cost neutral or generate savings in HAP expenditures relative to expenditures under traditional rules
- Improve transparency of the program requirements

A computer generated program will randomly select the participants for the Demonstration from the pool of eligible vouchers. The Study Group vouchers will be managed using the proposed policies. The Control Group will be managed using the existing policies. A total of 2,000 families will be selected to participate—1,000 will be a part of the Study Group and 1,000 will be a part of the Control Group. Eligible participants will include only those with vouchers that are administered under the Moving To Work (MTW) Program. Non-MTW Vouchers (i.e., Veterans Affairs Supportive Housing, Moderate Rehabilitation, and Shelter Plus Care), Enhanced Vouchers, and HUD Project Based Vouchers are excluded from the Demonstration. Additionally, the Demonstration is focused on work-able populations and will not include Elderly Households; Disabled Households, and households headed by people older than 56 years of age (who will become seniors during the course of the long-term demonstration). Households currently participating in Family Self-sufficiency and Homeownership programs will not be included in the Demonstration. Households that contain a mix of members with an immigration status that is eligible for housing assistance and immigration status that is not eligible for housing assistance

would not be included in the Demonstration. Finally, families currently receiving a child care deduction will not be included in the Demonstration.

Description of Rent Reform Components

The Demonstration is designed to test an alternative strategy to standard HUD operating rules for the HCV program. The proposed alternative rent policies will include the following five key features:

1) Simplify income determination and rent calculation of the household's Total Tenant Payment (TTP) and subsidy amount by:
   a) Eliminating deductions and allowances,
   b) Changing the percent of income from 30% of adjusted income to a maximum of 28% of gross income,
   c) Ignoring income from assets when the asset value is less than $25,000,
   d) Using retrospective income, i.e., 12-month "look-back" period and, in some cases, current/anticipated income in estimating a household's TTP and subsidy, and
   e) Capping the maximum initial rent burden at 40% of current gross monthly income.

2) Conduct triennial income recertification rather than biennial recertification with provisions for interim recertification and hardship remedies if income decreases.

3) Streamline interim recertifications to eliminate income review for <u>most</u> household composition changes and moves to new units.

4) Require the Family Share is the greater of TTP (see #1 above) or the minimum rent of $75. A portion of the Family Share will be paid directly to the landlord.

5) Simplify the policy for determining utility allowances.

Additionally, the Demonstration will offer appropriate hardship protections to prevent any Demonstration Study Group member from being unduly impacted as discussed in Section V below.

Description of the Rent Reform Activity

1) <u>Simplified Income Determination and Rent Calculation</u>
   Under the current HUD regulations, the TTP is a calculation derived from the voucher household's 30% adjusted monthly income (gross income less HUD prescribed deductions and allowances). DCHA follows a process of interviewing the household to identify all sources of income and assets (when assets are $15,000 or more), then proceeds to verify the information and perform the final calculation. The process is complex and cumbersome, which increases the risk of errors. According to HUD's Occupancy Handbook, Chapter 5 "Determining Income and Calculating Rent," the most frequent errors found across PHA's are: Voucher holders failing to fully disclose income information; errors in identifying required income exclusions; and incorrect calculations of deductions often resulting from failure to obtain third-party verification. The complexity makes the HCV program less transparent and understandable by the public, landlords, and voucher holders.

a) Elimination of Deductions

A new method of calculation is proposed under the Demonstration, which eliminates the calculation of deductions and allowances in the determination of annual income

b) Percent Annual Gross Income

The TTP rent calculation will be determined by establishing gross annual income and then determining the greater of 28% of the gross annual income or the minimum rent of $75.

c) Elimination of Income from Assets Valued Less than $25,000

Elimination of the verification and calculation of income earned from household assets valued less than $25,000. Households would not be required to document assets worth less than that amount. This may further reduce administrative costs and simplify the program for greater transparency and program compliance beyond the costs savings realized with the previous implementation of another approved MTW activity in which income from assets valued at less than $15,000 (based on tenant self-certification) are not included in the calculation of income.

d) Review of Retrospective Income

To establish annual gross income for the three year recertification period, DCHA will review the total household income without deductions for the twelve-month period prior to recertification, i.e., the "Retrospective Income." A household's annual gross income will depend on its *Retrospective Income* during a 12-month "look back" period.

At initial recertification, the point Study Group participants initially enter the Demonstration, if a household's current/anticipated income is less than its retrospective income by more than 10%, a "temporary" TTP based on current income alone will be set for a six-month grace period. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined average retrospective income. No interim recertification interview would be required to reset this TTP.

e) Capping the Initial Maximum Rent Burden

HUD places a rent maximum for households moving into a new unit under the Housing Choice Voucher subsidy. This maximum rent burden is determined to be 40% of the household's adjusted annual income. However, under the HUD Rent Reform Demonstration, DCHA will no longer be adjusting household income using deductions and allowances. The household must not pay more than 40 percent of gross current monthly income for the family share when the family first receives voucher assistance in a particular unit. (This maximum rent burden requirement is not applicable at interim recertification if the family stays in place.)

2) <u>Triennial Certifications</u>

DCHA currently performs recertification of HCV households on a biennial basis. The triennial certification will review program eligibility, household composition, income and other household circumstances. Interim recertifications may be required for changes in the household situation such as: composition, income, and change in unit.

DCHA proposes performing recertification of Study Group participants every third year (triennial). The triennial recertification will review program eligibility, household composition, current income and income over the past twelve months ("retrospective income"), unit information and shall set the TTP and the household share of the rent. The TTP for the Study Group will remain in effect during the three year recertification period, with some exceptions related to decreases in income and changes in household.

Under the alternative rent policy, a household's annual gross income will be determined using its reported (and verified) *retrospective income* during a 12-month "look-back" period. In this calculation, gross income will exclude any prior income from sources that have expired for the household during that period, such as TANF or Unemployment Insurance benefits, since the household can no longer count on them. It will include imputed welfare income in the same manner as current calculations.

If the household has an increase in income between scheduled recertifications, the household's TTP will not be re-determined and increased to reflect the higher income. However, if the household has a decrease in income, the household may request and DCHA may provide an interim recertification or other remedies under the hardship process (see Hardship Policy section below). The interim recertification will be conducted when a household has a reduction of income of more than 10% from the retrospective income.

a) DCHA interim recertification will re-calculate the household annual gross income based on a new retrospective income review to determine the greater of 28% gross income or the minimum rent of $75. This new annual gross income will establish the TTP that will remain in effect until the sooner of the next triennial recertification or a tenant requested interim recertification. The tenant may only request one interim recertification per year. The year period during which only one interim is permitted begins on the effective date of the triennial recertification and ends 12 months later.

b) At the triennial recertification at the beginning of the three-year period (and at subsequent triennials), if a household's current/anticipated gross income is less than its retrospective income by more than 10%, the current gross income alone will be used to create a "temporary" TTP for a six-month grace period. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined average retrospective income. No interim recertification interview would be required to reset this TTP.

c) The Study Group will be allowed one request per year for an interim recertification to reset their TTP. The year will last twelve months from the effective date of the recertification. The year period during which only one interim recertification is permitted begins on the effective date of the triennial recertification and ends 12 months later. The TTP will only be reset if a household's new retrospective monthly income (at the time of the request) is more than 10% lower than its most recent prior

retrospective monthly income. If the limit on interim recertification presents a hardship, the household will need to apply for a Hardship Exemption (See Hardship Policy section below).

3) Streamline Interim Recertifications
DCHA will institute a streamlined interim recertification process for the Study Group to report change of circumstance that does not require adjustment in subsidy. For these events, DCHA will not request income information. These events include:

a) Changes to household composition. The Study Group must report both additions and removal of members to the household to DCHA to determine program eligibility and other HUD required reporting (e.g. deceased tenant reporting). However, unless the addition of an adult member changes the voucher bedroom size appropriate for the household composition to prevent overcrowding or over-housing, DCHA will not request income information for the new household member until the next scheduled triennial certification.

If the loss of a household member results in a reduction of more than 10% of the most recent retrospective income, the household will be allowed to reset their TTP.

In the event that the new or removed member requires a change to the voucher bedroom size, DCHA will review the retrospective income of the newly added or removed household members, apply a new utility allowance, and will reset the household TTP. A reduction in subsidy for new voucher bedroom size will be implemented when the current lease ends and new lease begins.

Changes to household composition will not be counted towards the limit of one requested interim certification per year.

b) Change of unit. Households seeking to move to a new unit will submit a request for move pursuant to current procedures. For households that move to more expensive units during three-year period, DCHA will absorb the higher contract rent costs up to the lesser of the gross rent or the payment standard, which is consistent with traditional rent rules. However, unless the request for move is due to a change in household composition, DCHA will not request income information or reset the household TTP until the sooner of the next scheduled triennial recertification or tenant requested interim recertification to reset TTP. DCHA will apply new utility allowance schedule, if any, to the household at the new lease effective date.

c) Changes in Utility Allowances. When utility schedules are updated to reflect rate changes, utility allowances, and utility allowance payments (UAPs) will be adjusted only when HAP subsidies or TTPs are recalculated for other reasons. More specifically, updated utility schedules will be applied when households:

- Change their contract rent,
- Recertify and the TTP is recalculated during interim or triennial,
- Move to new units, or
- Change their household composition requiring a change in voucher size.

4) Minimum Rent to Owner

Currently, HUD does not require minimum rents paid by the voucher holder to the landlord. DCHA is proposing that the Study Group members will be required to make a minimum payment of at least $75 direct to the HCV landlord in addition to DCHA's portion of rent (Housing Assistance Payment "HAP"). The total amount of rent will equal the contract rent established in the lease. This policy mirrors the market system of tenants paying owners directly and creates a closer relationship and sense of responsibility for both the leaseholder HCV household and the property owner.

The amount of rent to owner a Study Group household will pay is equal to their TTP less the Utility Allowance. A Study Group household rent to owner will not be less than the minimum rent. In the event that the Study Group household TTP, less the Utility Allowance, is less than the minimum rent, the household will pay the Owner the minimum rent and DCHA will reimburse the household the balance of the Utility Allowance. However, in the event that the minimum rent to owner exceeds 40% of the household current anticipated gross income, the household may request a Hardship Exemption as detailed in Hardship Policy Section below.

5) Simplified Utility Allowance Schedule

Currently, DCHA annually reviews and periodically re-establishes a Utility Allowance Schedule which represents the reasonable expectation of costs for utilities as part of the tenant's lease.

The utility allowance is based on utility surveys and analysis of the type of structure, bedroom size, appliances provided by tenant, and type of appliances (gas/electric). The simplified schedule is based on the analysis of data collected from DCHA's existing HCV portfolio including the most common structure and utility types. This new utility allowance schedule will be implemented upon the triennial certification or change of unit.

DCHA proposes a simplified schedule to reduce administrative costs and reduce errors associated with the traditional method of applying the Utility Allowance Schedule. The simplified Utility Allowance Schedule is also anticipated to benefit property owners who will have a more accurate understanding of the total gross rent to be applied to their properties and to the Study Group members who will be able to use this new schedule to clarify gross rent in their selection of housing units.

This schedule will be applied to the lesser of: the actual size of the unit or the size of the voucher rather than the larger of the actual unit size or the voucher size. DCHA will continue to use current market consumption data to determine when adjustments to the simplified schedule are needed (upon change of more than 10% in rates).

Proposed Flat Utility Allowance

Utility Allowances		# of Bedrooms						
		0	1	2	3	4	5	6
Base rate for all unit types		$89	$120	$152	$183	$239	$280	$322
Potential Add-ons	Water & Sewer	$28	$57	$84	$112	$141	$196	$225
	Electric or Oil Heat	$48	$64	$80	$96	$140	$159	$183

Achieving Statutory Objectives

1) **MTW Objective: To reduce administrative cost and achieve greater costs effectiveness in Federal expenditures.**

a) Simplified Tenant Rent Calculation

This activity will provide DCHA with immediate savings of staff hours from the calculation of deductions, allowances, and income from household assets valued at less than $25,000. Households would not be required to document assets worth less than that amount. This may further reduce administrative costs and simplify the program for greater transparency and program compliance beyond the costs savings realized with the previous implementation of another approved MTW activity in which income from assets valued at less than $15,000 (based on tenant self-certification) are not included in the calculation of income.

b) Triennial Recertification Schedule and Streamline Interim Recertification

These re-certification schedules will provide DCHA with immediate savings of staff hours and agency resources associated with the recertification processes.

c) Minimum Rent/TTP

This activity sets the minimum rent to $75 which is above HUD's current optional minimum rent of $50 and the agency's current minimum rent of $0. This minimum rent will reduce some HAP subsidy and save federal funds.

d) Simplified Utility Allowance

This activity will provide DCHA with cost savings from staff hours spent on detecting and correcting errors made when applying the utility schedule based on voucher size, household structure, appliances, and other factors.

2) **MTW Objective: To assist families achieve greater self-sufficiency by allowing families to keep this income to increase savings and attain greater self-sufficiency.**

a) Simplified Tenant Rent Calculation

The elimination of income from household assets valued less than $25,000 will enable the Study Group to use this income as a means to attain greater self-sufficiency rather than increasing their portion of the rent.

b) Triennial Certification Schedule
This activity will enable the Study Group to keep increases in income between the certification periods that would otherwise be "lost" through higher TTPs. As a result, it is expected to increase participants' employment rates and earnings and help them attain greater self-sufficiency.

Anticipated Impact on the Stated Objectives

1) Simplified Rent Calculation
This activity will provide DCHA with immediate savings of staff hours through an easier calculation in regular recertification meetings and interim recertification meetings and save staff from having to detect and correct errors in calculating adjusted income. Also this will increase transparency of how the tenant's share of shelter costs are computed.

2) Triennial Certification
This activity will provide DCHA with immediate savings of staff hours and save participants time as well through having fewer recertification meetings and income verifications. Also for participants this will act as a powerful incentive to increase employment and earnings; participants will be able to increase earnings between regular certifications without increases in their TTP and without having to report these increased earnings to DCHA.

3) Streamline Interim Certification
This activity will provide DCHA with savings in staff hours through eliminating income verification in some instances that would require it now. Also the streamlined recertifications help to maintain the employment and earnings incentive offered in the 3-year recertification schedule.

4) Minimum Rent to Owner
This activity will increase self-sufficiency of tenants by establishing a traditional tenant-landlord relationship in which all tenants will be required to pay some portion of the rent directly to the landlord. This also may help with housing quality by establishing a traditional relationship where the tenant and landlord are interacting more and make the tenant feel more able to ask for repairs on the unit.

5) Simplified Utility Allowance
This activity will provide DCHA with cost savings from staff hours spent calculating utility allowances for each household and save time from detecting and correcting errors made when using a more complex utility schedule. This will also increase the transparency of the utility allowance calculation, enabling a better understanding of how their total subsidy is calculated.

Anticipated Schedules for Achieving the Stated Objectives

Once the MTW Activity is approved, participants will be identified for enrollment in the Study Group and the Control Group. The enrollment process for the Study Group and Control Group will begin approximately in September of 2014 and end as soon as all Demonstration participants are enrolled. The Triennial recertification process for the groups will begin in September 2017 and end no later than 2019. Further information on the enrollment process is provided in Transition Process section below.

1) Simplified Rent Calculation
Demonstration Participants will be enrolled during their regularly scheduled certification meeting and presented with the simplified approach to rent calculation. This policy is intended to create simplicity and greater understanding of how the tenant portion of rent is determined which should impact upon the tenants at their initial certification.

DCHA will receive immediate benefits of staff time savings by not performing verification processes for the standard deductions and allowances which will no longer be applied to the Study Group.

2) Triennial Certification
Participants will have the initial baseline triennial certification performed at the initial enrollment meeting. Participants will not participate in a recertification until three years after this initial certification, unless they request an Interim Certification or a Hardship Exemption remedy.
Administrative cost savings to DCHA will be achieved in the second year of the Demonstration; at which time, DCHA will conduct the biennial recertification for the Control Group and will bypass the Study Group.

3) Streamline Interim Certification
This activity limits the ability of the Study Group to request interim certifications to reset the household TTP to no more than once per year and only when the reduced retrospective household income more than 10% than the retrospective income used to determine the TTP. The Study Group may request interim certifications to report changes in household composition throughout the three year Demonstration period. These recertifications will be streamlined and will exclude reexamination of household income or redetermination of household TTP.

The streamlined recertification activity is anticipated to result in a cost savings to DCHA within the first year of implementation because there will be a reduced number of interim recertifications for changes in household income.

4) Minimum Rent to Owner
The requirement for the voucher holder to pay a minimum rent to owner will begin with the effective date of the initial Study enrollment certification. This first triennial certification will determine the greater of the Total Tenant Payment of 28% of the household gross income or the newly established minimum rent (as described above). However, the final benefit of this activity may not be assessed until the second triennial certification to determine whether the Study Group members were able to achieve higher earnings and thereby reduce the amount of subsidy.

5) Simplified Utility Allowance
The Simplified Utility Allowance is already an approved MTW activity and will be effective for all Demonstration Participants when they are enrolled in the Demonstration. The Study Group will have the new utility allowance applied at the time of their initial triennial certification and thereafter at each triennial certification or certification for a move to a new unit. This activity is intended to create simplicity and greater understanding by the household of the utility allowance. It will benefit both the participant and prospective landlord by establishing the allowed rate prior to selecting a unit. DCHA will receive

immediate benefits of staff time savings by not creating and having to correct errors discovered in the application of the utility allowances.

Metrics

DCHA does not anticipate making any changes to the established metrics for this activity in FY2018.

Need/Justification for MTW Flexibility

DCHA Amended and Restated Moving To Work Agreement, executed September 2010, Attachment C, provides the authority to conduct rent reform activities. Specifically, Section D Authorizations for HCV only provides the following:

Operational Policies and Procedures

Item D. 1 (c) provides DCHA flexibility to define Operational Policies and Procedures. DCHA may define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act. This provision waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 CFR 982.516.

This flexibility is necessary to establish a triennial certification and revised interim certification schedule as part of the rent reform activity. Local forms will be created in order to adapt the 9886 to reflect a 36-month term between certifications.

Rent Policies

Item D. 2 (a) Rent Policies and Term limits. DCHA is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant based assistance. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program waives Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H) – (I) of the 1937 Act and 24 C.F.R. 982.508; 982.503 and 982.518.

This authorization is necessary for the provision to set minimum rent, elimination of deductions and allowances, using a percent of gross income to calculate TTP, setting the maximum initial rent burden to 40% of gross income and a simplified utility schedule as components of the rent reform activity.

Eligibility of Participants

Item D. 3 (b) Eligibility of Participants. DCHA is authorized to adopt and implement any reasonable policy for verifying household income and composition and for determining resident eligibility that differ from the current mandated program requirements. This provision waives provisions 24 CRR 982.516 and 982 Subpart E.

This authorization is necessary for the provisions to simplify rent calculation by eliminating income from household assets valued less than $25,000; eliminating deductions and allowances and to use household gross income to set the TTP.

Impact Analysis

A. Description of HCV Rent Reform Activity

A description of the HCV rent reform activity was provided in **Section I - Description of Rent Reform Components.**

B. Tracking and Documenting the Implementation

Information on tracking and documenting the implementation of the HCV rent reform activity is found in **Section II - Activity Metrics**. Additionally, MDRC will obtain information throughout the lifespan of this demonstration for use in a comprehensive assessment of the effectiveness of the rent reform activity.

On an annual basis, DCHA will report the results on the implementation in the annual report. MDRC will issue an interim report on the implementation. At the conclusion of the report, HUD and/or MDRC will report the outcomes of the Demonstration in a comprehensive report.

C. Identifying the Intended and Possible Unintended Impacts

Due to the nature of the project, the financial impacts are addressed comprehensively to reflect the totality of HCV rent reform activity.

1) Impact on HAP Expenditures under Alternative and Current Rent Policies

Models developed by MDRC estimate the impact on HAP expenditures over 4 years, with and without a modest employment impact.

Understanding the Table's Format

Table 1 presents the results of this HAP analysis for DCHA. The table shows:

- Estimated HAP payments for each year during the three-year recertification period, and then in Year 4.
- The dollar amount difference and the percent difference in comparing the current rent policy with the new rent policy.

The data in the table includes the following information:

- "Year 1" represents when the new rent policy would begin with an initial income assessment.
- "Year 4" represents the year after the next triennial recertification.
- For Year 4 and the cumulative years 1-4 two estimates are included:
  - one that assumes that the rent policy has no impact on tenant earnings, and
  - a second that assumes that the policy has a modest impact on tenant earnings.

These estimates are based on all working-age/ non-disabled DCHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study

Background on Change

The alternative rent policy is intended to be roughly *cost-neutral* from the perspective of housing agencies and HUD. This means that the combination of HAP and administrative expenditures should remain about the same as the total expenditures for assisting the same number of voucher holders under the traditional rent policy. Ideally, those expenditures would fall, creating an opportunity to provide housing assistance to more families for the same amount of money.

Interpreting the Potential Impacts

Potential Impact 1: The results show that estimated HAP expenditures are higher under the new policy relative to the current policy in Years 1, 2 and 3 (by 1.7 percent, 4.8 percent and, 6.7 percent, respectively). This is largely because voucher holders who would increase their earnings under the current policy and normally have their housing subsidies reduced would not have their subsidies reduced during this period under the alternative policy's TTP freeze.

Potential Impact 2: However, in Year 4, even assuming that the alternative rent policy did *not* have an impact on tenants' employment and earnings, estimated HAP expenditures under the new rent policy are nearly the same as under the current policy.
This reflects the fact that, on average, TTPs recalculated in Year 4 would be based on higher average earnings, because of normal increases in work and earnings over time (i.e., increases that would have occurred even in the absence of the new policy). It is at the point of the triennial recertification that housing agencies begin to recoup the foregone HAP reductions in the prior years when TTPs were held constant.

Potential Impact 3: HAP expenditures will fall even more in Year 4 (by $740,132) if the new policy *does* have a modest positive impact on household earnings. This impact would push up the income base for setting new TTPs to a higher level than what it would reach under current rules. A higher income base means that households will pay a larger share of their rent and utilities, thus requiring a lower subsidy.

Potential Impact 4: The *cumulative* HAP expenditures for Years 1-4 show that in the absence of an employment impact, those expenditures may be higher under the new rent policy compared with the current policy by 3.3 percent. However, if the alternative policy has a modest employment impact of the assumed size, DCHA is projected to incur only a marginal cumulative increase in HAP expenditures (1.9 percent).

Table 1

Estimates of HAP Expenditures Under Alternative and Current Rent Policies for Working-Age/Non-Disabled Households ($)

				(no employment impact)	(modest employment impact)	(no employment impact)	(modest employment impact)
	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 4**	**Total, Years 1-4**	**Total, Years 1-4**
New rent policy	13,779,403	14,331,826	14,864,279	14,503,903	13,764,669	57,479,412	56,740,177
Current rent policy	13,544,700	13,680,462	13,935,416	14,504,801	14,504,801	55,665,380	55,665,380
Difference	+$234,703	+$651,363	+$928,863	($898)	($740,132)	+$1,814,032	+$1,074,798

Percent change	+1.7%	+4.8%	+6.7%	(0.0%)	(5.1%)	+3.3%	+1.9%

2) Existing deductions and allowances

Table 2 presents the existing number of households receiving deductions and allowances, the percentage of households receiving specific deductions and allowances, and the average dollar amount of those deductions and allowances per household. Note that this table shows existing conditions rather than the potential impact.

Background on Change

Under the new policy, deductions and allowances are no longer permitted, making *gross* income the base for determining a household's TTP. Relying on gross income in calculating tenants' eligibility and TTP will simplify the rent-setting process and make it more transparent for both housing agencies and tenants. Child care allowances, in particular, can be burdensome to administer accurately. Under the traditional rent rules, child care allowances are based on *anticipated* unreimbursed child care expenses for the next year (or until the next recertification). Actual costs can be difficult to anticipate, however, particularly for parents who move in and out of jobs, whose child care providers change, whose child care needs change (e.g., if their work shifts change, whose children make a transition to a free pre-school program, or who become eligible for an external child care subsidy during the course of the year. It is not clear how reliably these types of changes are reported to housing agencies between recertification meetings, some of which might result in TTP increases, or decreases. It would be considerably more difficult to estimate *anticipated* child care expenditures under the new rent policy for the entire three-year period until the next triennial recertification. This would likely raise expectations for housing agencies, as stewards of public monies, to monitor whether actual child care expenditures during that much longer time period actually conformed to the levels anticipated, and to revise tenants' TTPs when they did not. Building a new compliance system to monitor child care expenditures would work against the larger rent reform goal of reducing administrative burdens, and it would create more reporting requirements for tenants.

Interpreting the Potential Impacts

Potential Impact 1: Currently 71.9 percent of households at DCHA receive at least one deduction. Eliminating deductions may affect the housing subsidies of some households more than others. For example, those with large families and high deductions for child care costs will find that, at their current income levels, their subsidies would be reduced. It should also be noted, however, that only a small percentage of households currently make use of the existing child care allowance – about 5 percent of working-age/non-disabled households in DCHA. In part, these low rates reflect the fact that many tenants who might benefit from the deductions are not employed. The average annual amount of that deduction among those who use is about $2,795 in DCHA. For the purposes of the Rent Reform Demonstration, all households with a *current* child care deduction will be excluded from the research sample and can continue to receive any qualifying child care deduction.

The new rent policy offers some compensation for the elimination of child care allowances for those who would otherwise qualify for one under current results. It does this, first, by

reducing the percent of income in calculating TTP to 28 percent, and, second, and more importantly, by not raising the TTPs of households that increase their incomes during the period until the next triennial recertification. This will leave families that increase their earnings with more resources to cover child care costs.

Table 2
Deductions And Allowances
Among Current Working-Age/ Non-Disabled Voucher Holders

Total number of households	7,106
Income Allowances & Deductions	
Any deductions (%)	71.9
Type of deduction (%)	
Medical/disability	2.9
Elderly/Disability	10.0
Dependent care	63.8
Childcare	5.2
Average annual deduction amount among those receiving deduction ($)	
Medical/disability	1,258
Elderly/Disability	400
Dependent care	1,111
Childcare	2,795
Total average deduction amount among those receiving a deduction ($)	1,295
Utility Allowance	
Has utility allowance (%)	84.3
Total monthly average utility allowance if receiving an allowance ($)	241
Other	
Receiving utility allowance reimbursement (%)	35.0
Average amount of utility allowance reimbursement ($)	146

3) <u>Impact on Family Share for households with selected characteristics</u>

Models developed by MDRC estimate the percentage of households that will likely pay a higher "family share" of shelter costs under the alternative rent policy. Assuming no employment impact, the estimated percentages of households with selected characteristics likely to pay a higher family share in year 1 at DCHA is shown below in Table 3.

<u>Background on Change</u>

The alternative rent policy is likely to *reduce* the family share for some households and *increase* it for others. Table 3 shows that certain types of families may be more likely than other families to have a higher family share.

<u>Understanding the Table's Format</u>

Table 3 indicates:

- How prevalent certain types of households are among the total number households (1000), and
- How prevalent those same types of households are among all the voucher holders who would likely experience an increase in family share under the new policy (468).

These estimates are based on all working-age/ non-disabled DCHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study.

Interpreting the Potential Impacts

Potential Impact 1: Overall, larger families would more likely be affected by the new rent policy, at least in terms of the likeliness of paying a higher family share of shelter costs. For example:

- The first column shows that households with three or more children represent 21.3 percent of households in DCHA (or 213 households out of 1000, as indicated in the second column).
- Of all voucher holders who are likely to pay a higher family share (468 households), households with three or more children represent a larger proportion (33.8 percent, as shown in the third column, or 158 households, as shown in the fourth column).

Potential Impact 2: Most of the households that are likely to have an increase in family share are households that have no earned income.

- About 654 households (or 65.4 percent out of a sample of 1000 households) have no earned income.
- Of the 468 households that are likely to have an increase in family share, 416, or 88.8 percent, of those, are households without earned income.

However, it is important to remember shelter costs represent only part of the picture of households' economic circumstances, and that overall *net income* might improve even for larger families if they increase their earnings over the course of the prior three years.

Table 3
Representativeness of Households (HH) with Selected Characteristics Among Working-Age/ Non-Disabled Households Likely to Pay a Higher Family Share in Year 4 Under Alternative vs. Current Rent Policies (Assuming No Employment Impact)

Characteristic	(%) Percent of Households	(#) Number of Households	(%) Percent with Higher Family Share under New Policy	(#) Number with Higher Family Share under New Policy
Number of Children				
No Children	39.7	397	29.8	140
Any number of Children	60.3	603	70.2	329
1 Child	22.1	221	16.7	78
2 Children	16.9	169	29.8	93
3 or more Children	21.3	213	33.8	158
Has earned income	34.6	346	11.2	53
Has earned income, but rent equals $0 under current policy	0.2	2		
Has earned income, but current rent equals or is less than new policy's minimum rent (before any hardship remedy)			8.7	41
No earned income	65.4	654	88.8	416
No income	21.7	217	28.6	134
Sample Size	1000	1000	468	468

4) Impact on Family Share for all working-age/ non-disabled households, by Dollar Amount

Models developed by MDRC estimate the changes in monthly family share over 4 years, with and without a modest employment impact. Shown below are these estimates for DCHA.

Understanding the Table's Format

Table 4 presents the results of the impact on Family Share for DCHA. The table shows:

- The difference in Family Share under the new policy compared with the current policy using three main categories (Lower under new policy, No change, Higher under new policy).
- The estimated Percent of all households impacted under each main category and the estimated percent of all households impacted based on the dollar amount of the impact.
- Estimated number (#) of households impacted for each of the three main categories.

The data in the table includes the following information:

- "Year 1" represents when the new rent policy would begin with an initial income assessment.
- "Year 4" represents the year after the next triennial recertification.
- For Year 4 and the cumulative years 1-4, two estimates are included:
  - One that assumes that the rent policy has no impact on tenant earnings, and
  - A second that assumes that the policy has a modest impact on tenant earnings.

These estimates are based on a sample of all working-age/ non-disabled DCHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study.

Interpreting the Potential Impacts

Potential Impact 1: Although the alternative rent policy will *reduce* the family share for some households, it will *increase* it for others. During the three-year period when the new policy's delayed recertification period is in effect, up to 58.3 percent of households (*depending on the year*) may have a *lower* family share than they would otherwise have under current rules, while up to 47.0 percent of households (*depending on the year)* may have a *higher* family share.

Potential Impact 2: In Year 4, given no employment impact and without considering any hardship-related reductions in TTP (which were difficult to build into the statistical models), it appears that in about half of the cases where households would likely pay a higher family share under the new rules, they would only pay up to $75 per month more. Less than 1 percent (0.1%) would pay more than $200 more per month than they would under current rules. The higher family share under the new policy would come from the policy's minimum rent, the absence of deductions, and limits on interim recertifications in the face of income declines. *However, as noted, this analysis does not apply any hardship remedies, so the increases in TTP are likely to be overstated to some extent.*

Potential Impact 3: If the new policy has a modest positive effect on earnings, more tenants than under current rules will experience an increase in their family share for Year 4, after their three-year income recertification. If the new policy has a modest employment impact, the analysis suggests that family share may increase by $50 or less per month for 7.9 percent of households; by $125.01 - $150 per month for 34 percent of households; and by more than $200 per month for less than 1 percent (0.4%) of households.

Table 4
Change in Monthly Family Share (FS) Under Alternative vs. Current Rent Policies
for Working-Age/Non-Disabled Households

Difference in FS under new vs. Current policy	Year 1	Year 2	Year 3	(no Employment impact) Year 4	(modest employment impact) Year 4
Lower under new policy (#)	515	573	583	474	334
Lower under new policy (%)	51.5	57.3	58.3	47.4	33.4
$10 or less	9.0	7.4	6.1	12.0	4.4
$10.01 - $20.00	7.6	6.2	5.4	9.7	5.6
$20.01 - $30.00	5.9	4.4	4.3	6.7	5.2
$30.01 - $40.00	5.5	4.0	3.6	5.5	5.0
$40.01 - $50.00	3.7	3.1	2.7	4.4	4.3
$50 or less	31.6	25.1	22.2	38.2	24.5
$50.01 - $75.00	6.0	6.0	4.8	6.1	5.9
$75.01 - $100.00	3.3	3.2	3.7	1.3	1.3
$100.01 - $125.00	1.6	3.0	2.9	0.2	0.2
$125.01 - $150.00	1.6	2.4	2.8	0.2	0.2
$150.01 - $175.00	1.1	2.2	2.5	0.1	0.1
$175.01 - $200.00	1.1	1.8	2.1	0.1	0.1
More than $200	5.2	13.7	17.2	1.2	1.2
No Change (#)	15	8	6	16	11
No Change (%)	1.5	0.8	0.6	1.6	1.1
Higher under new policy (#)	470	419	410	510	655
Higher under new policy (%)	47.0	41.9	41.0	51.0	65.5
$10 or less	9.6	6.6	6.9	11.5	3.1
$10.01 - $20.00	9.0	6.6	5.9	9.6	2.1
$20.01 - $30.00	6.3	5.2	4.8	6.5	1.4
$30.01 - $40.00	3.9	3.6	3.1	3.8	0.7
$40.01 - $50.00	2.7	2.6	2.6	2.2	0.6
$50 or less	31.4	24.6	23.2	33.7	7.9
$50.01 - $75.00	11.2	10.5	11.5	16.8	3.0
$75.01 - $100.00	1.4	2.0	2.0	0.3	1.1
$100.01 - $125.00	0.7	0.9	0.7	0.1	8.7
$125.01 - $150.00	0.6	0.9	0.9	0.0	34.0
$150.01 - $175.00	0.4	0.7	0.6	0.1	8.3
$175.01 - $200.00	0.4	0.4	0.4	0.0	2.1
More than $200	0.8	2.0	1.7	0.1	0.4
Sample Size	1000	1000	1000	1000	1000

Impact on Net income
The MDRC team completed a net income analysis for two different types of households which vary importantly in terms of their potential need for child care subsidies:

Table 5a and Table 5b are examples of "Shana's" household, where Shana is a single parent with two teenage children and no child care expenses.
Table 6a and Table 6b are examples of "Maria's" household, where Maria is a single parent with an infant who may need child care to work.

Background on Assumptions
For each household, the analysis estimated net monthly income under current rent rules and net income under new rent rules, making different assumptions about how much the parent worked (zero, 15, or 35 hours per week) and her hourly wage ($8 or, in some cases, $16).

Tables 5a and 6a illustrate net income for Shana and Maria under the new and current rent policies when ***there is a change in employment status****.*

Tables 5b and 6b illustrate net income for Shana and Maria under the new and current rent polices when ***their employment status remains unchanged****.*

Interpreting the Potential Impacts

Potential Impact 1: The analysis of the net income effects illustrate that when a household changes its *work status and earnings*– e.g., when tenants who are not working go to work, or those who are working part-time get full-time jobs, or when working tenants attain wage increases – net household income will improve more under the new rent policy than under current rent rules. This is achieved primarily by holding TTP constant in the face of earnings gains during the three-year period before the next triennial recertification.

Table 5a helps to illustrate how the new policy benefits tenants who do change their work status. The table shows how "Shana's" net monthly income would change under current rent rules as her work status changes. For example, if her initial status was not working, then her net income would be $691, given there is not a minimum TTP. Under the new rent rules it would drop to $675 because she would be paying a higher minimum rent (unless she qualified for a hardship exemption). If she were then to go to work full-time (35 hours per week) at a low wage rate ($8 per hour, which is just above the Federal minimum wage), her net monthly income would increase to $1,645 under current rent rules, but by $243 *more* per month under the new rent rules to $1,888. Thus, Shana would benefit substantially from the new policy if she were initially not working and took a full-time job, even at a low wage. It would increase her net income by 180% under the new policy, compared with 138% under current rules. On an annual basis, this increase would mean a gain in income of $2,916 under the new policy.

The advantage under the new rules is created by holding her TTP constant. Shana's TTP would rise under current rules as she progressed to full-time work, whereas they would remain the same under the new rules (not shown). In effect, the implicit marginal "tax" on any increased earnings due to the normal income-based housing subsidy rules would drop to zero percent under the new rules during this period.

The columns on the right side of the Table 5a provide further details on what would happen after the triennial recertification. At that time under the new rent policy, Shana's TTP would be reset to a higher rate, and, as a result, her monthly net income would drop relative to what it had been in the prior period. It would become comparable to what it would be under current rent rules. However, because her TTP would be held constant for another three years, her net income would grow *more* under the new rent rules relative to current rules if she could increase her wage rate. For example, if she could double her wage rate to $16 per hour job, her net income would grow by 29 percent under the new rent rules compared with only 8 percent under existing rules. Put differently, the same wage increase would boost her net monthly income by $342 (or 19%) more per month (or $4,104 per year) under the new rules than it would under current rules. The improvement would be less under existing rules because her TTP would increase per month.

Potential Impact 2: The advantages of the new rules will be smaller for tenants who, in order to go to work or to work more need external child care subsidies but cannot get them. The absence of child care allowances under the new rules will offset some of the benefit of holding TTP constant in the face of earnings gains for some families unless other child care arrangements can be found. Of course, many families who need but cannot get external child care subsidies have difficulty working even under current rent rules because the existing child care allowances are only an income deduction and do not fully cover child care costs. Thus, some families may not work under either rent policy because, if they have to pay for child care out of pocket, it may not "pay" to work.

Table 6a provides estimates of how net income would change for "Maria" as she changed her work status under the new and existing rent rules. However, in Maria's case, it is important to take into consideration her likelihood of receiving child care subsidies from an external funding source. The analysis shows that if Maria, who has a young child, does not need to pay for child care (e.g., because she is able to arrange for family or friends to care for her child at no cost), the new rent rules would provide a clear advantage for going to work full-time, as they do for Shana.

The new rules would also make it more advantageous, compared with current rules, for Maria to move from not working to working full-time, even if she needed to pay for child care out of her own pocket without any subsidies. However, this advantage would be less than it would be if Maria had no child care costs.

Potential Impact 3: Tenants who do not work at all may be somewhat worse off under the new rules if they become subject to the minimum rent and do not qualify for a hardship remedy. In addition, working tenants who do not increase their hours of work or wage levels (e.g., they remain working part-time or full-time at a constant wage) will experience little, if any, gain – or loss – in net income under the new rules relative to current rules. This is because their TTPs will remain constant over time, even under current rules. Tables 5b and 6b illustrate this pattern by comparing net income for Shana and Maria under the new and current rent policies when their employment status *remains unchanged* . These tables indicate that, at least in these hypothetical examples, the largest reduction in net income when work status does not change is about $15 per month.

Status
Implemented and Ongoing

FY2018 marks the end of the first full triennial recertification cycle and a complete assessment of the suite of policy changes implemented will be conducted. DCHA staff and MDRC are working to complete the final recertifications and collect data for the demonstration assessment. For a look at the initiative at its halfway point, see the FY2017 MDRC status report reflects a cumulative look across all five participating housing authorities.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Initiative 29: HQS Biennial Inspections for Landlords in Good-Standing

Description/Update
HUD regulations currently mandate that housing authorities inspect every HCVP unit at least once annually to ensure it meets Housing Quality Standards (HQS). Before a family takes possession of a unit for the first time, DCHA conducts an initial inspection. Although the Consolidated Appropriations Act of FY2014 included a policy change that allows housing authorities to implement biennial inspections, at the time this plan was drafted, HUD had not provided guidance on implementation of this policy change. In lieu of formal HUD guidance, DCHA is proposing to use its MTW authority to implement a biennial HQS inspections program for landlords/owners in good standing as defined by specific performance criteria that upholds HUD's standards of decent, safe, and sanitary housing for assisted HCVP households. Units/Properties approved to move to a biennial HQS inspection cycle will be required to have an HQS Inspection conducted at least one time every other fiscal year. It is DCHA's expectation through the implementation of this initiative that the agency will be able to meet HUD's HQS requirements in a more cost effective manner.

Tenant-based Vouchers

Landlords/Owners with units on the program in which residents are utilizing tenant-based vouchers must request to have their property/units designated for inclusion in the biennial HQS inspection cycle and meet all of the following criteria in order to move to a biennial HQS inspection cycle:

- History of Landlord/Owner HQS Compliance
  No more than **3%** of owner units that participated in HCVP in the past two years prior to the program entry request date have **final failed** due to landlord HQS violations.

- History of Unit HQS Compliance
  The unit(s) requested **cannot** have any HQS failed inspections due to landlord violations in the past two years.

- History of Landlord/Owner Compliance with HAP Contract
  Landlord/Owner cannot have a documented history of a breach of a DCHA HAP Contract – which includes, but is not limited to, a failure to enforce the lease with the tenant in Landlord Tenant Court for lease violations.

DCHA will mail each landlord deemed eligible a list of units in their portfolio that will be moved to a biennial inspection cycle along with the next scheduled inspection date.

If the landlord/owner or unit falls out of compliance with the above as a result of any type of inspection(s) (Quality Control, Compliance, or other), DCHA may disqualify that unit or property from continued participation in the biennial HQS inspection cycle. If disqualified, that unit/property will revert back to the annual inspection requirement. The owner will have to wait at least two years from the time of disqualification before applying for re-instatement to the program.

Project-Based

HCVP is proposing to automatically place its project-based units on a biennial inspection cycle based on the outcome of the most recent unit inspections given that each of the following criteria is met:

- History of Landlord/Owner HQS Compliance
  No more than **3%** of owner units that participated in HCVP in the past year prior to the program entry date have **final failed** due to landlord HQS violations.

- History of Unit HQS Compliance
  The unit(s) requested **cannot** have any HQS failed inspections due to landlord/owner violations in the past two years.

DCHA will mail each landlord deemed eligible a list of units in their portfolio that will be moved to a biennial inspection cycle along with the next scheduled inspection date.

Those developments who meet the above criteria will have the next scheduled inspections set to take place in FY16. The remaining developments will have unit inspections conducted in FY15 understanding that meeting the above criteria will result in being moved to a biennial inspection cycle that will begin in FY17. These developments are managed by professional management companies, which tend to have more experienced maintenance staff and more resources to draw on to perform any needed repairs in a timely manner. Therefore, it is anticipated that this will increase the likelihood of compliance with the biennial inspection terms of participation.

At ongoing scheduled inspections under the biennial inspection program, project-based units must meet the following criteria to stay in program.

- 90% of units in the property pass HQS inspections (excluding units that fail solely for tenant-caused violations); and
- 95% of the units in the property pass HQS Quality Control inspections (excluding units that fail solely for tenant-caused violations)

HCVP may disqualify a property from continuation in the program if one or more of the above thresholds are not met. If disqualified, the assisted units in that property will revert back to

inspections being conducted annually and the owner will have to wait two years from the time of disqualification before being considered to be re-instated in the program.

The anticipated impact of this initiative is increased compliance and oversight of assisted units in HCVP by effectively reallocating resources. DCHA anticipates that the participation in the program will be an incentive for landlords/owners to ensure that their units are passing inspections. In addition, landlord/owner retention in HCVP is an expected outcome.

The total time allotted for performing 100% of unit inspections each year will diminish as units are added to the biennial inspection cycle. With the freeing of inspection staff time, DCHA looks to increase the percentage of Quality Control (QC) inspections it conducts from 3% to 5% for the Tenant-based units and from 2% to 5% for Project-based units. This initiative contributes to increasing the quality of HCVP housing stock by allowing more focus on properties and participants that have a history of failing inspections. A portion of the anticipated savings in agency costs will be reinvested in the Agency's increased QC efforts.

Status
Implemented and Ongoing.

During FY2018 there was a slight decrease in the number of landlords participating and staff is reviewing data to assess the causes of the change. The decrease could be due to a variety of factors, including: a family vacated the unit, the landlord chose to leave the program, the landlord was non-compliant; or the unit failed due to issues caused by the family. More detail on these initial observations will be included in the FY2018 MTW Report.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Not Yet Implemented

New Number	Old Number	Activity	Statutory Objective	Yr. Identified	Yr. Implemented
19	4.5.11[2]	Establishment of Resident Driven Community Based Programs to Improve Customer Service and Foster Greater Resident Empowerment	• Reduce cost and achieve greater cost effectiveness	FY2011	Not Yet Implemented
31	NA	Unit Protection Incentive Program(UPIP)	• Increase housing choices for low-income families	FY2018	Not Yet Implemented

Initiative 19: Establishment of Resident Driven Community Based Programs to Improve Customer Service and Foster Greater Resident Empowerment (formerly 4.5.11)

Description/Update

In the Housing Authority industry, self-sufficiency is usually defined as obtaining work and gaining financial independence, but DCHA views self-sufficiency more broadly. Self-sufficiency refers to the state of not requiring any outside aid, support, or interaction, for survival; it is therefore a type of personal or *collective* autonomy. When DCHA residents come together and take ownership of community issues, and work together to develop creative solutions to those issues and create better communities, they are achieving a level of empowerment and self-sufficiency. When the solutions call on residents to assist in solving the problems, the implementation of these solutions can also achieve greater cost effectiveness in federal expenditures.

Working with Resident Councils, DCHA proposes to create resident-driven and resident-implemented community-based programs to increase and improve quality of life services at DCHA's properties and achieve greater resident empowerment and self-sufficiency. In exchange for participating in the program by volunteering their time, residents will be rewarded with an income deduction for rent calculation purposes. Participation by each community and/or by each individual will be strictly voluntary. DCHA is proposing to use its MTW authority to implement the income deduction.

[2] Initiative 4.5.11 Establishment of Resident Driven Community Based Programs to Improve Customer Service and Greater Resident Empowerment was originally numbered 4.3.11 in the FY2011 MTW Plan and FY2012 MTW Plan. In the FY2011 MTW Report the number was changed to recognize the previous use of 4.3.05 and 4.4.06 and to avoid confusion between the other initiatives.

The income deduction will be based on a range of hours worked. The chart below offers a preliminary view of how the income deduction will be calculated:

Estimated Hours worked per month	Estimated Income allowance/deduction	Estimated resulting reduction in rent charged
0-4	$32.00	$9.60
4-8	$64.00	$19.20
8-12	$96.00	$28.80
12-16	$108.00	$32.40
16-20	$160.00	$48.00
20-24	$192.00	$57.60
24-32	$256.00	$76.80
32-36	$288.00	$86.40

Under no circumstance will the income deduction result in negative rent.

Resident Councils will identify a need for an increased level of service, particularly quality of life service that typically differentiates between affordable properties and market-rate properties. The service cannot be offered by management within the budget available for the property or is not traditionally provided at Public Housing sites. The Resident Councils will also develop a strategy for organizing residents to meet the need/desire for increased service. Throughout the process, DCHA staff will provide technical assistance to the Resident Councils to help them implement the program and oversee the provision of the service. The implementation of the service will include training volunteers, scheduling volunteers, time tracking and calculation of the income deduction. By participating in the implementation or serving as a day-to-day volunteer, participants are actively engaged in increasing the vibrancy and livability of their community. Additionally some participants, depending on the volunteer activity, may have the opportunity to gain or enhance job and life skills.

One example of a project currently being developed is a greeters program at a building for the elderly and disabled. The building has been retrofitted with a card key system to control access to the building. As part of the resident participation in the planning of the new building access control system and the establishment of the ground rules associated with the card key system, the residents identified several issues that they wanted to help solve. While they wanted the building to be accessible only by card key 24/7, they recognized that it may be difficult for mobility-impaired residents to be able to come to the front door to allow their visitors access. In addition, the residents were concerned that the unsavory elements of the community might disable the system or prop open the door and that visitors may come to the building without having called ahead first to make arrangements for their host or hostess to meet them at the door. The solution that was designed by the residents includes a cadre of volunteer residents manning a desk in the lobby in pairs for four hour shifts for 12 hours a day to monitor entry and assist visitors. The greeters will be trained by the DCHA Office of Public Safety so that they know how to avoid putting themselves in danger and will be provided instant communication to the security booth located a half block away. Residents who volunteer as greeters will receive an income deduction for the purposes of rent calculation commensurate with their level of participation in the greeters program.

Another example of a program expected to be implemented under this initiative is a gardening program in which the residents wish to take responsibility for creating and maintaining more elaborate gardens and lawns at their family property. With this program, designed and overseen by the Resident Council, DCHA staff would help arrange for landscaping training for the residents volunteering for the program and provide materials and equipment. The residents who participate in the program, if they are exempt from the community service requirement or if they have completed the necessary community service hours, would receive an income deduction for the purposes of calculating rent based on their level of participation in the program.

The programs developed under this initiative will be initiated by the most organized and active Resident Councils. These will more than likely be the most active Resident Councils. This initiative will have a positive impact on all the residents of a community, but participation by any individual will be strictly voluntary.

Status
Not Yet Implemented.

The initiative was approved in plan year FY2011.

DCHA did not receive a JobsPlus designation under the 2016 NOFA; however, the agency looks to submit a proposal for designation as a Jobs Plus site under the upcoming NOFA. In anticipation of an award, as part of the DCHA Jobs Plus program design, DCHA will utilize this initiative to provide a rent reduction as described in the above description section. The reductions will be given to a cadre of residents who will serve as part of the outreach team charged with encouraging eligible residents to sign-up for the program. At this time, DCHA is anticipating the following sites for consideration: Carroll Apartments (Carroll Apartments, Greenleaf Additions, Greenleaf Extension); Greenleaf Gardens (includes Greenleaf Gardens and Greenleaf Senior); James Creek; and Syphax Gardens. DCHA will recruit 5-10 residents at each site to serve on the recruitment team as Community Coordinators.

Anticipated Implementation Schedule
Upon receipt of the Jobs Plus designation, DCHA looks to complete the necessary implementation steps for this program component during the preparation for implementation phase.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any major changes or modifications to the DCHA established or HUD standard metrics, baselines or benchmarks during FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

HUD Standard Metric(s)

Self Sufficiency #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self-sufficiency (increase)	Households receiving self-sufficiency services related to this initiative prior to implementation of the activity (number)	Expected number of households receiving self-sufficiency services after implementation of the activity (number)	Actual number of households receiving self-sufficiency services after implementation of the activity (number)	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase self-sufficiency— **Greeters Program**	0	Up to 8 residents	To be provided in the FY2017 Annual MTW Report	To be provided in the FY2017 Annual MTW Report
Number of households receiving services aimed to increase self-sufficiency— **Jobs Plus Community Coordinators**	0	TBD (based on the submission of the Jobs Plus proposal)	To be provided in the Annual MTW Report following Jobs Plus implementation	To be provided in the Annual MTW Report following Jobs Plus implementation

Self Sufficiency #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome (FY2015)**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (participation in a resident driven community based program)	Households transitioned to self-sufficiency (participation in a resident driven community based program)	Expected households transitioned to self-sufficiency (participation in a resident driven community based program) after implementation of the activity (number)	Actual number of households transitioned to self-sufficiency (participation in a resident driven community based program) after implementation of the activity (number)	Whether the outcome meets or exceeds the benchmark.
Number of households participating in a resident driven community based program – **Greeters Program**	0	Up to 8 residents	To be provided in the FY2017 Annual MTW Report	To be provided in the FY2017 Annual MTW Report
Number of households receiving services aimed to increase self-sufficiency— **Jobs Plus Community Coordinators**	0	TBD (based on the submission of the Jobs Plus proposal)	To be provided in the Annual MTW Report following Jobs Plus implementation	To be provided in the Annual MTW Report following Jobs Plus implementation

Initiative 31: Unit Protection Incentive Program

Description/Update

In 2015, the DCHA Housing Choice Voucher (HCV) program established Housing Affordable Living Options (HALO), a program designed to eliminate barriers for DCHA clients that are interested in moving to low-poverty areas by offering a host of incentives. One of the biggest barriers for HCV families is finding funds to secure a rental unit (via a security deposit). To address this barrier, DCHA HCV is proposing to add to HALO incentives the establishment of a pilot that guarantees funding to cover unit damages for landlords/owners participating in the HALO program. Under the Unit Protection Incentive Program (UPIP), in lieu of a security deposit, landlords/owners agree to DCHA guaranteeing that funds will be made available upon a participant's move-out to cover tenant-caused unit repairs that are beyond normal unit wear and tear. The guaranteed funds will not exceed one month of contract rent for the unit.

Although DCHA's current payment standards meet the rental amounts in many low-poverty areas, rents across the city are extremely high and renters are usually asked to pay a security deposit (equal to first month's rent) before move-in. Most of the HALO families cannot afford the security deposit and typically seek funding from other sources including other city programs. This barrier typically causes families to miss the opportunity to move-in during the timeframe allotted by the landlord/owner. The UPIP will eliminate this obstacle so that families can move-in quickly without the added pressure of coming up with a security deposit. As part of implementation, DCHA will explore the feasibility of negotiating with landlords/owners who have other required move-in fees, in addition to security deposits, to forgo those fees as well.

The UPIP pilot program will be limited to new landlords/owners participating in the HALO program and existing landlord/owners in which a HALO household moves and a HALO household moves into that unit. Landlords/owners will have the option to "opt-in" to the program as a household moves into their unit.

If a HALO participant living where the landlord/owner opted to participate in UPIP decides to transfer to another unit, DCHA will conduct a move-out inspection at no cost to the landlord to identify UPIP eligible tenant-caused damages. If tenant-caused HQS violations exist, the UPIP guaranteed funds will paid directly to the landlord/owner's contractor as long as the owner keeps the unit in UPIP after the HALO participant moves. DCHA will provide a fee schedule for UPIP allowable repairs. Normal wear and tear will not be covered under the program. UPIP is voluntary and enrolled landlord/owner can opt-out at the end of the lease term, but will forfeit the UPIP funds.

Statutory Objective(s)
Increase housing choices for low-income families

Anticipated Impact(s)
It is anticipated that the UPIP pilot program will reduce the barriers of participant households moving to low poverty by:

- attracting new landlords to participate in HALO;
- decrease the time that some participants take to lease-up; and
- increase unit turnaround time for new move-ins.

Costs related to implementation come in the form of no-cost DCHA performed HQS move-out inspections and the UPIP guarantee amount at the time a HALO family transfers.

Move-out Inspections
It currently costs DCHA $75 to conduct an inspection. Based on the projected need of current HALO participants who are preparing to transfer (52 households), this could cost the agency up to $3,900.

UPIP Guarantee
There are approximately 100 households participating in HALO. Of those 100 families, there are 52 enrolled in HALO who have NOT yet moved to a HALO area. Based on the current payment standards for the 52 families, the total projected cost for UPIP guarantees is $187,381.00. Given preliminary discussions with the 52 families, approximately 38 may require referrals/assistance for security deposits.

The below chart shows the amount needed should every HALO participant need assistance.

Bedroom Size	# of HALO Participants enrolled	Projected UPIP Amount needed
1	16	$42,368*
2	13	$39,728*
3	13	$52,325*
4	6	$29,976*
5	4	$22,984*
Total	**52**	**$187,381.00**

*These numbers were derived by taking the number of participants enrolled by bedroom size multiplied by the current payment standard for that bedroom size (i.e., 16, 1 bdrm times $2,648).

DCHA does not foresee these costs to be incurred annually. The average number of families transferring from one unit to another in the HCV program each year is approximately 200 or 2%. Given the host of supports that are a part of the HALO program, DCHA anticipates the transfer rate, after a participant family's initial HALO program transfer, to be less than 1%. If any of the other 48 families who already reside with HALO landlords decide to transfer to another HALO unit after HUD approval of UPIP, the families and their new landlords will have the opportunity to access UPIP. Given the assumption that HALO families who have already moved to low-poverty areas are receiving supports through the program designed to reduce the need to transfer to another unit, DCHA does not believe that there will be many of these families who will access UPIP. As DCHA monitors this initiative, the agency will include tracking of any of the 48 families who do access UPIP.

Status
Not Yet Implemented

By the 2nd fiscal quarter of FY2019, DCHA will update the agency's Administrative Plan (local regulations); add HALO provisions to the HAP contract; and staff will begin an assessment of potential landlords in HALO identified communities.

Planned Non-Significant Changes
DCHA does not anticipate any non-significant changes or modifications to this activity in FY2019.

Planned Changes to Metrics/Data Collection
DCHA does not anticipate any changes or modifications to the metrics in FY2019.

Planned Significant Changes
DCHA does not anticipate any significant changes or modifications to this activity in FY2019.

Activities on Hold

There are no Activities (Initiatives) currently on hold.

B. Closed Out Activities

New Number	Old Number	Activity	Statutory Objective	Yr. Identified	Yr. Implemented
N/A	1.2.04	Locally Defined Site and Neighborhood Standards	• Increase housing choices for low-income families	FY2004	Implemented FY2004, Closed Out FY2011
N/A	2.4.04	Special Occupancy for Service Providers	• Reduce cost and achieve greater cost effectiveness	FY2004	Never Implemented Closed Out FY2005
N/A	3.1.04	Voluntary Resident Community Service	• Reduce cost and achieve greater cost effectiveness	FY2004	Never Implemented Closed Out FY2004
N/A	3.2.04	Resident Satisfaction Assessment	• Reduce cost and achieve greater cost effectiveness	FY2004	Implemented FY2004 Closed Out FY2004
N/A	1.7.05	Security Deposit Guarantee Program	• Increase housing choices for low-income families	FY2005	Never Implemented, Closed Out FY2010
N/A	1.8.05	Modification to HCV Inspections Scheduling	• Reduce cost and achieve greater cost effectiveness	FY2005	Never Implemented Closed Out FY2006
6	2.3.04 & 2.5.05	Modifications to Pet Policy	• Reduce cost and achieve greater cost effectiveness	FY2005	Implemented FY2005 Closed Out FY2016
N/A	3.3.05	Streamlining Resident Community Service	• Reduce cost and achieve greater cost effectiveness in federal expenditures	FY2005	Implemented FY2005 Closed Out FY2012
9	3.3.05	Streamlined Operating Subsidy Only (OPERA) Protocol—Operating Assistance for Rental Housing	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2005	Not Yet Implemented
N/A	4.2.05	Revolving Loan Fund for HCV Landlords	• Increase housing choices for low-income families	FY2005	Never Implemented Closed Out FY2009
N/A	4.3.05	Flexible Funding	• Reduce cost and achieve greater cost effectiveness	FY2005	Implemented FY2005 Closed Out FY2010
N/A	4.4.06	Reformulation of HUD Forms	• Reduce cost and achieve greater cost effectiveness	FY2006	Implemented FY2006 Closed Out FY2010
13	2.6.07	Enhanced Public Housing Lease Enforcement Operations	• Increase housing choices for low-income families	FY2007	Closed Out FY2013

New Number	Old Number	Activity	Statutory Objective	Yr. Identified	Yr. Implemented
N/A	1.11.08	Maximizing Public Housing Subsidies	• Reduce cost and achieve greater cost effectiveness • Increase housing choices for low-income families	FY2008	Never Implemented Closed Out FY2008
14	3.6.08	Streamlining the Transition from Project-Based to Tenant-Based Vouchers	• Reduce cost and achieve greater cost effectiveness	FY2008	Implemented FY2009 and Closed Out 2012
21	2.10.12	DCHA Local Mixed Subsidy Program	• Increase housing choices for low-income families • Reduce cost and achieve greater cost effectiveness	FY2012	Never Implemented Closed Out FY2016
10	3.4.05	Supporting Grandfamilies	• Encourage families to obtain employment and become economically self-sufficient	FY2005	Implemented FY2005 Closed Out FY2016
26	NA	Local Investment Policy	• Reduce cost and achieve greater cost effectiveness	FY2014	Not fully imple mented
15	3.07.08	Reform Housing Quality Standards	• Reduce cost and achieve greater cost effectiveness	FY2008	Not Yet Implemented

Locally Defined Site and Neighborhood Standards

Description

As outlined in Attachment C of the DCHA original MTW agreement, DCHA needed the ability to move swiftly to expand and preserve affordable housing in the District of Columbia in the face of rapid and dramatic gentrification of many of the city's neighborhoods. These are neighborhoods targeted for revitalization as indicated by designation as an Empowerment Zone, Housing Opportunity Area, Strategic Neighborhood Target Area or Neighborhood Strategy Areas under the Community Development Block Grant (CDBG). Under stated federal requirements, the use of census data would not provide accurate and timely demographic information reflective of the quickly changing racial and economic landscape of the city's neighborhoods. Establishment of Locally Defined Site and Neighborhood Standards provided DCHA with the agility necessary to determine the location of newly constructed or substantially rehabilitated housing to be subsidized through project-based section 8 voucher funding or Public Housing operating subsidy. In determining the location of such housing, in lieu of the Site and Neighborhood Standards set forth in 24 CFR 941.202(b)-(d), DCHA acted in accordance with the following locally established requirements:

1. The units may be located throughout the District, including within the following types of urban areas: (i) an area of revitalization that has been designated as such by the District of Columbia; (ii) an area where Public Housing units were previously constructed and were demolished; (iii) a racially or economically impacted area where DCHA plans to preserve existing affordable housing; or (iv) an area designated by the District of Columbia as a blight elimination zone; and
2. A housing needs analysis indicates that there is a real need for the housing in the area; and
3. When developing or substantially rehabilitating six or more units, DCHA will provide documentation to HUD which evidences that: (i) during the planning process, it has consulted with Public Housing residents through appropriate resident organizations and

representative community groups in the vicinity if the subject property; (ii) it has advised current residents of the subject properties ("Resident") and Public Housing residents, by letter to resident organizations and by public meeting, of DCHA's revitalization plan; and (iii) it has submitted a signed certification to HUD that the comments from Residents, Public Housing residents and representative community groups have been considered in the revitalization plan.

In addition, the locally defined site and neighborhood standards complied with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and the implementing regulations referenced compliance with these Acts. Similar to HOPE VI Site and Neighborhood Standards, a DCHA project for which locally defined site and neighborhood standards were applied would either have to:

- Encourage reinvestment in areas of minority concentration;
- Improve or preserve affordable housing in the area;
- Provide quality housing choices for assisted households; or
- Reduce displacement in properties undergoing substantial rehabilitation as part of a comprehensive neighborhood revitalization strategy

Status
Implemented (FY04) and Closed Out (FY11)

In 2012, the MTW Office, in consultation with HUD's Urban Revitalization Division of the Office of Public Housing Investments, advised DCHA that MTW flexibility relative to site and neighborhood standards for DCHA's HOPE VI developments is not necessary and that local site and neighborhood standards cannot be approved for future non-HOPE VI development activities.

Special Occupancy Policy of Service Providers

Description
Both sworn and special police officers in DCHA's Office of Public Safety and the District of Columbia Metropolitan Police Department officers can serve their community better if they are part of it. DCHA currently makes use of this resource at several of its communities. The same would be true for other service providers as well. In addition to security officers, DCHA proposed creating policies to allow members of Vista, AmeriCorps, and similar organizations to live in DCHA Public Housing units in exchange for the services that they provide.

Status
Closed Out (FY05)

Many of the Resident Councils in DCHA's Public Housing communities felt strongly that it was more beneficial to continue to house traditional Public Housing residents rather than the service providers. Because of this input, DCHA discontinued exploration of this initiative.

Voluntary Resident Community Service

Description
Under this initiative, DCHA sought to seek voluntary, rather than the Quality Housing and Work Responsibility Act (QHWRA) required, community service by the residents of its communities while seeking to expand opportunities for residents to be empowered and inspired to make a difference and contribute service to their community.

Status
Closed Out (FY04)

In FY2004, DCHA completed the development of this initiative with the adoption of the Neighbor to Neighbor policy designed to provide incentives for voluntary community service. However, based on a legal determination from HUD that the community service requirement was not subject to the MTW agreement, and thereby was not to be implemented as voluntary for Public Housing residents, this initiative has been closed out.

Resident Satisfaction Assessment

Description
In FY2003, DCHA initiated a sophisticated assessment protocol to reliably determine resident satisfaction. Through a third party professional analyst of customer service satisfaction, DCHA assessed customer satisfaction using a combination of professionally administered surveys of a scientifically selected sample of residents and a carefully selected focus group representing a mix of interests. DCHA proposed as part of its first MTW Plan for FY2004 to continue this process on a biennial basis, submitting the findings biennially as part of the MTW Annual Report in place of the HUD administered resident satisfaction survey. This approach was adopted by DCHA as it more effectively measured customer satisfaction than the HUD administered survey. For example, the HUD survey consistently had low response rates and a relied too heavily on the literacy of customers being surveyed.

Status
Implemented (FY04) and Closed Out (FY04)

Although DCHA found the information gathered from its survey approach to be reliable and useful in shaping the Agency's programs and making key decisions, it was decided during FY2004 that DCHA would not pursue this initiative due to cost of administering the more sophisticated survey.

Security Deposit Guarantee Program

Description
Over the years, DCHA has sought to enhance the housing opportunities available to our housing choice voucher participants. One item that has consistently been an issue is the limited ability of some voucher participants to secure funding for a security deposit. DCHA explored the development of a small security deposit guarantee program to which voucher recipients could subscribe for a monthly fee in lieu of a lump sum security deposit payment to landlords. The goal of the proposed program was to provide a mechanism whereby voucher participants are not unduly restricted from leasing potential units.
This Initiative would have required flexible use of funds to allow for the payment of any claims on any guarantee where the recipient caused damage.

Status
Closed Out (FY10)

Due to MTW funding limitations and lack of local funding to supplement the MTW funds, the initiative was not pursued beyond initial exploration.

Modification to HCV Inspections Scheduling

Description
DCHA considered alternatives to the standard housing choice voucher inspection schedule, allowing the inspections staff to focus on properties which or landlords who persistently fail to meet HQS standards. DCHA considered categorizing properties with HAP contracts according to risk, quality, or upkeep level, and proposed using this categorization to determine the frequency of inspections. It was believed that many properties would only need to be re-inspected on a multi-year schedule thus allowing staff efficiency and a focus on properties or landlords that indicate a need for more frequent inspection.

Status
Closed Out (FY06)
Upon exploration, DCHA staff could not find sufficient patterns of consistency among landlords or properties to justify reducing inspection frequency. DCHA felt that because of the high failure rate of HQS inspections and the age of the housing stock affordable to HCV participants, the benefits of annual inspections outweighed any potential cost savings from this proposed initiative.

Modifications to Pet Policy

Description
In FY2004, DCHA adopted a local policy that only allows pets as a reasonable accommodation for families with a disabled member(s) requiring a pet. In FY2005, DCHA created a new policy governing the ownership of pets on DCHA properties. Based on public input and the realities of managing large subsidized rental communities, DCHA adopted regulations that limit pet ownership to those residents in both senior and family developments who are in need of service animals with a grandfather provision for those residents in senior buildings who had a pet prior to the effective date of the regulation.

Status
Implemented (FY05) and Closed Out (FY16)

In February 2016, DCHA received notice from HUD that its 2005 approval of this activity was being rescinded based on an assessment of the applicability of Section 227 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r-1), and its implementing regulations at 24 CFR Part 5 Subpart C to DCHA's use of its MTW authority to establish its pet policy.

Streamlining Resident Community Service

Description
Under this initiative, DCHA sought to identify regulatory simplifications and administrative streamlining with respect to the implementation of the statutory resident community service requirement. As such the Agency implemented the following:

- Automatically determining those individuals who are not exempt based on data residents already report regarding income amount and sources
- Setting the number of work activity related hours required by an adult household member to be exempt from the community service requirement

- Documented self-certification by non-exempt members of compliance with the community service requirement

Status
Implemented (FY05); Closed Out (FY12)

As this activity was implemented in FY2005, the measurable benefits are in the past, prior to the new reporting requirements under the MTW Agreement. No incremental cost savings are expected beyond the point of close-out.

Streamlined Operating Subsidy Only (OPERA) Protocol-- Operating Assistance for Rental Housing

Description
DCHA requested and received approval for a Streamlined Operating Subsidy Only (OPERA) Protocol as part of the FY2008 MTW Plan process. The first project approved under this initiative was Barnaby House; however, market conditions prohibited this project from being completed.
In addition to streamlined approval of Operating Subsidy Only mixed-finance transactions, OPERA also modifies HUD's requirement that the Agency record a Declaration of Trust in first position for properties receiving Public Housing subsidies; provides relief from the 10-year use restriction contained in Section 9(a)(3) of the U.S. Housing Act of 1937; and approves the form of project documents including an operating agreement entitled "Agreement Regarding Participation in the Operating Assistance for Rental Housing Program" and an Annual Contributions Contract amendment entitled "Operating Assistance Amendment to Consolidated Annual Contributions Contract".

Although OPERA was an approved initiative under DCHA's original MTW Agreement, language necessary to continue the use of the authority was not included in the negotiated Restated and Amended MTW Agreement executed in September 2010. As such, DCHA worked with HUD to amend Attachment D of the new MTW Agreement so that this initiative can be reinstated as part of the Agency's ongoing activities.

DCHA continued to explore methods to further encourage owners of privately-owned and financed housing to include Public Housing units in new or rehabbed properties.

Status
Approved FY 2005; Closed out

The initiative has not implemented as anticipated due to challenges posed by the developer's organizational structure and GAAP reporting requirements. Given the time since the initiative was passed and the initiative has not been implemented, DCHA has decided to close it out.

Revolving Loan Fund for HCVP Landlords

Description
The HCV lease-up process is often impeded by delays in making repairs to units with HQS deficiencies. Additionally, DCHA is often faced with no other option than to halt the payment of HAP subsidy for existing clients when landlords are delinquent in repairing deficiencies identified during annual

inspections. To lessen these problems, DCHA explored the development of a revolving loan program as an incentive for landlords to make required HQS repairs quickly.
Components of the program design were to include deducting the loan payments from the HAP payment and placing a lien on the property until the loan is paid off. DCHA planned to capitalize this program using the flexibility allowed by the MTW Block Grant. With a mechanism, such as the proposed loan program, in place to make HQS repairs quickly, DCHA hoped to maintain the supply of affordable HCV units and to reduce the inconvenience for the voucher holder. The revolving loan fund would have allowed an HCV participant-occupied unit to be repaired timely rather than force a participant to find and move to a compliant unit

Status
Closed Out (FY09)

Due to MTW funding limitations and lack of local funding to supplement the MTW funds, the initiative was not pursued beyond initial exploration.

Flexible Funding

Description
This initiative allows DCHA to exercise its funding fungibility authority as provided for in its MTW Agreement to utilize MTW Block Grant funds to support investments in operational costs and costs associated with providing customer service, resident programming, enhanced public safety for our residents, and capital projects that will improve access to resident services and expand affordable housing opportunities.

Status
Implemented (FY05)and Closed Out (FY10)

DCHA has been advised by the MTW staff at HUD that because flexible funding is part of our new MTW Agreement, a standalone flexible funding initiative is no longer required.

Reformulation of HUD Forms

Description
Many of DCHA's functions, both Public Housing and assisted housing through the Housing Choice Voucher Program use HUD prescribed forms for implementation. The forms facilitate uniformity and efficiency and in many cases work very well. The staff has discovered, however, that the prescribed forms may not in all cases serve our customers or internal operations as effectively or efficiently as possible. Some forms may not request as much information as would be useful to the customer or to DCHA. Additionally, they may not appropriately request or document information on aspects of the programs that have been modified locally through an MTW initiative.

For instance, the Housing Choice Voucher Program has simplified the voucher program by providing vouchers for a full 180 days, rather than a 60 day initial period with a 120 day extension. This has reduced the amount of staff time and also has been customer friendly as it allows all voucher holders the full amount of the time to locate a unit without requiring staff to "evaluate" each request for an

extension. The HUD provided forms do not reflect this policy change and in its current form requires staff to input two dates, the initial period and an extension. In situations like this, where there would be efficiencies and customer improvements from a local form, DCHA would develop a local form in substitution of the HUD provided form. DCHA would not be modifying the forms, rather it would substitute, as the Moving to Work program contemplated, a locally devised solution that responds to locally identified program needs.

DCHA contemplated this Initiative continuing through the term of the Moving to Work Agreement in order to facilitate implementation of locally revised or devised programs, rather than a burdensome review of all forms at one point in time when Initiatives are still being developed and implemented.

Status
Implemented (FY06) and Closed Out (FY10)
While it may be necessary to modify HUD forms as part of an MTW initiative in the future, this initiative, in and of itself, does not address any of the three statutory objectives and has therefore been closed out. If modifications to HUD forms are required, that action will be proposed as part of a specific MTW initiative.

Enhanced Public Housing Lease Enforcement Operations

Description
DCHA utilized MTW regulatory flexibility in the 2008 revised Public Housing dwelling lease to include provisions that allow the incorporation by reference of property specific community rules developed and adopted by the individual Resident Councils. The resulting lease, local regulations, policies and procedures are designed to give greater control of its properties to residents who are committed to a community's wellbeing and improve the effectiveness of its lease enforcement efforts.

DCHA has worked with individual Resident Councils to establish property specific community rules. No Resident Council, however, has availed itself of the option to establish property specific community rules.

Status
Closed Out (FY13)

Given the lack of movement with implementation of this activity, DCHA is changing the status to "Closed". However, DCHA still remains committed to providing the residents the flexibility in establishing property specific community rules. In the future, if there is renewed interest to move forward by resident councils the initiative will be resubmitted for HUD approval.

Maximizing Public Housing Subsidies

Description
Since the start of its MTW demonstration, DCHA has implemented a number of innovative mixed-finance redevelopment deals that are generating approximately $1.5 billion in economic activity in the District of Columbia, and which produced a number of new or rehabbed affordable housing units in a gentrifying city. While the housing authority has used most tools in the development toolkit, one tool,

the use of ACCs, has not been creatively maximized despite its capacity to complement operational costs of very low income housing.

During FY07 and FY08, DCHA explored the combining of ACCs in order to generate adequate public resources to support the rising operational costs of a unit in the District of Columbia. It was decided that DCHA would not pursue the use of ACCs in this manner.

Status
Closed (FY08)

This activity was approved in FY08, but not implemented as originally crafted. However, in FY14, DCHA introduced its *Local Blended Subsidy* initiative—a more developed initiative in which implementation began in FY14.

Streamlining the Transition from Project-Based to Tenant-Based Vouchers (formerly 3.6.08)

Description
The District of Columbia has lost thousands of project-based contracts throughout the past decade due to the "opting out" of private owners whose contracts with HUD were expiring. Like most housing authorities, DCHA plays a key role during the transition phase of a project-based development through the counseling of the households impacted and the issuing of tenant-based vouchers.

In response to the large number of opt-outs, DCHA streamlined the transition of households from a project-based contract to a tenant-based voucher. Given that the affected households are already in a HUD-funded program and had been certified for eligibility, DCHA accepts the eligibility and re-certification data collected by the landlord under the project-based contract.

Status
Implemented (FY09) and Closed (FY12)
As this activity was implemented in FY2009, the measurable benefits were in the past, prior to the new reporting requirements under the MTW Agreement. No incremental cost savings were expected beyond the point of close-out.

DCHA Local Mixed Subsidy Program

Description
In order to preserve public housing, DCHA is proposing to use its MTW authority to use housing choice voucher subsidy in combination with Public Housing subsidy to finance and operate newly renovated or constructed properties. Using the MTW authority, all tenants in the newly renovated or constructed properties regardless of the subsidy source will be treated the same—tenants will be given all the rights and responsibilities that DCHA Public Housing residents are afforded.
The first property for which this activity will apply is Highland Dwellings, a conventional Public Housing community consisting of 208 units. The renovation of Highland Dwellings will be financed through tax-exempt bonds and 4% tax credits, along with other public housing funding. In order to pay the debt service on the bonds, 83 units will be subsidized using project based vouchers. The other 125 units will be subsidized through the public housing program. Under this MTW initiative, however, the tenants living in all the units and the units themselves, regardless of the subsidy source will be governed by the

policies and procedures that govern DCHA's public housing. At Highland Dwellings, the renovations will be made to vacated units. The former residents of the development will all be given the right to return and be the initial occupants of the newly renovated or newly constructed units with future vacancies filled from the Public Housing waiting list.

The goal of the program is to use voucher budget authority to leverage the financing necessary to fund redevelopment, modernization and routine maintenance at Public Housing developments, while maintaining the stability of the community by continuing to manage the property and residents under one set of rules – public housing rules. This activity meets the MTW statutory objective to reduce cost and achieve greater cost effectiveness in federal expenditures. Examples of Public Housing occupancy policies that will be applied to all residents in a development designated a Local Mixed Subsidy Program include:

- All residents of the newly renovated property will pay public housing rents. The property will have Market-based Rent Cap schedule established based on data collected as part of the HCV Reasonable Rent determination process and rents will be charged according to Public Housing rent policies; in accordance with these policies, residents whose income-based rent would exceed the Market-based Rent Cap will only pay the Market-based rent; there will be no limitation on the length of time that the resident can remain in tenancy paying the Market-based Rent;
- Residents in good standing who are approved for or are required to transfer, for under -/over-housing issues, for reasonable accommodation requirements, or for public safety issues for example, will be offered units in other Public Housing developments in accordance with the DCHA Public Housing transfer policies; no residents, regardless of the subsidy source on the unit, will be given a tenant-based voucher upon transfer;
- Residents with grievances will have access to DCHA's Public Housing Grievance process;
- The UPCS inspection protocol will be used;
- The Public Housing lease will be used;
- If the property renovation requires relocation of the existing residents, all former residents will have the right to return to the renovated property. After that, Public Housing waiting lists will be used to fill the vacancies at the property; and
- Eligibility and screening criteria will be used as provided for in DCHA Public Housing regulations. No households who have income greater than 80% of the adjusted median income at initial admission will be housed.

As the implementation work was to be completed, it was anticipated that other differences between public housing operating policies and procedures and the HCV Administrative Plan may be found. In those cases the public housing rules would have been used rather than HCVP provisions.

<u>Status</u>
Closed Out (FY16).

This activity was initially proposed in order to implement redevelopment activity at Highland Dwellings. However, due to identification of a more effective approach to financing the work, the activity was not implemented and placed on hold. Instead, DCHA proposed a different activity that utilizes a different MTW flexibility to facilitate the redevelopment of the site (see *Initiative #25 : Local Blended Subsidy (LBS)* for detail about proposed MTW authority to be used for the Highland Dwellings redevelopment activity). As such, DCHA has decided to close-out this activity.

Supporting Grandfamilies

Description

Increasingly, grandparents have become the legal guardians or primary caregivers for their grandchildren. This trend is evident in many of DCHA's households. DCHA has explored ways to use or modify Public Housing or voucher policies as resources to help provide support for such families. To date, DCHA has implemented a policy to exclude from the calculation of income the receipt of a local stipend that the District of Columbia provides to grandparents as caregivers of their grandchildren.

Status

Implemented (FY 05) and Closed Out (FY16)

DCHA is closing out this activity because MTW authority is no longer necessary for the exclusion of the local grandparent as caregivers stipend provided by the city as income in the calculation of rent.

Any additional activities aimed at supporting grandparents as caregivers will be proposed in a future plan for approval.

Local Investment Policy

Description

HUD, as defined in the Annual Contributions Contract (ACC) and guided by Notice PIH 96-33, requires housing authorities to invest General Fund (program) monies only in HUD approved investments. These investments, if utilized fully, are outdated and risky. As a steward of the public trust, charged with achieving the best and highest use of its funding to serve its clients, DCHA is proposed to use its MTW authority to adopt a local investment policy that would achieve a portfolio which is safer, more liquid and realizes a more competitive yield. Based on a review of District of Columbia governmental entity eligible investments, DCHA determined the city's eligible investments are more up to date and safer for governmental funds to be invested. As such, DCHA's proposed local investment policy would be consistent with District of Columbia law to the extent such policies are in compliance with applicable Office and Management and Budget (OMB) circulars and other federal laws. Under the local investment policy, DCHA looked to invest only in securities authorized under District law that would allow the flexibility to invest productively and efficiently.

DCHA would have invested in safer investment instruments with lower transaction costs and higher competitive yield. It was anticipated that operating under this policy would give DCHA a higher return on its portfolio with less staff resources devoted to the process. Thereby reducing cost and higher net portfolio return would have achieved greater cost effectiveness in federal expenditures, allowing the Agency the enhanced ability to further the MTW statutory objectives through other initiatives.

Status

Approved FY2014 (never fully implemented); Closed FY2017

DCHA has decided to no longer pursue this initiative as ongoing review of investments and potential yields does not warrant moving forward with this action.

HQS Scheduling

Description

DCHA found that at times when there is a large volume of initial, annual and re-inspections inspections that need to be completed in the same month, delays may occur if DCHA did not incur the cost of overtime to make sure all inspections were completed as required. Given the need to house families as quickly as possible, DCHA decided that the most prudent way to balance the importance of housing families timely with ensuring ongoing HQS compliance and sound money management was to allow for extended HQS inspection scheduling. Under this initiative, DCHA planned to schedule inspections to occur on a 12 month basis; however, it would have the ability to reschedule annual inspections to occur beyond the 12-month/365 day window, not to exceed 90 days past the annual inspection anniversary date.

DCHA anticipated reducing cost and achieving greater cost effectiveness by eliminating overtime costs necessary to ensure timely completion of annual, initial re-inspections and compliance inspections. In FY14, DCHA spent on average of approximately $5,300/month in overtime to ensure annual HCV MTW unit inspections were completed timely in light of required initial inspections for new vouchers received through two opt-outs and a new VASH allocation. DCHA conducted a total of 622 annual inspections as a result of new opt-out vouchers and new VASH vouchers received during the fiscal year. The Agency projected that it may have to spend approximately the same amount in FY15, given a projected 645 new opt-out vouchers that DCHA expects to receive.

The ongoing need for this initiative after initial implementation was dependent upon the number of units/properties that enroll in the proposed biennial inspection program.

Status

Approved FY2015 (never fully implemented); Closed FY2017

DCHA closed this initiative as the flexibility it granted was no longer needed based on the number of eligible landlords/owners opting to participate in the HQS Biennial Inspections for Landlords in Good-Standing MTW initiative.

Reform Housing Quality Standards (formerly 3.7.08)

DCHA explored modifying the definitions and content of the housing quality standards to reduce uncertainty as to the nature of a unit's deficiency. The research included an analysis and comparison of all the various different housing standards across the federal housing programs and local housing programs. It was expected, that the modified standards would better align the standards of the HCV program to other housing programs. If deemed appropriate upon completion of the research, the housing authority intended to modify and standardize inspection standards with the goal of reducing leasing delays, which negatively impacts our clients, and reducing repetitive inspections, which impacts the efficient use of staff time.

Additionally, DCHA was working with three local government agencies in the District which conduct inspections on multifamily properties. The inspections by the various agencies were often conducted on the same units, resulting in redundant work and multiple inconveniences for residents.

Status

Approved FY2008 (never implemented); Closed Out FY2018

Based on DCHA's final assessment, the agency has determined that this is no longer viable to pursue this initiative based on the potential variability of inspection results across inspectors from different agencies, especially with the pending rollout of Uniform Physical Condition Standards for Vouchers (USPC-V).

Section V. Sources and Uses of Funding

A. Sources and Uses of MTW Funds

Under MTW, DCHA consolidates the agency's three major funding sources into a Single Fund Budget:

- Public Housing operating subsidy;
- Capital fund program (including Demolition or Disposition Transitional Funding (DDTF, formerly known as the Replacement Housing Factor Fund (RHF)]; and
- Section 8 Housing Choice Voucher program.

This section of the DCHA MTW Plan describes the agency's planned sources and uses of that budget.

Agency Budget

In addition to the tables provided below, please refer to the Operating Transfers In and Operating Transfers Out information in Appendix B—"Sources and Uses of Funding-Additional Information" as it identifies the amount that will supplement the MTW Sources and Uses of Funds detailed in this section. Combining these amounts yields the sources and uses of funds necessary for a balanced FY2019 budget.

Estimated Sources of MTW Funding for the Fiscal Year		
Estimated sources and amounts of MTW funding by FDS line item.		
Sources		
FDS Line Item	**FDS Line Item Name**	**Dollar Amount**
70500 (70300+70400)	Total Tenant Revenue	$ 19,647,365
70600	HUD PHA Operating Grants	$ 292,020,611
70610	Capital Grants	$ 16,800,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$ -
71100+72000	Interest Income	$ -
71600	Gain or Loss on Sale of Capital Assets	$ -
71200+71300+71310+71400+71500	Other Income	$ 588,637
70000	**Total Revenue**	$ 29,056,613

*** Refer to Appendix for additional information to Section V: Sources and Uses of Funds MTW**

Estimated Uses of MTW Funding for the Fiscal Year		
Estimated uses and amounts of MTW spending by FDS line item.		
Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	$ 22,467,360
91300+91310+92000	Management Fee Expense	$ 29,266,137
91810	Allocated Overhead	$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	$ 3,135,651
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ 24,833,790
93500+93700	Labor	$ 1,197,169
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ 30,523,185
95000 (95100+95200+95300+95500)	Total Protective Services	$ 10,517,421
96100 (96110+96120+96130+96140)	Total insurance Premiums	$ 3,056,339
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ 6,829,438
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	$ 3,431,436
97100+97200	Total Extraordinary Maintenance	$ 7,590,000
97300+97350	Housing Assistance Payments + HAP Portability-In	$ 181,246,762
97400	Depreciation Expense	$ -
97500+97600+97700+97800	All Other Expenses	$ -
90000	Total Expenses	$ 324,094,688
160	Capital Assets, Net of Depr.	$ 16,800,000
97400	Depreciation Expense	$ -
	Total Uses of Fund	$ 340,894,688
* Refer to Appendix for additional information to Section V: Sources and Uses of Funds MTW		

Use of Single-Fund Flexibility

Describe the Activities that Will Use Only MTW Single Fund Flexibility

Single-Fund Budget Flexibility will be used to meet many of the Agency's goals under the MTW Program. In FY2019 DCHA will use grant funds to achieve the following:

- Funding of Public Housing Operations
- Modernization of conventional public housing and generally address deferred maintenance issues at DCHA's conventional Public Housing sites
- Supplement operating fund payments to create new and replacement low income housing units. For detail about how this will be done to modernize/redevelop units, see *Initiative #25: Local Blended Subsidy*
- Operation of a workforce training site for Public Housing residents and Housing Choice Voucher participants
- Improving customer service, including efforts to maintain the agency's new Customer Call Center and improvements to work-order tracking system
- Purchasing and maintaining Public Safety equipment and tools to improve the safety and security in and around our communities
- Evaluating the long-term debts - Public Housing Energy Performance Contract (EPC) and Public Housing Capital Fund Financing Program (CFFP) Bond against current market economic conditions, and determining feasibilities of potential refinancing and optional prepayment using MTW Block Grant Fund.
- Fund VASH vouchers for the difference between HUD VASH funding and the actual cost to administer the vouchers.

DCHA may also utilize its MTW flexibility and block grant funds in a Rental Assistance Demonstration (RAD) project(s), upon HUD approval. DCHA received a portfolio award for 11 properties in FY2016 and anticipates receiving CHAPs for four of those properties in FY2019. In addition, DCHA will be considering RAD application submission for additional sites.

Capital Fund

Below is the proposed expenditure plan for FY2019 Capital Funds.

District of Columbia Housing Authority
Office of Capital Programs
Capital Fund Available for Modernization Fiscal Year 2019

PROPERTY	LINE ITEM DESCRIPTION	BUDGET VALUE	
Claridge Towers	Roof Replacement	$	550,000.00
Ft. Dupont Dwellings	Roof Replacement / Trim Repair	$	196,379.00
Harvard Towers	Envelope Water Infiltration (50% Final)Resolution	$	550,000.00
Hopkins Apartments	Units, Hallways & Fire Alarm	$	320,000.00
Judiciary House	Roof Replacement	$	450,000.00
Kelly Miller	Roof Replacement	$	200,000.00
Kentucky Courts	Unit Upgrades	$	500,000.00
Knox Hill	Roof Replacement	$	150,000.00
Ledroit Apartments	Roof Replacement	$	150,000.00
Lincoln Road	Unit Upgrades	$	250,000.00
Stoddert Terrace	Site Improvements and Unit Repairs	$	200,000.00
	Subtotal for Capital	$	3,516,379.00
FRONT LINE COST	BLUEPRINTS, DESIGNS, INSPECTIONS,FEES	$	100,000.00
FRONT LINE COST	VARIOUS REPAIRS, UPGRADES & EMERGENCIES	$	100,000.00
FRONT LINE COST	CCTV SYSTEM UPGRADE	$	76,000.00
FRONT LINE COST	INSPECTORS CAPITAL COST	$	300,000.00
FRONT LINE COST	RESIDENT RELOCATION	$	50,000.00
DCHA PROPERTIES	**TOTAL GRANT VALUE**	**$**	**4,142,379.00**

Budget Basis

FY19 Projections Breakdown

CAPITAL FUND GRANT	$	12,213,599
RHFs	$	0
DEBT SERVICE	$	(5,628,500.00)
ADMINISTRATIVE FEE	$	(1,221,360.00)
PUBLIC SAFETY	$	(1,221,360.00)
NET CAPITAL FUNDS AVAILABLE for MODERNIZATION	**$**	**4,142,379.00**

B. Local Asset Management Plan

See Appendix A for the DCHA Local Asset Management Plan (LAMP).

	Yes	No
Is the DCHA allocating costs within statute?		√
Is the DCHA implementing a local asset management plan (LAMP)?	√	
Has the DCHA provide a LAMP in the appendix?	√	

If the DCHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.

As reported in the FY2016 MTW Plan, DCHA has updated its LAMP by removing reference to ARRA funding the agency received as all awarded funds have been expended and the grants have been closed. In addition, reference to OMB Circular A-87 has been replaced with its successor regulation 2 CFR 200 with respect to cost classification.

C. Rental Assistance Demonstration (RAD) Participation

Description of RAD Participation

In FY2018, DCHA converted Columbia Road/Colorado Road, the agency's first RAD properties . DCHA received approval of the RAD Significant Amendment for the Columbia Road/Colorado Road conversion to project-based vouchers in FY2016. In addition, by the end of FY2018, DCHA will convert Fairlawn Marshall and Matthews Memorial to project-based vouchers. DCHA anticipates a May 2018 conversion with an effective HAP date of July 1, 2018. DCHA amended its FY2017 Plan in FY2018 to submit the RAD Significant Amendment for these properties. Both significant amendments are in Attachment C of this plan.

*In FY2016, DCHA received 11 CHAPs and one RAD portfolio award (see Appendix C for approved RAD Significant Amendment outlining the DCHA RAD portfolio award) . Subsequently, DCHA submitted applications to receive five CHAPs from its FY2016 portfolio reservation—a total of 140 units out of the original portfolio award of 921 units. The five CHAPs will cover Ontario, The Villager, Elvans Road, Montana and Lincoln Road, with conversion planned for the first quarter of FY2019 (**see below for additional detail about these anticipated CHAPs**).*

DCHA also anticipates using RAD in the future as a tool to fund capital needs and stabilize DCHA properties within the senior and family portfolios. In addition, DCHA plans to explore using RAD to stabilize mixed-income properties such as Wheeler Creek and to help achieve the redevelopment goals of projects like Park Morton.

	Yes	No
Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.	√	

If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment?

DCHA is proposing a change to the RAD rent phase-in policy. Specifically, DCHA would be capping the phase-in amount at the unit contract rent for households on DCHA's Market-based Rent (Flat Rent) who will have income-based rents that exceed the contract rent.

DCHA Properties with Pending Rental Assistance Demonstration (RAD) Applications for FY2019

DCHA has pending applications under the Rental Assistance Demonstration (RAD) Program of the U.S. Department of Housing and Urban Development (HUD) to convert 140 units of public housing to project-based vouchers consisting of the following properties:

Property Name	Number of Units
Elvans Road	21
Lincoln Road	20
The Villager	21
Montana	65
Ontario	31
Total Units	**140**

DCHA does not anticipate any transfer of assistance, changes to unit composition or reduction in the number of units at any of the above properties it plans to convert.

Since the five properties will be non-debt transactions, the major milestones anticipated are:

- *Anticipated CHAP Award: July – September 2018*
- *Financial Plan Submission: January 2019*
- *Anticipated RCC: March 2019*
- *Anticipated Closing: June – July 2019*

Upon conversion to PBV, DCHA will adopt the resident rights, participation, waiting lists and grievance procedures listed in Section 1.6.C and 1.6.D of PIH Notice 2012-32, REV-1. Additionally, DCHA is currently compliant with all fair housing and civil rights requirements and is under two Voluntary Compliance Agreements and a consent decree.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing PHAs with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, DCHA's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted to RAD. Through RAD, public housing agencies may access private debt and equity to address capital needs. The capital needs for RAD conversions will be informed by a Physical Conditions Assessment (PCA).

The agency currently pledges 50% of its capital funds to pay debt service on its outstanding CFFP debt. In September 2017, HUD approved a $3.2MM optional redemption DCHA made to maintain the existing debt service coverage and percentage of capital funds used to pay debt service. The $3.2MM optional redemption was made in consideration of the agency's RAD and redevelopment plan to keep the agency at 50% of its capital funds toward debt service. Consequently, the agency has planned forward for the anticipated conversion of the 140 units listed above.

The agency may elect to use RHF/DDTF funds to pay for improvements identified within the PCA for RAD conversions and/or to capitalize reserves for the project. Any such funds would be included in the financial plan DCHA will submit to HUD for each project.

A. Board of Commissioners Authorization Resolution and Certifications of Compliance

RESOLUTION 18-14

TO APPROVE THE DISTRICT OF COLUMBIA HOUSING AUTHORITY FISCAL YEAR 2019 MOVING TO WORK PLAN

WHEREAS, the District of Columbia Housing Authority (DCHA) and the U.S. Department of Housing and Urban Development (HUD) executed the Amended and Restated Moving to Work Agreement (MTW Agreement), effective September 29, 2010 and extended to 2028 by Congress through the Consolidated Appropriations Act of 2016, that outlines the terms and conditions of DCHA's continued participation in the MTW Demonstration Program as authorized by federal law;

WHEREAS, the proposed DCHA 2019 MTW Plan has been prepared in accordance with the requirements of Attachment B of the MTW Agreement;

WHEREAS, the proposed MTW Plan includes an allocation of capital funds, including Demolition and Disposition Transitional Funding ("DDTF"), formerly referred to as Replacement Housing Factor (RHF) funds, which are anticipated to be received from HUD from Fiscal Year 2019 appropriations, and the exact amount of Capital Funds will be determined by HUD;

WHEREAS, the proposed capital fund budget for FY2019 is $12,213,599 and the following summarizes the estimated budget by major line item:

CAPITAL FUND GRANT BREAKDOWN FFY19 Projections	
Estimated FY2019 Total Budget	**$ 12,213,599.00**
RHFs	$ 0 -
DEBT SERVICE	$ (5,628,500.00)
ADMINISTRATIVE FEE	$ (1,221,360.00)
PUBLIC SAFETY	$ (1,221,360.00)
NET CAPITAL FUNDS for MODERNIZATION	**$ 4,142,379.00 ;**

WHEREAS, Congress continues to underfund the Public Housing Capital Fund and Public Housing Operating Fund;

WHEREAS, DCHA submitted a RAD application to HUD and in 2016 received a portfolio award for 10 public housing properties that allows DCHA to explore RAD as a financing tool to fund public housing capital needs;

WHEREAS, five of the 10 properties in the RAD portfolio award are being considered for conversion to RAD in FY2019 (including Montana Terrace, which HUD has awarded a Commitment to Enter into a Housing Assistance Payment Contract ("CHAP"));

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RESOLUTION 18-14

TO APPROVE THE DISTRICT OF COLUMBIA HOUSING AUTHORITY FISCAL YEAR 2019 MOVING TO WORK PLAN

WHEREAS, DCHA has unspent RHF funds from prior fiscal years in the amount of $1.2M and if DCHA moves forward with the conversion of the five public housing sites referenced above to RAD, the agency anticipates spending the remaining RHF funds on capital improvements;

WHEREAS, during the public comment period, DCHA met with its stakeholders, specifically, the Housing Advocacy community, City-Wide Advisory Board, and the HCV Housing Providers Association, and DCHA residents/participants to discuss the MTW Plan; and

WHEREAS, the proposed DCHA 2019 MTW Plan (including the proposed use of Capital Funds and a policy revision to the Rental Assistance Demonstration (RAD) program) has been made available to the public for a 30-day comment period, discussed at a public hearing on June 25, 2018 and comments received were considered.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the District of Columbia Housing Authority hereby: 1) approves the DCHA FY 2019 MTW Plan for submission to HUD; and 2) authorizes the DCHA Executive Director/Secretary to execute all related certifications and forms;

PROVIDED, HOWEVER, that prior to the submission to HUD of a financing plan in connection with any conversion under RAD of the properties outlined in the FY 2019 MTW Plan, staff will seek authorization from the Board of Commissioners.

ADOPTED by the Board of Commissioners and signed in authentication of its passage, the 11th day of July 2018.

ATTEST:

Tyrone Garrett
Executive Director/Secretary

APPROVAL:

~~Neil Albert~~ William Slover
Vice Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

for

Kenneth S. Slaughter
General Counsel

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MTW Certification of Compliance (Form 50900, Attachment B)

CERTIFICATIONS OF COMPLIANCE

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF PUBIC AND INDIAN HOUSING

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

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning **October 1, 2018**, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

(1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.

(2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.

(3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).

(4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.

(5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

(6) The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.

(7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.

(8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

(9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.

(10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.

(11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

(12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.

(13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

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(14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

(15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).

(16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.

(17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.

(18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

(19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.** **Please see attached**

(20) The MTW PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.

(21) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

(22) All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

District of Columbia Housing Authority
MTW PHA NAME

DC001
MTW PHA NUMBER/HA CODE

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

Tyrone Garrett
NAME OF AUTHORIZED OFFICIAL

Executive Director
TITLE

SIGNATURE

7·13·18
DATE

* ***Must be signed by either the Chairman or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.***

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HUD FORM 50900: Certifications of Compliance

**** (19) continued**

As of the date hereof, DCHA is substantially in compliance with the requirements of the *Lead Based Paint Poisoning Prevention Act* and 24 *CFR* part 35, with a HUD-approved plan (copy attached hereto) to be in full compliance within the time periods prescribed thereby. In the interim, DCHA will continue to implement its HUD-approved plan: undertake required interim controls of any identified lead hazards; provide appropriate notice; and continue to monitor, and/or take any required action in, areas identified as having lead-based paint. As DCHA has done for the last several months, DCHA will continue to provide periodic updates on the execution of its approved plan, and progress toward full compliance.

Notwithstanding the foregoing, HUD acknowledges that, while DCHA is not yet in full compliance with the *Lead Based Paint Poisoning Prevention Act* and 24 *CFR* part 35, HUD has reviewed and approved DCHA's plan for full compliance. HUD acknowledges further that, pursuant to the approved plan, DCHA is in the process of completing Risk Assessments of its entire public housing portfolio, providing appropriate notice to residents as these Risk Assessments are completed, and implementing appropriate interim controls as recommended by the Risk Assessments, within the time periods required by 24 *CFR* part 35. Based upon DCHA's implementation of this HUD-approved plan, HUD acknowledges that DCHA is substantially in compliance with the *Lead Based Paint Poisoning Prevention Act* and 24 *CFR* part 35, and approves HUD's Annual Plan for the Moving to Work program, given the importance of DCHA's continuing status as an MTW agency to successfully implement its full compliance with the *Lead Based Paint Poisoning Prevention Act* and 24 *CFR* part 35.

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Certification of Consistency with the Consolidated Plan

OMB Approval No. 2506-0117 (Exp. 6/30/2

Certification of Consistency with the Consolidated Plan

U.S. Department of Housing and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Con solidated Plan.
(Type or clearly print the following information:)

Applicant Name: District of Columbia Housing Authority

Project Name: Proposed Activities--FY2019 Moving to Work Plan

Location of the Project: City-wide, District of Columbia
including various public housing sites &
housing choice voucher holders/project-based voucher sites

Name of the Federal Program to which the applicant is applying: Annual Submission--Moving to Work Plan

Name of Certifying Jurisdiction: District of Columbia

Certifying Official of the Jurisdiction Name: Polly Donaldson

Title: Director

Signature:

Date: 6.20.18

Page 1 of 1

form HUD-2991 (3/98)

B. Public Comment Process

DCHA has taken the following steps to ensure a thorough public process in accordance with its MTW Agreement, including a 30 day review period effective May 25, 2018 - June 25, 2018.

- May 16, 2018: Meeting with the Housing Providers Association (16 attendees)

- May 25, 2018: Public notice of availability of MTW Plan for public comment and notice of Public Hearing published on DCHA website. A copy of the proposed MTW Plan was made available on the web-site.

  Fliers with information about the Public Hearing and comment period, along with a copy of the proposed MTW Plan, were forwarded to Public Housing Resident Council leadership via e-mail.

  Fliers with information about the Public Hearing and comment period, along with a bound copy of the proposed MTW Plan, were made available for public viewing in the following departments located at DCHA's main offices: Housing Choice Voucher Program (HCVP); Eligibility and Continued Occupancy Department (ECOD); Office of Resident Services (ORS); and the Office of the Executive Director (OED).

- May 27, 2018 Public notice of availability of the proposed MTW Plan for public comment and notice of Public Hearing published in the Washington Post newspaper.

- May 29-
  May 31, 2018: Fliers with information about the Public Hearing and comment period that included a link to access the proposed MTW Plan, along with a hard copy of the proposed MTW Plan for public viewing were made available at DCHA public housing property management offices.

- May 29, 2018 Public notice published in The Afro American newspaper.

- May 30, 2018 Public notice published in the June 2018 edition of the Hill Rag newspaper

- May 31, 2018: Public notice published in May 31-June 6, 2018 edition of The Washington Informer newspaper.

- June 1, 2018: Public notice published in El Tiempo Latino newspaper.

- June 6, 2018: Public notice published in East of the River newspaper.

- June 12, 2018: Meeting with Legal Housing Advocates (7 attendees).

- June 13, 2018: Public notice fliers with link to access the plan, along with bound copies of the plan were made available to attendees of the June 2018 DCHA board meeting.

- June 13, 2018 Public notice published in The Current newspaper.

- June 14, 2018: Meeting with the City Wide Advisory Board (7 attendees)

- June 19, 2018: MTW Plan presentation at the Woodland Terrace Property Manager's meeting (36 attendees)

- June 21, 2018: MTW Plan presentation at the Fort Lincoln Property Manager's meeting (23 attendees)

- June 25, 2018: Public Hearing held and bound copies of draft proposed FY2018 MTW Plan distributed to attendees (13 attendees)

- July 11, 2018: Approval by the Board of Commissioners at the July monthly meeting

The following pages include the documents listed below:

- Board of Commissioners Meeting Agenda
- Public Notice Flier
- Published Public Notices
- Housing Providers Association Meeting Notice
- City-Wide Advisory Board Meeting Agenda
- Legal Housing Advocates Meeting Agenda
- Public Hearing Agenda

DISTRICT OF COLUMBIA HOUSING AUTHORITY
BOARD OF COMMISSIONERS

REGULAR MONTHLY MEETING

Sibley Plaza
1140 N. Capitol St. N.W.
WEDNESDAY, JULY 11, 2018
1:00 P.M.

AGENDA

I. CALL TO ORDER *[MOMENT OF SILENCE] AND QUORUM*

II. APPROVAL OF MINUTES

June 13, 2018 Board of Commissioners' Meeting — Tab 1

III. EXECUTIVE DIRECTOR'S REPORT

IV. RESOLUTIONS

PUBLIC COMMENT

A. RESOLUTION 18-12 — Tab 2
To Authorize Execution of a Memorandum of Understanding with the Office of the Deputy Mayor for Funding to Demolish 33 Units at Lincoln Heights
1. Description of Resolution
2. Board Action on Resolution

B. RESOLUTION 18-13* — Tab 3
To Authorize the Execution of a Contract or an Enterprise Resource Planning (ERP) System Solution
1. Description of Resolution
2. Board Action on Resolution

C. RESOLUTION 18-14* — Tab 4
To Approve the District of Columbia Housing Authority Fiscal Year 2019 Moving to Work Plan
1. Description of Resolution
2. Board Action on Resolution

D. RESOLUTION 18-15* — Tab 5

*Pending review by the Committee on Operations

Page 1 of 2

To Adopt Final Regulations for Smoke-Free Policy
1. Description of Resolution
2. Board Action on Resolution

F. RESOLUTION 18-16* — Tab 6
To Adopt Final Regulations to Amend Regulations Governing the Homeownership Assistance Program
1. Description of Resolution
2. Board Action on Resolution

V. PUBLIC COMMENT — **RESIDENTS**
NONRESIDENTS

VI. ANNOUNCEMENTS

VII. ADJOURNMENT

RESOLUTIONS CAN BE ACCESSED ON THE DCHA WEB-SITE AT
www.dchousing.org

***Pending review by the Committee on Operations**

DISB

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

WHAT IS A PUBLIC BANK?

Join the Department of Insurance, Securities and Banking (DISB) for a series of public meetings on a proposal to establish a public bank in the District of Columbia.

District of Columbia residents, small business owners and other stakeholders will learn:

- What is a public bank?
- What are the core tenets of public banking?
- What other states and municipalities have public banks?

Find out more on:

June 6 @ 6:30 p.m. at the Kellogg Conference Hotel, 800 Florida Ave., NE, WDC 20002

July 25 @ 6:30 p.m. at the R.I.S.E. Demonstration Center, 2730 Martin Luther King Jr. Ave., SE, WDC 20032

To register: https://disb.dc.gov/page/public-banking-district
For more information, visit disb.dc.gov or call (202) 727-8000

THE DISTRICT OF COLUMBIA HOUSING AUTHORITY

PUBLIC HEARING AND PUBLIC COMMENT NOTICE

NOTICE OF PUBLIC HEARING TO DISCUSS THE PROPOSED 2019 MOVING TO WORK (MTW) PLAN

The District of Columbia Housing Authority (DCHA) is providing notice of a Public Hearing and comment period to solicit comments on the agency's proposed 2019 Moving to Work (MTW) Plan. MTW is a HUD program that allows select public housing authorities to design and implement innovative programs and policies with the intent to: 1) reduce costs and improve efficiencies; 2) encourage residents to obtain employment and become economically self-sufficient; and 3) increase housing choices for low-income families. The Public Hearing will take place on Monday, June 25, 2018 at 6:00 PM at 1133 North Capitol Street, NE in the 2nd floor Board Room. Written comments will be accepted thru Monday, June 25, 2018 via email at MTW@dchousing.org or by mail sent to Kimberley Cole, Director of Planning, DCHA, 1133 North Capitol Street, NE, Suite 200, Washington, DC 20002. To request a copy of the plan, please call (202) 435-3389; send an email to MTW@dchousing.org; or download the plan from the DCHA website at www.dchousing.org/mtw2.

9, 10, 19, 20, 21, 22, 23, 24; and July 2 through 8. mlb.com/nationals.

$5 Nationals Grand Stand Tickets. Grandstand seating is available in sections 401 and 402 for $5 for most games. Grandstand seats go on sale at Nationals Park on game day, two hours prior to first pitch at the Main Box Office. mlb.com/nationals.

Pride 5k Run at Congressional Cemetery. June 8, 7 PM. This is a race of friendly competition, an evening of community and celebration and an Official Event of the Pride in the Nation's Capital celebration. Register at capitalpride.org/events.

International Day for Yoga. June 16, 8:30 to 10:30 AM. The Embassy of India, in partnership with Friends of Yoga, is celebrating the fourth International Day of Yoga at the US Capitol, West Lawn. Bring a mat. Register at indianembassy.org/dcyogaday.

DC Outdoor Pools. Outdoor pools operate only on weekends starting on June 13 and then six days a week. Each pool has a dedicated closed day. East Potomac will be closed this summer. Find a pool at dpr.dc.gov/service/find-pool.

MARKETS AND SALES

Canal Park Farmers Market. Sundays, 9 AM to 1 PM, May 6 to Oct. 28. 200 M St. SE. freshfarm.org.

H Street NE Farmers Market. Saturdays, through Dec. 15. 800 13th Street NE. freshfarm.org.

Watkins Farm Stand. Wednesdays, starting June 6, 4 to 7:30 PM. 1300 E St. SE. freshfarm.org.

Farmers Market SW. Saturdays through Nov. 17, 9 AM to 1 PM. Now entering its fourth season, the market attracts hundreds of weekly shoppers and also features live music, performances, lawn games, children's activity and more. 425 M St. SW. diversemarkets.net.

Night Market SW. Fridays, June 15 and 29; July 13 and 27; Aug. 10 and 24; Sept. 7 and 21; Oct. 5 and 19; 4 to 10 PM. Art, food, flea, live music, beer garden. 425 M St. SW. diversemarkets.net.

Eastern Market. Daily except Mondays and important holidays. Weekdays, 7 AM to 7 PM; Saturdays, 7 AM to 6 PM; Sundays, 9 AM to 5 PM. Flea market and arts and crafts market open weekends, 9 AM to 6 PM. Eastern Market is Washington's last continually operated "old world" market. 200 and 300 blocks of Seventh St. SE. easternmarket-dc.org.

Flea Market at Eastern Market. Sundays, 9:30 AM to 4:30 PM on C Street between Seventh and Eighth Streets SE. EasternMarket.net.

Fresh Tuesdays at Eastern Market. Tuesdays, 3 to 7 PM. Farmers' line of fresh produce. Eastern Market, 200 block of Seventh Street SE. easternmarketdc.com.

Union Market. Tuesdays to Fridays, 11 AM to 8 PM; weekends, 8 AM to 8 PM. Union Market is an artisanal, curated, food market featuring over 40 local vendors. 1309 Fifth St. NE. unionmarketdc.com.

Have an item for the Calendar? Email it to calendar@hillrag.com. ◆

ELECTION

the connection she sought between business and public service.

Trump was elected six days after Thomas gave birth to her second daughter, Minerva, named for the goddess of wisdom. Her older daughter, Magnolia "Maggie," is six and shares the middle name Caralie with Frances Perkins, the first female US Secretary of Labor. After the election, Thomas says she spent three months "rage tweeting." Then she realized she had found the way to use her expertise for political action.

"My skills really seemed to fit the need," she says. "Part of what you do as a management consultant is speak persuasively to others. You have to tell a story, craft a narrative. You look at the evidence then boil it down to a concise summation that people can process. And then you make a plan."

After maternity leave, she kept up activism for DC rights in her spare time, but says she was getting frustrated. She saw so much opportunity for change and so little happening. "Nothing was going to change unless we changed some of the people in power and changed the ways in which we're advocating for ourselves," she says.

She gave notice at Dalberg Global Development and began to look for a job in political advocacy. A few days into her search, she attended DC Council oversight hearings on statehood, where she heard the DC shadow delegation – two senators and a representative – answer questions about what they had done in the past year. "It wasn't super inspiring," she says.

No one had filed to run against Sen. Michael Brown in the June election. "Strategic thinking, planning and ability to get things done would really go a long way," she says. "So why is nobody running?" Just 27 hours after she left the oversight hearing, she was at the Board of Elections picking up the paperwork. Candidates need 2,000 signatures to get on the ballot. Thomas got 4,800 in 13 days.

She has been endorsed by Attorney General Karl Racine, Ward 6 Councilmember Charles Allen, DC for Democracy, Gertrude Stein Democratic Club, SEIU 32BJ, UNITE HERE Local 25 and Ward 6 ANC Commissioner Denise Krepp. She is also the candidate for Moms Demand Action for Gun Sense.

Thomas is passionate about statehood. "I love DC," she says. But she says residents suffer from "statehood fatigue." They have become complacent, despite recently voting overwhelmingly in favor of statehood. "We have a unique opportunity here that we need to take advantage of," she says, referring to the new activism and the coming midterm election. "There is now an interest in fundamental democratic rights."

She says citizens need what in business school is called a "quick win," something visible. "If, based on our efforts, Marco Rubio (R-Fla.) and Tom Garrett (R-Va.) take back their absurd bills that are trying to effectively nullify DC's gun laws, I would call that a win," says Thomas. She also recognizes the need for a robust social media campaign.

The shadow senator is an unpaid position with no real authority, but Thomas, who works part-time for the Leadership Now Project, thinks it can be an effective platform for statehood. Through Resist and Rise, she knows many of the statehood activists, people she hopes to continue to collaborate with if she is elected. She understands she doesn't need to reinvent the wheel. Plans for achieving statehood exist. But Thomas would like to add new strategic thinking, energy and commitment. She would like to add her voice. *ER*

THE DISTRICT OF COLUMBIA HOUSING AUTHORITY

PUBLIC HEARING AND PUBLIC COMMENT NOTICE

NOTICE OF PUBLIC HEARING TO DISCUSS THE PROPOSED 2019 MOVING TO WORK (MTW) PLAN

The District of Columbia Housing Authority (DCHA) is providing notice of a Public Hearing and comment period to solicit comments on the agency's proposed 2019 Moving to Work (MTW) Plan. MTW is a HUD program that allows select public housing authorities to design and implement innovative programs and policies with the intent to: 1) reduce costs and improve efficiencies; 2) encourage residents to obtain employment and become economically self-sufficient; and 3) increase housing choices for low-income families. The Public Hearing will take place on Monday, June 25, 2018 at 6:00 PM at 1133 North Capitol Street, NE in the 2nd floor Board Room. Written comments will be accepted thru Monday, June 25, 2018 via email at MTW@dchousing.org or by mail sent to Kimberley Cole, Director of Planning, DCHA, 1133 North Capitol Street, NE, Suite 200, Washington, DC 20002. To request a copy of the plan, please call (202) 435-3389; send an email to MTW@dchousing.org; or download the plan from the DCHA website at www.dchousing.org/mtw2.

CLASIFICADOS

Comunidad para Personas Mayores

Comunidad Reconocida para Personas Mayores y Vivienda con Atención Personalizada

Servicio de Calidad a Precios Razonables

Gulpepper Garden

4445 N. Pershing Drive
Arlington, VA 22203
703-528-0162
VA Relay # 800-828-1120
www.gulpeppergarden.org

Anuncio Público

¿Y ya visitó? www.eltiempolatino.com

Dale un vistazo

REUNIÓN COMUNITARIA PARA EL VIRGINIA RAILWAY EXPRESS (VRE)

El público está invitado a una reunión comunitaria sobre el proyecto de Mejoramiento a la Estación de Crystal City del Railway Express de Virginia (VRE) el:

Miércoles 6 de junio de 2018

Open House de 4:00 PM a 8:00 PM

En el Gallery Underground

The Shops en 2100 Crystal Drive, Arlington, VA 22202

Asista e infórmese sobre el diseño conceptual del proyecto y aporte sus comentarios sobre el diseño de la estación y el acceso a la estación desde la Crystal Drive.

Revise la información publicada en el sitio web del proyecto: vre.org/development/crystal-city-station-improvements

Envíe sus comentarios escritos entre el 1º de junio de 2018 y el 17 de julio de 2018 por correo electrónico a: ssoneji@vre.org

O por correo postal a la Atención de: Sonali Soneji, Project Manager

Virginia Railway Express, 1500 King St. Suite 202, Alexandria VA 22314

AUTORIDAD DE VIVIENDA DE DC

Aviso de Audiencia Pública y Comentario Público

AVISO DE AUDIENCIA PÚBLICA PARA DISCUTIR EL PLAN MOVIÉNDOSE AL TRABAJO (MTW) DE 2019

[illegible]

Anuncio Público

AVISO DE CONVOCATORIA DE LICITACIÓN (IFB)

IFB No. 0626-18-BIKE: Servicios de Equipos y Arranque del Sistema del Capital Bikeshare

Ciudad de Falls Church

La Ciudad de Falls Church ha anunciado una Convocatoria de Licitación (IFB) para el suministro de servicios de equipos y arranque del Sistema del Capital Bikeshare. La hora límite para recibir ofertas selladas es el 26 de junio de 2018 a las 11:00 a.m. Una conferencia de preproposta no obligatoria tendrá lugar a las 11:00 a.m. del miércoles 13 de junio de 2018 en 400 N. Washington St., 1st Floor (Council Room), Falls Church, VA 22046.

Una copia de la IFB que detalla todos los requerimientos y requisitos, incluye la nueva dirección para el envío de ofertas, se puede descargar del sitio web de compras de la Ciudad de Falls Church: http://www.fallschurchva.gov/Bids. También se puede acceder a una copia del Aviso de la IFB en www.eVA, el portal de compras electrónicas del sitio [illegible] de la Commonwealth de Virginia: eVA.dgs.virginia.gov.

Para obtener información y/o preguntas sobre la IFB comuníquese con el agente de compras de la ciudad: City's Purchasing Agent Kenan [illegible] al (703) 248-5007, [illegible]@fallschurchva.gov. Para solicitar asistencia razonable relacionada con discapacidad, llame al 703.248.5007 (TTY 711).

MARYLAND DEPARTMENT OF TRANSPORTATION MARYLAND TRANSIT ADMINISTRATION (MDOT MTA)

AVISO DE AUDIENCIAS PÚBLICAS: 12 DE JUNIO DE 2018

MDOT MTA anuncia 2 audiencias públicas para darle la oportunidad a las personas interesadas de que ofrezcan sus comentarios sobre los cambios propuestos en el servicio de las rutas CityLink y LocalLink. Dichos cambios entrarán en efecto el, o cerca del, domingo 2 de septiembre de 2018.

Horarios para las audiencias públicas

MARTES 12 DE JUNIO DE 2018

1ra AUDIENCIA 2:00 PM – 4:00 PM
2da AUDIENCIA 5:00 PM – 7:00 PM

War Memorial, Assembly Hall
101 N. Gay Street
Baltimore, MD 21202

La circulación hacia esta ubicación es por medio de CityLink BL, OR, PR, RD, YW; LocalLink 54, 56, 67, 76, 78, 80 y Metro SubwayLink

El texto completo que detalla los cambios en el servicio propuestos se encuentra disponible para revisión pública en el vestíbulo del Edificio William Donald Schaefer, ubicado en 6 St. Paul Street, Baltimore y en línea en ***https://mta.maryland.gov/public-hearings-meetings-updates.***

Se invita a las personas interesadas a compartir sus comentarios en una audiencia pública, o por escrito. MDOT MTA aceptará comentarios por escrito hasta el viernes 13 de julio de 2018. Puede enviar sus comentarios por correo a MDOT MTA, Office of Customer and Community Relations, 6 St. Paul Street, Baltimore, MD 21202. Como alternativa, puede enviar sus comentarios por correo electrónico a HearingComments@mta.maryland.gov con el encabezado "Hearing Comments" (Comentarios para la audiencia). Debe incluir su nombre y dirección en sus comentarios para formar parte de los registros de la audiencia pública.

Los sitios tienen acceso para personas con discapacidades. Todas las solicitudes, incluyendo aquéllas para acomodos adicionales, un intérprete o material impreso en un formato alternativo o traducido, se deben recibir con una semana de anticipación. Por favor llame al Centro de Contacto de Información de Tránsito MDOT MTA
De lunes a viernes • 6:00 a.m. a 7:00 p.m.
410-539-5000 • 866-743-3682 • TTY 410-539-3497
Usuarios de Relay MD marquen 7-1-1

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND TRANSIT ADMINISTRATION

BALTIMORE LINK

District of Columbia Housing Authority

MEETING WITH
HOUSING CHOICE VOUCHER PROGRAM
HOUSING PROVIDERS' ASSOCIATION

Housing Choice Voucher Program Office
1133 North Capitol Street, NE 20020

AGENDA

Wednesday, May 16, 2018
6:00pm

I. Welcome

II. MTW Program Overview

III. District of Columbia Housing Authority FY2019 Moving to Work Plan

A. Overview

B. Proposed Initiatives for FY2019

C. Other Plan Elements

IV. Questions

District of Columbia Housing Authority

MEETING WITH CITYWIDE ADVISORY BOARD

FY2019 Moving to Work Plan Briefing

AGENDA

Thursday, June 14, 2018
2:00pm-3:30pm

1133 North Capitol Street, NE
Suite 300

I. Welcome and Introductions

II. Overview of the Moving to Work Program

III. District of Columbia Housing Authority FY2019 Moving to Work Plan

- Plan Overview
- Proposed Initiatives for FY2019
- Capital Fund Plan
- Rental Assistance Demonstration Program

IV. Questions

District of Columbia Housing Authority

MEETING WITH LEGAL HOUSING ADVOCATES

FY2019 Moving to Work Plan Briefing

AGENDA

Tuesday, June 12, 2018
2:00pm-3:00pm

1133 North Capitol Street, NE
Suite 300

I. Welcome and Introductions

II. Overview of the Moving to Work Program

III. District of Columbia Housing Authority FY19 Moving to Work Plan

- Proposed Initiatives
- Proposed Capital Fund Budget
- Rental Assistance Demonstration (RAD) Program
- Smoke-free Policy

IV. Questions

District of Columbia Housing Authority

Proposed 2019 Moving to Work Plan

Public Hearing

June 25, 2018

6:00pm

1133 North Capitol Street, NE
2nd Floor Board Room

AGENDA

I.	**Welcome**	**Kimberley Cole** Office of Planning
II.	**Hearing Protocols**	**Mary Grace Folwell** Office of the General Counsel
III.	**Overview of the Moving to Work Program**	**Grace Campion** Office of Planning
IV.	**2019 Proposed MTW Plan**	**Kimberley Cole** **Michael Brown** Office of Capital Programs **Michelle Greene** Office of Capital Programs

V. Public Testimony

a. Public Housing Residents and Voucher Participants
b. Non-Residents/General Public

Public Hearing Protocol

- Time Limits: Public Housing Residents and Voucher Participants: 5 minutes
  Non-Residents/General Public: 3 minutes
- Persons testifying must be recognized and must speak into the microphone.
- Persons testifying are encouraged to speak only on the contents of the proposed FY2019 MTW Plan

District of Columbia Housing Authority

FORT LINCOLN PROPERTY MANAGEMENT MEETING

FY2019 Moving to Work Plan Briefing

AGENDA

Thursday, June 21, 2018
10:00 am-11:00 am

Fort Lincoln Community Room
3400 Banneker Drive NE

I. Welcome and Introductions

II. Overview of the Moving to Work Program

III. District of Columbia Housing Authority FY2019 Moving to Work Plan

- Plan Overview
- Proposed Initiatives for FY2019
- Capital Fund Plan
- Rental Assistance Demonstration Program

IV. Questions

C. Planned or Ongoing Agency-Directed Evaluations of the Demonstration

As part of DCHA's participation in the HUD sponsored Rent Reform Demonstration, MDRC, a research organization contracted by HUD, will conduct an evaluation of DCHA's initiative. DCHA is not currently using an outside evaluator(s) for any of the agency's other MTW initiatives.

D. Lobbying Disclosures

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Certification of Payments to Influence Federal Transactions

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

Applicant Name

District of Columbia Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work Program Block Grant

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

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

Name of Authorized Official	Title
Tyrone Garrett	Executive Director
Signature	Date (mm/dd/yyyy)
	07/13/18

Previous edition is obsolete

form HUD 50071 (01/14)
ref. Handbooks 7417.1, 7475.13, 7485.1, & 7485.3

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
NA a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	NA a. bid/offer/application b. initial award c. post-award	NA a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
☐ Prime ☐ Subawardee Tier _____, *if known*: **District of Columbia Housing Authority** **1133 North Capitol Street,NE** **Washington, DC 20002** **Congressional District**, *if known*: 4c	NA **Congressional District**, *if known*:
6. Federal Department/Agency: NA	**7. Federal Program Name/Description:** NA CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*: NA	**9. Award Amount**, *if known*: $ NA
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*): NA	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*): NA
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	Signature: _____ Print Name: Tyrone Garrett Title: Executive Director Telephone No.: 202-535-1513 Date: 7/13/18
Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

Appendix A: Local Asset Management Program

Background and Introduction

The Amended and Restated Moving to Work Agreement, effective September 29, 2010, required DCHA to design and implement a local asset management program for its Public Housing Program and describe such program in its Annual MTW Plan. The term "Public Housing Program" means the operation of properties owned or subsidized by the Agency that are required by the U.S. Housing Act of 1937 to be subject to a Public Housing declaration of trust in favor of HUD. The Agency's local asset management program shall include a description of how it's implementing project-based property management, budgeting, accounting, and financial management and any deviations from HUD's asset management requirements. Under the First Amendment to the MTW Agreement, DCHA agreed to describe its cost accounting plan (cost allocation plan) as part of its local asset management program including how it deviates from the HUD fee for service system.

Project-based approach for Public Housing Program

DCHA maintains a project-based management approach which includes both DCHA-managed properties, as well as privately managed properties, under the Public Housing Program. Project-level budgeting and accounting is maintained for each of these Public Housing properties. In addition, each mixed-income, mixed-finance rental community that contains Agency-assisted units under the Public Housing Program are owned, managed and operated by third party partnerships as established at the time each of the transactions were structured. DCHA maintains a separate budget and accounting for the operating subsidy paid to the owners of these properties as well as any other cost incurred by the Agency on behalf of these properties.

COST ALLOCATION PLAN

Identification of Cost Allocation Approach

DCHA approached its cost allocation plan with consideration to the entire operation of the Agency, rather than a strict focus on only the MTW Program. This cost allocation plan addresses the larger DCHA operation as well as the specific information required related to the MTW Program.

Under the MTW Agreement, the cost accounting options available to the Agency include either a "fee-for-service" methodology or an "indirect cost rate" methodology. DCHA can establish multiple cost objectives or a single cost objective for its MTW Program. DCHA opted to use a fee-for-service methodology and to establish the MTW Program as a single cost objective, as further described below.

Classification of Costs

There is no universal rule for classifying certain costs as either direct or indirect. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, the definitions and guidelines provided in this Cost Allocation Plan are used for determining direct and indirect costs charged to the cost objectives.

Definitions

Cost Objective – Cost objective is a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

Direct Costs – Direct costs are those that can be identified specifically with a particular final cost objective.

Indirect Costs – Indirect costs are those: (a) incurred for a common or joint purpose benefitting more than one cost objective, and (b) not readily assignable to the cost objective(s) specifically benefitted,

without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to the cost objectives.

Cost Base – A cost base is the accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) used to distribute indirect costs to cost objectives (Federal awards). Generally, the direct cost base selected should result in each award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs.

DCHA Cost Objectives

DCHA has identified the following cost objectives:

MTW Program – All associated activities funded under the MTW Single Fund authority are deemed as a ***single cost objective***. The MTW Program cost objective includes: 1) DCHA-owned Public Housing Properties and Public Housing units contained in third party-owned properties, 2) MTW Housing Choice Vouchers, both Project-Based Vouchers (PBV) and Tenant-Based Vouchers, 3) Development Activity funded from MTW, 4) resident services and case management services offered to families served under the MTW program, 5) Capital Funds, and 6) any other activity that is permitted in DCHA's Amended and Restated MTW Agreement.

Revitalization Program – The Revitalization Program includes the development-related activity funded from HOPE VI, Choice Neighborhood Initiatives and other local funds. Generally, DCHA will capture costs by development and will include the ability to track charges to specific funding sources.

Special Purpose (Non-MTW) Tenant-Based and Project-Based Housing Choice Vouchers – Special Purpose Vouchers include, but are not limited to, the Section 8 Moderate Rehab Program, the Veterans Affairs Supportive Housing (VASH) vouchers, Tenant Protection and Opt-Out Vouchers in the first year, and the Multicultural vouchers.

Other Federal and State Awards – DCHA may be the recipient of other Federal and Local awards from time to time. Each of these awards will be a separate cost objective as necessary. For example, DCHA has six locally funded voucher programs that are treated as separate programs and therefore, as separate cost objectives.

<u>DCHA Direct Costs</u>

DCHA direct costs are defined in conjunction with the cost objectives defined in this Cost Allocation Plan. As previously mentioned, under 2 CFR 200, there is no universal rule for classifying costs as either direct or indirect. A cost may be direct with respect to some specific service or function, but indirect with respect to the final cost objective.

MTW Program direct costs include, but are not limited to:

1. All contract costs readily identifiable with delivering housing assistance to low income families under the MTW Program;
2. Housing Assistance Payments (including utility allowances) for tenant-based vouchers and PBV;
3. Portability Administrative Fees;
4. Homeownership voucher funding;
5. Foreclosure and emergency assistance for low income families served under HCV;
6. HCV costs for administering tenant-based vouchers, including inspection activities;
7. Operating costs directly attributable to operating DCHA-owned Public Housing properties, including utility costs and maintenance costs administered centrally;

8. Capital improvement costs at DCHA owned properties;
9. Operating subsidies paid to MIMF properties
10. Operating costs paid related to or on behalf of third party owned properties with Public Housing units including utility charges;
11. The Asset Management Department costs attributable to PBV, DCHA-owned Public Housing properties and third party-owned Public Housing units;
12. Resident Services directly attributable to MTW Program activities;
13. Gap financing in MTW real estate transactions;
14. Acquisition costs funded from MTW funds
15. Demolition, relocation and leasing incentive fees in repositioning DCHA-owned real estate;
16. Homeownership activities for low income families;
17. Office of Capital Programs and Development costs associated with MTW-funded development activity, homeownership initiatives, and PBRA as a development tool, and
18. Any other activities associated with delivering housing assistance to low income families under the MTW Program.

Revitalization Program direct costs include, but are not limited to:

1. Construction costs;
2. Loan and financing for affordable units;
3. Acquisition costs;
4. Land Improvements;
5. Legal expenses;
6. Professional services;
7. Contract cost (case management);
8. Relocation;
9. Extraordinary site work;
10. Demolition; and
11. Other revitalization expenditures (such as homeownership mortgage assistance and down payment assistance).

Special Purpose Housing Choice Tenant-based Vouchers direct costs include, but are not limited to:

1. Housing Assistance Payments (HAP) and
2. Program Administration Costs.

Other Federal and State Awards direct cost include, but are not limited to:

1. Legal expenses;
1. Professional services;
2. Utilities (gas, water, electric, other utilities expense);
3. Real estate taxes;
4. Insurance;
5. Bank charges;
6. Staff training;
7. Interest expense;
8. Contract cost for CDBG; and
9. Any cost identified for which the award is made. Such costs will be determined as DCHA receives awards.

Explanation of Differences

DCHA has the ability to define direct costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of 24 CFR Part 990.

DCHA is required to describe any differences between the Agency's Local Asset Management Program and HUD's asset management requirements in its Annual MTW Plan in order to facilitate the recording of actual property costs and submission of such cost information to HUD:

1. DCHA determined to implement a cost allocation system that was more comprehensive than HUD's Asset Management System which advocated a fee-for-service approach specific to the properties in the Public Housing Program. HUD's system was limited in focusing only a fee-for-service system at the property level and failed to address DCHA's comprehensive operation which includes other programs and business activities. DCHA's MTW Program is much broader than Public Housing properties and includes activities not found in traditional HUD Programs. This Cost Allocation Plan addressed the entire DCHA operation.
2. DCHA defined its cost objectives at a different level than HUD's System. Specifically, DCHA defined the MTW Program as a cost objective which is consistent with the issuance of the CFDA number for MTW as a Federal program. HUD defined its cost objective at the property level which fails to recognize the overall effort required to deliver the housing resources to Low Income families under the MTW Program. Because the cost objectives are defined differently, direct and indirect costs are defined based on the cost objectives identified in this Cost Allocation Plan.
3. DCHA will use a simple fee system of charging up to 10% of MTW Program funds to cover the costs of the Central Office Cost Center (COCC). DCHA views the up to 10% fee as reasonable when compared to the fees earned for administering the Local Voucher Programs. DCHA will account for an allocable share of the "MTW Fee" charges at the property level based upon the size of the property.
4. DCHA will charge a fee to other Federal and Local awards in a manner that is consistent with that allowed for those awards. The fee charged to the Revitalization program will continue to follow the HUD guidelines of 3% of the total cost of the development.

Appendix B : Sources and Uses of Funding—Additional Information

Estimated Sources of MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
10093	Operating Transfers In*	$ 13,322,792

Estimated Uses of MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
10094	Operating Transfers Out*	$ 1,484,717

Estimated Sources of NON-MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$ 583,337
70600	HUD PHA Operating Grants	$ 22,028,842
70610	Capital Grants	$ -
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$ -
70800	Other Government Grants	$ -
71100+72000	Interest Income	$ 1,000
71600	Gain or Loss on Sale of Capital Assets	$ -
71200+71300+71310+71400+71500	Other Income	$ 993,509
70000	Total Revenue	$ 23,606,688

Estimated Uses of NON-MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	$ 1,175,332
91300+91310+92000	Management Fee Expense	$ 680,229
91810	Allocated Overhead	$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	$ 110,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ 104,965
93500+93700	Labor	$ 9,815
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ 222,664
95000 (95100+95200+95300+95500)	Total Protective Services	$ 70,974
96100 (96110+96120+96130+96140)	Total insurance Premiums	$ 1,057
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ 125,120
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	$ -
97100+97200	Total Extraordinary Maintenance	$ -
97300+97350	Housing Assistance Payments + HAP Portability-In	$ 19,155,430
97400	Depreciation Expense	$ -
97500+97600+97700+97800	All Other Expenses	$ -
90000	Subtotal Expenses	$ 21,655,586
10094	Operating Transfers Out	$ 1,951,102
90000 + 10094	Total Expenses	$ 23,606,688
	Total Uses of Fund	$ 23,606,688

*as supplemental information to Section V (Sources and Uses of Funds MTW

Estimated Sources of LOCAL Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$ -
70600	HUD PHA Operating Grants	$ -
70610	Capital Grants	$ -
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$ -
70800	Other Government Grants	$ 180,678,909
71100+72000	Interest Income	$ -
71600	Gain or Loss on Sale of Capital Assets	$ -
71200+71300+71310+71400+71500	Other Income	$ -
70000	Total Revenue	$ 180,678,909

Estimated Uses of LOCAL Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	$ 2,763,807
91300+91310+92000	Management Fee Expense	$ 8,917,843
91810	Allocated Overhead	$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	$ -
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ -
93500+93700	Labor	$ -
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ -
95000 (95100+95200+95300+95500)	Total Protective Services	$ -
96100 (96110+96120+96130+96140)	Total insurance Premiums	$ -
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ -
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	$ -
97100+97200	Total Extraordinary Maintenance	$ -
97300+97350	Housing Assistance Payments + HAP Portability-In	$ 149,348,031
97400	Depreciation Expense	$ -
97500+97600+97700+97800	All Other Expenses	$ -
90000	Subtotal Expenses	$ 161,029,681
10094	Operating Transfers Out	$ 4,649,228
90000 + 10094	Total Expenses	$ 165,678,909
160	Capital Assets, Net of Depr.	$ 15,000,000
	Total Uses of Fund	$ 180,678,909

*as supplemental information to Section V (Sources and Uses of Funds MTW

Estimated Sources of COCC Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$ -
70600	HUD PHA Operating Grants	$ -
70610	Capital Grants	$ -
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$ 38,380,013
70800	Other Government Grants	$ -
71100+72000	Interest Income	$ 750,000
71600	Gain or Loss on Sale of Capital Assets	$ -
71200+71300+71310+71400+71500	Other Income	$ 200,000
70000	Subtotal Revenue	$ 39,330,013
10093	Operating Transfers In	$
700000 + 10093	Total Revenue	$ 39,330,013

Estimated Uses of COCC Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	$ 26,548,354
91300+91310+92000	Management Fee Expense	$ -
91810	Allocated Overhead	$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	$ -
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ 583,863
93500+93700	Labor	$ -
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ 6,085,610
95000 (95100+95200+95300+95500)	Total Protective Services	$ 497,614
96100 (96110+96120+96130+96140)	Total insurance Premiums	$ 278,287
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ 98,540
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	$ -
97100+97200	Total Extraordinary Maintenance	$ -
97300+97350	Housing Assistance Payments + HAP Portability-In	$ -
97400	Depreciation Expense	$ -
97500+97600+97700+97800	All Other Expenses	$ -
90000	Total Expenses	$ 34,092,268
10094	Operating Transfers Out	$ 5,237,745
90000 + 10094	Total Expenses	$ 39,330,013

*as supplemental information to Section V (Sources and Uses of Funds MTW

Appendix C: Rental Assistance Demonstration (RAD) Significant Amendments

Appendix C includes the following three Rental Assistance Demonstration (RAD) Significant Amendments.

1. Colorado and Columbia (initially approved as part of the DCHA FY2016 MTW Plan)

2. Commitment and Portfolio Awards (approved by HUD as part of DCHA FY2018 MTW Plan)
   - 9 Commitments to Enter into CHAPs
     - 9 properties totaling 1,589 units

   - 1 Portfolio Award
     - 10 properties totaling 921 units

   Update on Awards Received
   DCHA submitted applications to receive five CHAPs from its FY2016 portfolio reservation. The five CHAPs will cover Ontario, The Villager, Elvans Road, Montana and Lincoln Road for a total of 140 units. DCHA plans to convert these five properties to the RAD platform in FY2019.

   The details provided in the approved RAD Significant Amendment provided herein for the Commitment and Portfolio Awards remain the same for these five properties.

3. Fairlawn Marshall and Matthews Memorial (approved as part of an amendment to the DCHA FY2017 MTW Plan)

Proposed Policy Change—Rent Phase-In
Upon further review of the impact of the change from Market-based Rent (Flat Rent) to income-based rent on some households in DCHA's initial RAD conversion of Colorado and Columbia, the agency is proposing a change in the rent phase-in policy that further mitigates additional hardship that a household may experience when faced with a change in rent. Specifically, DCHA is proposing that for those households for which a rent phase-in is triggered and the income-based rent exceeds the contract rent for the RAD unit, that the household rent be capped at the contract rent. Based on DCHA's biennial recertification cycle, the phase-in period for these households will not begin until the second year of occupancy at the site.

Once the policy change is approved, DCHA will update the RAD Significant Amendments to reflect the change.

Rental Assistance Demonstration (RAD) Significant Amendment(s)

1. Colorado and Columbia
(as approved in the FY2016 MTW Plan)

Demonstration (RAD) Program of the U.S. Department of Housing and Urban Development (HUD) to convert 44 units of public housing to project-based vouchers. The 44 units are located at Colorado/Columbia and have been approved by HUD under a single RAD application.

DCHA intends to convert Colorado/Columbia to Project Based Vouchers (PBV) under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices. Upon conversion to PBV, DCHA will adopt the resident rights, participation, waiting lists and grievance procedures listed in Section 1.6.C and 1.6.D of PIH Notice 2012-32, REV-1. These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, DCHA is currently compliant with all fair housing and civil rights requirements and is under two Voluntary Compliance Agreements and a consent decree.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing DCHA with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, DCHA's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted to RAD. DCHA may also borrow funds to address their capital needs. The total amount needed to address the capital needs will be informed by our Physical Conditions Assessment and the agency's ability to leverage additional financial resources that may be necessary for the transaction. DCHA expects there to be minimal improvements required for Colorado/Columbia. DCHA currently has approximately $265,578 in bond debt for Colorado/Columbia under the Capital Fund Financing Program and will be working with the lenders to address outstanding debt issues, which may result in additional reductions of capital funds (please note that this does not reflect the current payoff amount). Regardless of any funding changes that may occur as a result of conversion under RAD, DCHA certifies that it will maintain its continued service level for the Public Housing and Housing Choice Voucher programs.

The required information for this significant amendment is as follows:

Description of the Public Housing Developments selected for RAD
DCHA has received approval from HUD for Colorado/Columbia.

Columbia Road/Colorado Road

Name of Public Housing Development	PIC Development ID:	Conversion type (i.e., PBV or PBRA)	Transfer of Assistance
COLORADO / COLUMBIA	DC001001950	PBV	No
Total Units	**Pre- RAD Unit Type (i.e., Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e., Family, Senior, etc.)**	**Capital Fund allocation of Development**
44	21 Senior 23 Family	21 Senior 23 Family	$70,793
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)**
Studio/Efficiency	0	0	N/A
One Bedroom	27	27	N/A
Two Bedroom	12	12	N/A
Three Bedroom	5	5	N/A
Four Bedroom	0	0	N/A
Five Bedroom	0	0	N/A
Six Bedroom	0	0	N/A

Any change in the number of units that is proposed as part of the conversion, including:

a. **De minimis unit reductions**
DCHA does not anticipate any changes to unit composition at Columbia/Colorado.

b. **Unit reductions that are exempt from the de minimis cap**
Not applicable at Columbia/Colorado.

Any change in the bedroom distribution units that is proposed as part of the conversion

DCHA does not anticipate any changes to unit composition at Columbia and Colorado.

Changes in the policies that govern eligibility, admission, selection, and occupancy of units at the project sites after they have been converted, including any waiting list preferences that will be adopted for the converted project

Columbia/Colorado—DCHA does not anticipate any changes to its current policies governing eligibility, admissions, selection and occupancy.

DCHA is in the process of converting to site-based waiting lists for all of the agency's conventional Public Housing portfolio, independent of RAD. By the time of the RAD conversion the site-based waiting lists will be in place.

Information regarding the transfer of assistance

DCHA does not anticipate transfer of assistance at Colorado/Columbia.

Compliance agreements, consent orders/decrees, rulings or decisions

DCHA is currently in compliance with its two voluntary compliance agreements and one consent decree. The agency's compliance will not be negatively impacted by conversion activities.

Required information for submitting amendment

See "Section VI. Administrative" of this Plan.

Information regarding the use of MTW fungibility

As a MTW agency looking to utilize its fungibility to set contract rents as necessary, DCHA will continue to maintain the agency's service level requirements.

Impact on the Capital Fund

Estimate of the amount of the current Capital Fund grant that is associated with the proposed projects and the impact on DCHA's current Five-Year and Five-Year Capital Action Plan
Columbia/Colorado—The amount of Capital Fund grant associated with Columbia/Colorado is $70,973. DCHA anticipates a reduction in the Capital Fund by the same amount upon RAD conversion of these sites.

IF the RAD conversion will impact an existing CFFP or utilize RHF funds to facilitate conversion, the PHA should also indicate the estimate impact of those activities

Columbia/Colorado—DCHA is currently seeking to structure the financing for the RAD transactions and will include the defeasance of the CFFP. Post conversion, approximately $670,000 in RHF funds will be used to make moderate improvements at the site, establish an operating reserve, and establish a replacement reserve. HUD has approved DCHA's RAD Financial Plan including the use of the RHF funds for the conversion.

Impact of RAD conversion on DCHA's Energy Performance Contract (EPC)

With respect to DCHA's Energy Capital Improvement Program (ECIP) Phase I, the agency will pay off the debt associated with the two properties. The agency will use non-federal funds to complete work on ECIP Phase II, prior to RAD conversion Finally, DCHA will request a waiver in order to base RAD rents on the 2016 subsidy levels it received given rents will include a frozen rolling base instead of add-ons.

Residents Rights, Participation, Waiting List and Grievance Procedures

Section 1.6 Special Provisions Affecting Conversions to Project Based Vouchers from PIH Notice 2012-32, REV-1

The HUD RAD Notice (PIH-2012-32 (HA) H-2017-03, REV-3) and existing project based voucher policies outlined in the DCHA Administrative Plan and Admissions and Continued Occupancy Policy apply at the time of the conversion of Colorado/Columbia. DCHA has drafted RAD regulations amending the Administrative Plan and these will apply once adopted as final through the District of Columbia local rulemaking process.

PBV Resident Rights and Participation

1. No Re-screening of Tenants upon Conversion. Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. **Right to Return.** Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a Public Housing Authority (PHA) or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

4. **Renewal of Lease.** Under RAD, DCHA or the owner must renew all leases upon lease expiration, unless cause exists. Consequently, 24 CFR § 983.257(b)(3) will not apply. This provision will be incorporated by the PBV owner into the tenant lease or tenancy addendum, as appropriate.

5. **Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or $25 purely as a result of conversion, the rent increase will be phased in over 5 years. To implement this provision, HUD is waiving Section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases. This policy must be in place at conversion and may not be modified after conversion.

   The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR § 5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

All units converted under RAD will follow the five-year phase-in outlined below. For purposes of this section, "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

Five Year Phase in:

Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP and the standard TTP

Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the standard TTP

Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the standard TTP

Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the standard TTP

Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: Once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

As an MTW agency, DCHA has converted all of its households to biennial or triennial recertification cycles. For purposes of implementing the 5-year phase-in, impacted households will convert to an annual recertification until the calculated income-based TTP is reached. Once these households are on income-based TTP, the households will convert back to biennial or triennial recertifications.

6. **Public Housing Family Self Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are currently FSS participants will continue to be eligible for FSS once their housing is converted under RAD. This includes DCHA's **Achieving Your Best Life (AYBL) program**. As a PH FSS, program, AYBL participants will continue participation in AYBL after conversion. AYBL has specific policies governing participation already established through DCHA's MTW authority, including policies related to income/rent calculations, escrow accounts, continued occupancy, etc. Public housing residents who already entered into an AYBL contract of participation prior to RAD conversion will remain in AYBL until those households exit the program. The AYBL regulations will continue to govern those residents' participation in the AYBL program. After conversion, residents living in units funded by project-based voucher assistance will not be eligible for admission into AYBL.

   DCHA is allowed to use any FSS funds already awarded to serve those FSS participants who live in units converted by RAD. At the completion of the FSS grant, DCHA will follow the normal closeout procedures outlined in the grant agreement. If DCHA continues to run an FSS program that serves PH and/or HCV participants, DCHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding and may use that funding to serve PH, HCV and/or PBRA participants in its FSS program. Due to the program merger between PH FSS and HCV FSS that

took place pursuant to the FY14 Appropriations Act (and was continued in the subsequent Appropriation Acts), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

Except for AYBL provisions established under DCHA's MTW authority, DCHA will administer the agency's FSS program in accordance with FSS regulations at 24 CFR part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.[3] Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

If DCHA becomes a ROSS-SC grantees prior to RAD conversion of a site, DCHA will be able to finish out ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants. At the completion of the ROSS-SC grant, DCHA will follow the normal closeout procedures outlined in the grant agreement.

6. **Resident Participation and Funding.** In accordance with Attachment 1B, residents of covered projects converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

7. **Resident Procedural Rights.** As required under RAD, DCHA's termination process will provide adequate written notice of termination of the lease as outlined below:

   i. A reasonable period of time, but not to exceed 30 days:
      - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
      - In the event of any drug-related or violent criminal activity or any felony conviction;

   ii. 14 days in the case of nonpayment of rent; and

   iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

b. Grievance Process.

For issues related to tenancy and termination of assistance, DCHA will provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will waive 24 CFR

[3] The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

§ 982.555(b) in part, which outlines when informal hearings are not required, and require that:

i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing will be given to residents for any dispute that a resident may have with respect to the owner's action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
   - For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
   - For any additional hearings required under RAD, the owner will perform the hearing.

ii. An informal hearing will not be required for class grievances or for disputes between residents not involving the owner or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the owner or contract administrator.

iii. The owner will give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR 982.555(a)(1)(i)-(vi).

iv. The owner will provide opportunity for an informal hearing before an eviction.

The DCHA Administrative Plan will include RAD hearing procedures.

8. **Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

   Under the Housing Choice Voucher program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion (e.g., due to loss of employment); tenants that move into the property following conversion, etc.,) is covered by this waiver.

9. **Capital Fund Education and Training Community Facilities (CFCF) Program.**
   CFCF provides capital funding to PHAs for the construction, rehabilitation, or purchase of

facilities to provide early childhood education, adult education, and job training programs for public housing residents based on an identified need. Where a community facility has been developed under CFCF in connection to or serving the residents of an existing public housing project converting its assistance under RAD, residents will continue to qualify as "PHA residents" for the purposes of CFCF program compliance. To the greatest extent possible the community facility should continue to be available to public housing residents

PBV: Other Miscellaneous Provisions

1. **Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.

2. **Additional Monitoring Requirement.** The PHA's Board must approve the operating budget for the covered project annually in accordance with HUD requirements.

3. **Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** Under existing PBV program rules, projects that qualify as "existing housing" under 24 CFR § 983.52(a) are not subject to Davis-Bacon (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) or Section 3 (24 CFR Part 135). However, the Davis-Bacon Act and Section 3 shall apply to all initial repairs that are identified in the Financing Plan to the extent that such repairs qualify as construction or rehabilitation, regardless of whether the project qualifies as "existing housing." Developmental requirements under 24 CFR §983.154 and fair housing provisions under 24 CFR § 983.152(c)(vi) continue to apply.

4. **Establishment of Waiting List.** In establishing the waiting list for the converted project, the PHA shall utilize the project-specific waiting list that existed at the time of conversion, unless the assistance is being transferred to another neighborhood. If a project-specific waiting list does exist, but the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list. In addition, the waiting list must be established and maintained in accordance with PBV program requirements.

   If a project-specific waiting list for the project does not exist, the PHA shall establish a waiting list in accordance with 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's Public Housing community-wide waiting list have been offered placement on the converted project's initial waiting list. For the purpose of establishing the initial waiting list, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing waiting list given the number of applicants, PHA resources, and community characteristics of the proposed conversion under RAD. Such activities should be pursuant to the PHA's policies for waiting list management, including the obligation to affirmatively further fair housing.

A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area, informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's centralized public housing waiting list who wish to be placed onto the newly-established waiting list are done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).

To implement this provision, HUD is waiving 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR § 983.251(c).

5. **Mandatory Insurance Coverage.** The project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project, except with the written approval of HUD to the contrary.

6. **Agreement Waiver.** For public housing conversions to PBV, there will be no Agreement to Enter into a Housing Assistance Payments (AHAP) contract. Therefore, all regulatory references to the Agreement (AHAP), including regulations under 24 CFR Part 983 Subpart D are waived.

7. **Future Refinancing.** Owners must receive HUD approval for any refinancing or restructuring of permanent debt within the HAP contract term to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)

8. **Administrative Fees for Public Housing Conversions**. For the initial Calendar Year in which a project's assistance has been converted, RAD PBV projects will be funded with public housing money. Since the public housing funding will not have been transferred to the TBRA account and since this funding is not section 8 assistance the annual contributions contract (ACC) between the PHA and HUD will cover the project units, but be for zero dollars. For this transition period, the ACC will primarily serve as the basis for covering the units and requiring PHA compliance with HUD requirements, but it will not be (as it is in the regular PBV program) the funding vehicle for the PBV RAD vouchers. Given this, and given the fact that PHAs will be receiving full public housing funding for the PBV units during this transition period, PHAs will not receive ongoing section 8 administrative fee funding during this time.

   Generally, PHAs receive ongoing administrative fees for units under a HAP contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Responsibility Act of 1998" and 24 CFR 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive section 8 ongoing administrative fees for PBV RAD units.

After this transition period, the ACC will be amended to include section 8 funding that corresponds to the units covered by the ACC. At that time, the regular section 8 administrative fee funding provisions will apply.

Site Selection and Neighborhood Standards Review

DCHA certifies that the conversion of Colorado Road/Columbia Road complies with the Site selection requirements set forth at [24 CFR § 983.57](PBV) OR [Appendix III of PIH Notice 2012-32 Revision 1](PBRA), the Fair Housing Act, Title VI of the Civil Rights Act of 1964 including implementing regulations at 24 CFR § 1.4(b)(3), Section 504 of the Rehabilitation Act of 1973 including implementing regulations at 24 CFR § 8.4(b)(5), and the Americans with Disabilities Act.

Relocation Plan

Colorado/Columbia—Not applicable.

Significant Amendment Definition

As part of RAD, DCHA is redefining the definition of a substantial deviation from the MTW plan to exclude the following RAD-specific items:

a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
b. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
c. Changes to the financing structure for each approved RAD conversion.

Public Comment

DCHA presented the RAD amendment for discussion as part of the agency's FY 2016 MTW plan public comment process, including a meeting with the City-wide Advisory Board (CWAB) on June 24, 2015. See Appendix VI (C). There was discussion about the elements of the amendment, with a request that as the process progresses that a more detailed outline of resident rights be provided and reflect discussions with residents. In addition, DCHA has met with residents at Columbia, Colorado and Kenilworth to discuss the RAD program and its impact. There were no major issues/concerns raised outside of the request for ongoing updates on the detail related to resident rights. DCHA will continue to engage residents at the agency's remaining RAD sites (Columbia and Colorado) as the process moves forward.

2. Commitments and Portfolio RAD Awards

The District of Columbia Housing Authority (DCHA) applied under the Rental Assistance Demonstration (RAD) Program of the U.S. Department of Housing and Urban Development (HUD) to convert 1,589 units of public housing to project-based vouchers. The application for conversion was approved by HUD and DCHA received nine Commitments to enter into a Housing Assistance Payments Contract (CHAP). CHAPs were received for the following:

Carroll Apartments	60
Horizon House	124
Regency House	160
Sibley Plaza	224
James Apartments	141
Garfield Senior	226
Harvard Towers	193
Kentucky Courts	118
Claridge Towers	343
TOTAL	1,589

In addition to the above properties that received CHAPs, DCHA received a portfolio RAD award for 921 units consisting of the following properties:

Judiciary House	271
Ledroit Apartments	124
Fort Lincoln	120
Potomac Gardens	144
Knox Hill	122
Elvans Road	21
Lincoln Road	20
The Villager	21
Montana Terrace	65
Ontario Road	13
TOTAL	921

DCHA intends to convert 2,510 units of public housing within the portfolio to Project Based Vouchers (PBV) under the guidelines of PIH Notice 2012-32, REV-3 and any successor Notices.

CHAPs	1,589
Portfolio Award	921
TOTAL	2,510

Upon conversion to PBV, DCHA will adopt the resident rights, participation, waiting lists and grievance procedures listed in Section 1.6.C and 1.6.D of PIH Notice 2012-32, REV-3. These resident rights,

participation, waiting list and grievance procedures are appended to this Attachment. Additionally, DCHA is currently compliant with all fair housing and civil rights requirements and is under two Voluntary Compliance Agreements and a consent decree.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing PHAs with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, DCHA's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted to RAD. Through RAD, public housing agencies may access private debt and equity to address the capital needs. The capital needs for RAD conversions are informed by a Physical Conditions Assessment (PCA). Through RAD, DCHA intends to make necessary improvements, as defined in the PCA, to help stabilize the properties. The conversion will also help stabilize future operating subsidy for the properties. Regardless of any funding changes that may occur as a result of conversion under RAD, DCHA certifies that it will maintain its continued service level for the Public Housing and Housing Choice Voucher programs.

The required information for this significant amendment is as follows:

Description of Public Housing Developments selected for RAD

Carroll Apartments

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Carroll Apartments	DC001003363	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
60	Senior	Senior	$94,543
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	60	60	N/A

Horizon House

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Horizon House	DC001001620	PBV	No
Total Units	Pre-RAD Unit Type (i.e. Family, Senior, etc.)	Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)	Capital Fund Allocation of Development
124	Family	Family	$169,745
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
Efficiency	79	79	N/A
One Bedroom	32	32	N/A
Two Bedroom	13	13	N/A

Regency House

Name of Public Housing Development	**PIC Development ID**	**Conversion Type (i.e. PBV or PBRA)**	**Transfer of Assistance**
Regency House	DC001001690	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
160	Senior	Senior	$219,571
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	144	144	N/A
Two Bedroom	16	16	N/A

Sibley Plaza

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Sibley Place	DC001001291	PBV	No
Total Units	Pre-RAD Unit Type (i.e. Family, Senior, etc.)	Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)	Capital Fund Allocation of Development
224	Senior	Senior	$345,854
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
One Bedroom	154	154	N/A
Two Bedroom	70	70	N/A

James Apartments

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
James Apartments	DC001001700	PBV	No
Total Units	Pre-RAD Unit Type (i.e. Family, Senior, etc.)	Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)	Capital Fund Allocation of Development
141	Senior	Senior	$197,753
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
Efficiency	88	88	N/A
One Bedroom	53	53	N/A

Garfield Senior

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Garfield Senior	DC001001371	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
226	Senior	Senior	$333,874
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	227	225	2
Two Bedroom	1	1	N/A

Harvard Towers

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Harvard Towers	DC001001680	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
193	Senior	Senior	$259,458
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Efficiency	177	177	N/A
One Bedroom	16	16	N/A

Kentucky Courts

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Kentucky Courts	DC001004361	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
118	Senior	Senior	$175,081

Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
One Bedroom	113	113	N/A
Two Bedroom	5	5	N/A

Claridge Towers

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Claridge Towers	DC001001600	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
343	Senior	Senior	$463,386
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Efficiency	285	285	N/A
One Bedroom	58	58	N/A

Judiciary House

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Judiciary House	DC001001650	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
271	Senior	Senior	$381,229
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Efficiency	148	148	N/A
One Bedroom	123	123	N/A

Ledroit Apartments

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Ledroit Apartments	DC001001391	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
124	Family	Family	$188,965
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	106	106	N/A
Three Bedroom	18	18	N/A

Fort Lincoln

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Fort Lincoln	DC001001640	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
120	Senior	Senior	$164,611
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Efficiency	95	95	N/A
One Bedroom	25	25	N/A

Potomac Gardens

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Potomac Gardens	DC001004430	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
144	Senior	Family	$236,605

Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
One Bedroom	144	144	N/A

Knox Hill

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Knox Hill	DC001003361	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
122	Family	Family	$209,749
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	122	122	N/A

Elvans

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Elvans	DC001003850	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
21	Family	Family	$41,368
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Three Bedroom	14	14	N/A
Four Bedroom	5	5	N/A
Five Bedroom	2	2	N/A

Lincoln Road

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Lincoln Road	DC001001290	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
20	Family	Family	$36,920
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	6	6	N/A
Three Bedroom	14	14	N/A

Villager

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Villager	DC001003361	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
21	Family	Family	$36,104
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
One Bedroom	6	6	N/A
Two Bedroom	15	15	N/A

Montana

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Montana	DC001001440	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
65	Family	Family	$118,578

Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
Two Bedroom	15	15	N/A
Three Bedroom	26	26	N/A
Four Bedroom	24	24	N/A

Ontario Road

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Ontario Road	DC001001640	PBV	No
Total Units	**Pre-RAD Unit Type (i.e. Family, Senior, etc.)**	**Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)**	**Capital Fund Allocation of Development**
13	Family	Family	$17,833
Bedroom Type	**Number of Units Pre-Conversion**	**Number of Units Post-Conversion**	**Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)**
Efficiency	6	6	N/A
One Bedroom	6	6	N/A
Two Bedroom	1	1	N/A

Any change in the number of units that proposed as part of the conversion, including:

a. **De minimis unit reductions**
   DCHA does not anticipate any changes to unit composition any of the properties it plans to convert that are included in this amendment.

b. **Unit reductions that are exempt from the de minimis cap**
   Not applicable. DCHA does not anticipate any unit reductions as a result of the conversion to RAD.

Any change in the bedroom distribution units that is proposed as part of the conversion
DCHA does not anticipate any changes to unit composition or bedroom distribution as a result of the RAD conversion for any of the properties listed in this amendment.

Information regarding the transfer of assistance
DCHA does not anticipate transfer of assistance under its RAD conversions.

Compliance agreements, consent orders/decrees, rulings or decisions
DCHA is currently in compliance with its two voluntary compliance agreements and one consent decree. The agency's compliance will not be negatively impacted by conversion activities.

Required information for submitting amendment
See "Section IV. Administrative" of this Plan.

Information regarding the use of MTW fungibility
As a MTW agency looking to utilize its fungibility to set contract rents as necessary, DCHA will continue to maintain the agency's service level requirements.

Impact on the Capital Fund
Estimate of the amount of the current Capital Fund grant that is associated with the proposed projects and the impact on DCHA's current Five-Year and Five-Year Capital Action Plan
Portfolio – The amount of Capital Fund grant associated with the portfolio is $3,691,225. DCHA anticipates a reduction in the Capital Fund by the same amount upon RAD conversion of these sites.

IF the RAD conversion will impact an existing CFFP or utilize RHF funds to facilitate conversion, the PHA should also indicate the estimated impact of those activities
The agency currently pledges 50% of its capital funds to pay debt service on its outstanding CFFP debt. DCHA intends to make optional redemptions to maintain the existing debt service coverage and percentage of capital funds used to pay debt service. The agency may elect to use RHF/DDTF funds to pay for improvements identified within the PCA for RAD conversions.

Impact of RAD conversion on DCHA's Energy Performance Contract (EPC)
DCHA intends to payoff any EPC debt on properties that are converting to RAD.

PBV Resident Rights and Participation

1. **No Re-screening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. **Right to Return.** Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a DCHA or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

3. **Renewal of Lease.** Under RAD, DCHA or the owner must renew all leases upon lease expiration, unless cause exists. Consequently, 24 CFR § 983.257(b)(3) will not apply. This provision will be incorporated by the PBV owner into the tenant lease or tenancy addendum, as appropriate.

4. **Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or $25 purely as a result of conversion, the rent increase will be phased in over 5 years. To implement this provision, HUD is waiving Section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases. This policy must be in place at conversion and may not be modified after conversion.

   The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR § 5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

   All units converted under RAD will follow the five-year phase-in outlined below. For purposes of this section, "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

   Five Year Phase in:

   Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP

and the standard TTP

Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the standard TTP

Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the standard TTP

Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the standard TTP

Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: Once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

As an MTW agency, DCHA has converted all of its households to biennial or triennial recertification cycles. For purposes of implementing the 5-year phase-in, impacted households will convert to an annual recertification until the calculated income-based TTP is reached. Once these households are on income-based TTP, the households will convert back to biennial or triennial recertifications.

5. **Public Housing Family Self Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are currently FSS participants will continue to be eligible for FSS once their housing is converted under RAD. This includes DCHA's **Achieving Your Best Life (AYBL) program**. As a PH FSS, program, AYBL participants will continue participation in AYBL after conversion. AYBL has specific policies governing participation already established through DCHA's MTW authority, including policies related to income/rent calculations, escrow accounts, continued occupancy, etc. Public housing residents who already entered into an AYBL contract of participation prior to RAD conversion will remain in AYBL until those households exit the program. The AYBL regulations will continue to govern those residents' participation in the AYBL program. After conversion, residents living in units funded by project-based voucher assistance will not be eligible for admission into AYBL.

   DCHA is allowed to use any FSS funds already awarded to serve those FSS participants who live in units converted by RAD. At the completion of the FSS grant, DCHA will follow the normal closeout procedures outlined in the grant agreement. If DCHA continues to run an FSS program that serves PH and/or HCV participants, DCHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding and may use that funding to serve PH, HCV and/or PBRA participants in its FSS program. Due to the program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the subsequent Appropriation Acts), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

   Except for AYBL provisions established under DCHA's MTW authority, DCHA will administer the agency's FSS program in accordance with FSS regulations at 24 CFR part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December

29, 2014, at 79 FR 78100.[4] Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

If DCHA becomes a ROSS-SC grantees prior to RAD conversion of a site, DCHA will be able to finish out ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants. At the completion of the ROSS-SC grant, DCHA will follow the normal closeout procedures outlined in the grant agreement.

6. **Resident Participation and Funding.** In accordance with HUD RAD provision, residents of RAD properties converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding in accordance with current DCHA policies and HUD regulations.

7. **Resident Procedural Rights.** The following items will be incorporated into both the DCHA Administrative Plan and the owner's lease, which including the required tenancy addendum, as appropriate.

   a. **Termination Notification.** As required under RAD, DCHA's termination process will provide adequate written notice of termination of the lease as outlined below:

      iv. A reasonable period of time, but not to exceed 30 days:
         - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
         - In the event of any drug-related or violent criminal activity or any felony conviction;

      v. 14 days in the case of nonpayment of rent; and

      vi. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

   b. **Grievance Process.**
      For issues related to tenancy and termination of assistance, DCHA will provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will waive 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, and require that:

      i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing will be given to

[4] The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

residents for any dispute that a resident may have with respect to the owner's action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.

- For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
- For any additional hearings required under RAD, the owner will perform the hearing.

ii. An informal hearing will not be required for class grievances or for disputes between residents not involving the owner or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the owner or contract administrator.

iii. The owner will give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR 982.555(a)(1)(i)-(vi).

iv. The owner will provide opportunity for an informal hearing before an eviction.

The DCHA Administrative Plan will include RAD hearing procedures.

8. **Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

   Under the HCV program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in Section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant (e.g. tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion due to loss of employment) is covered by this waiver.

9. **When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may select an occupied unit to be included under the PBV HAP Contract only if the unit's occupants are eligible for housing assistance payments (24 CFR § 983.53(c)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR § 983.258). Since the rent limitation under this Section of the Notice may result in a family's TTP equaling or exceeding the gross rent for the unit, for residents living in the Converting Project prior to conversion and who will return to the RAD property after conversion, HUD is waiving both of these provisions and requiring that the unit

for such families be placed on and/or remain under the HAP Contract when TTP equals or exceeds the Gross Rent. Further, HUD is establishing the alternative requirement that until such time that the family's TTP falls below the gross rent, the rent to the owner for the unit will equal the lesser of (a) the family's TTP, less the Utility Allowance, or (b) any applicable maximum rent under LIHTC regulations. When the family's TTP falls below the gross rent, normal PBV rules shall apply. As necessary to implement this alternative provision, HUD is waiving the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR § 983.301 as modified by Section 1.6.B.5 of this Notice.[5] In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP Contract. DCHA will process these individuals through the Form 50058 submodule in PIC.

Following conversion, 24 CFR § 983.53(d) applies, and any new families referred to the RAD PBV project will be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, DCHA will remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, DCHA will reinstate the unit after the family has vacated the property. If the project is partially assisted, the DCHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where "floating" units have been permitted, Section 1.6.B.10 of this Notice.

10. **Under-Occupied Unit.** If a family is in an under-occupied unit under 24 CFR § 983.260 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the RAD property. When an appropriate sized unit becomes available in the RAD property, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the RAD property, 24 CFR § 983.260 is waived. MTW agencies may not modify this requirement.

PBV: Other Miscellaneous Provisions

1. **Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** DCHA and the Project Owner will cooperate with any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work.

2. **Additional Monitoring Requirement.** DCHA's Board must approve the operating budget for the RAD property annually in accordance with HUD requirements.

[5] For example, a public housing family residing in a property converting under RAD has a TTP of $600. The property has an initial Contract Rent of $500, with a $50 Utility Allowance. Following conversion, the residents is still responsible for paying $600 in tenant rent and utilities.

3. **Establishment of Waiting List.** DCHA shall utilize the site-based waiting list(s) that exist at the time of conversion. For any applicants on the public housing waiting list that are likely to be ineligible for admission at a RAD property converting to PBV because the household's TTP is likely to exceed the RAD gross rent, the DCHA shall consider transferring such household, consistent with program requirements for administration of waiting lists, to the DCHA's remaining public housing waiting list(s) or to another voucher waiting list, in addition to transferring such household to the waiting list for the Covered Project.

   For RAD properties where transfer assistance will be utilized, CHA will notify existing waiting list applicants on how to apply they can apply for any new properties with site-based waiting lists.

   DCHA will maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations.

4. **Mandatory Insurance Coverage.** The RAD property shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.

5. **Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of secured debt during the HAP Contract term to ensure the financing is consistent with long-term preservation of the Covered Project. With respect to any financing contemplated at the time of conversion (including any permanent financing which is a conversion or take-out of construction financing), such consent may be evidenced through the RCC.

6. **Administrative Fees for Public Housing Conversions.** For the remainder of the Calendar Year in which the HAP Contract becomes effective (i.e., the "year of conversion"), RAD PBV projects will be funded with public housing funds.

   PHA's operating HCV program typically receive administrative fees for units under a HAP Contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Work Responsibility Act of 1998" and 24 CFR § 982.152(b). During the year of conversion mentioned in the preceding paragraph, these provisions are waived. DCHA will not receive Section 8 administrative fees for PBV RAD units during the year of conversion.

   After the year of conversion, the Section 8 ACC will be amended to include Section 8 funding that corresponds to the units covered by the Section 8 ACC. At that time, the regular Section 8 administrative fee funding provisions will apply.

Site Selection and Neighborhood Standards Review

For properties that DCHA converts to RAD, DCHA will provide certification that the property complies with the site selection requirements for existing or rehabilitated housing.

Relocation Plan

Relocation will not be required as a result of the conversion. DCHA will complete the Accessibility and Relocation Checklist and submit it with the Financing Plan as provided for the PIH Notice 2012-32 REV-3.

Significant Amendment Definition

As part of RAD, DCHA is redefining the definition of a substantial deviation from the MTW plan to exclude the following RAD-specific items:

a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
b. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
c. Changes to the financing structure for each approved RAD Conversion.

Public Comment

DCHA presented the RAD amendment for the Commitments and Portfolio RAD Awards for discussion as part of the agency's FY 2018 MTW plan public comment process, including a meeting with the City-wide Advisory Board (CWAB) on June 22, 2017. See Appendix VI . There was discussion about the elements of the amendment, with a request that as the process progresses that a more detailed outline of resident rights be provided and reflect discussions with residents. In addition, DCHA has met with residents at these sites to discuss the RAD program and its impact. There were no major issues/concerns raised outside of the request for ongoing updates on the detail related to resident rights. DCHA will continue to engage residents as the process moves forward.

3. Fairlawn Marshall and Matthews Memorial
(approved as part of amendment to the FY2017 MTW Plan)

The District of Columbia Housing Authority (DCHA) applied under the Rental Assistance Demonstration (RAD) Program of the U.S. Department of Housing and Urban Development (HUD) to convert 65 units of public housing to project-based vouchers. The 65 units are based within two properties; Fairlawn Marshall (30 units) and Matthews Memorial Terrace (35 units. The application for conversion was approved by HUD through a Commitment to enter into a Housing Assistance Payments Contract (CHAP).

DCHA intends to convert 65 units of public housing within Fairlawn Marshall and Matthews Memorial to Project Based Vouchers (PBV) under the guidelines of PIH Notice 2012-32, REV-3 and any successor Notices. Upon conversion to PBV, DCHA will adopt the resident rights, participation, waiting lists and grievance procedures listed in Section 1.6.C and 1.6.D of PIH Notice 2012-32, REV-3. These resident rights, participation, waiting list and grievance procedures are appended to this Attachment.

Additionally, DCHA is currently compliant with all fair housing and civil rights requirements and is under two Voluntary Compliance Agreements and a consent decree.

RAD was designated by HUD to assist in addressing the capital needs of public housing by providing DCHA with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, DCHA's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted to RAD. Through RAD, public housing agencies and owners may access private debt and equity to address the capital needs. The capital needs are informed by a Physical Conditions Assessment (PCA). A PCA was completed for Matthews Memorial and Fairlawn Marshall. , minimal improvements are required for the sites, consequently, additional debt or equity is not contemplated for these conversions. However, the conversion will help stabilize future operating subsidy for the properties. Regardless of any funding changes that may occur as a result of conversion under RAD, DCHA certifies that it will maintain its continued service level for the Public Housing and Housing Choice Voucher programs.

The required information for this significant amendment is as follows:

Description of Public Housing Developments selected for RAD

DCHA has received approval from HUD for Fairlawn Marshall and Matthews Memorial.

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Fairlawn Marshall	DC001005280	PBV	Yes
Total Units	Pre-RAD Unit Type (i.e. Family, Senior, etc.)	Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)	Capital Fund Allocation of Development
30	Family	Family	$24,054
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
One Bedroom	20	20	N/A
Two Bedroom	10	10	N/A

Name of Public Housing Development	PIC Development ID	Conversion Type (i.e. PBV or PBRA)	Transfer of Assistance
Matthews Memorial Terrace	DC001005320	PBV	Yes
Total Units	Pre-RAD Unit Type (i.e. Family, Senior, etc.)	Post-RAD Unit Type if Different (i.e. Family, Senior, etc.)	Capital Fund Allocation of Development
35	Family	Family	$31,304
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfiguration, etc.)
One Bedroom	3	3	N/A
Two Bedroom	27	27	N/A
Three Bedroom	5	5	N/A

Any change in the number of units that is proposed as part of the conversion, including:

a. **De minimis unit reductions**
    a. DCHA does not anticipate any changes to unit composition at Fairlawn Marshall or Matthews Memorial Terrace.

b. **Unit reductions that are exempt from the de minimis cap**
    a. Not applicable at either Fairlawn Marshall or Matthews Memorial Terrace.

Any change in the bedroom distribution units that is proposed as part of the conversion
DCHA does not anticipate any changes to unit composition or bedroom distribution at Fairlawn Marshall or Matthews Memorial Terrace.

Changes in the policies that govern eligibility, admission, selection, and occupancy of units at the project sites after they have been converted, including any waiting list preferences that will be adopted for the converted projects
Fairlawn Marshall—DCHA does not anticipate any changes to its current policies governing eligibility, admissions, selection and occupancy.

Matthews Memorial Terrace—DCHA does not anticipate any changes to its current policies governing eligibility, admissions, selection and occupancy.

Information regarding the transfer of assistance
DCHA does not anticipate transfer of assistance at Fairlawn

Compliance agreements, consent orders/decrees, rulings or decisions
DCHA is currently in compliance with its two voluntary compliance agreements and one consent decree. The agency's compliance will not be negatively impacted by conversion activities.

Required information for submitting amendment
See "Section VI. Administrative" of this Plan.

Information regarding the use of MTW fungibility
As a MTW agency looking to utilize its fungibility to set contract rents as necessary, DCHA will continue to maintain the agency's service level requirements.

Impact on the Capital Fund

Estimate of the amount of the current Capital Fund grant that is associated with the proposed projects and the impact on DCHA's current Five-Year and Five-Year Capital Action Plan
The amount of Capital Fund grant associated with Fairlawn Marshall and Matthews Memorial is $55,358. DCHA anticipates a reduction in the Capital Fund by the same amount upon RAD conversion of these sites.

IF the RAD conversion will impact an existing CFFP or utilize RHF funds to facilitate conversion, the PHA should also indicate the estimated impact of those activities
There are no CFFP funds associated with units at Fairlawn Marshall and Matthews Memorial.

Impact of RAD conversion on DCHA's Energy Performance Contract (EPC)
There are no EPCs associated with Fairlawn Marshall and Matthews Memorial.

Residents Rights, Participation, Waiting List and Grievance Procedures
Section 1.6 Special Provisions Affecting Conversions to Project Based Vouchers from PIH Notice 2012- 32, REV-3

The HUD RAD Notice (PIH-2012-32 (HA) H-2017-03, REV-3 and successor notices) and existing project based voucher policies outlined in the DCHA Administrative Plan and Admissions and Continued Occupancy Policy apply at the time of the conversion of Fairlawn Marshal and Matthews Memorial. DCHA has drafted RAD regulations amending the Administrative Plan and these will apply once adopted as final through the District of Columbia local rulemaking process.

PBV Resident Rights and Participation

1. **No Re-screening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. **Right to Return.** Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a DCHA or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

3. **Renewal of Lease.** Under RAD, DCHA or the owner must renew all leases upon lease expiration, unless cause exists. Consequently, 24 CFR § 983.257(b)(3) will not apply. This provision will be incorporated by the PBV owner into the tenant lease or tenancy addendum, as appropriate.

4. **Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or $25 purely as a result of conversion, the rent increase will be phased in over 5 years. To implement this provision, HUD is waiving Section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases. This policy must be in place at conversion and may not be modified after conversion.

   The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "standard TTP"

refers to the TTP calculated in accordance with regulations at 24 CFR § 5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

All units converted under RAD will follow the five-year phase-in outlined below. For purposes of this section, "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

Five Year Phase in:

Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP and the standard TTP

Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the standard TTP

Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the standard TTP

Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the standard TTP

Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: Once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

As an MTW agency, DCHA has converted all of its households to biennial or triennial recertification cycles. For purposes of implementing the 5-year phase-in, impacted households will convert to an annual recertification until the calculated income-based TTP is reached. Once these households are on income-based TTP, the households will convert back to biennial or triennial recertifications.

5. **Public Housing Family Self Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are currently FSS participants will continue to be eligible for FSS once their housing is converted under RAD. This includes DCHA's **Achieving Your Best Life (AYBL) program**. As a PH FSS, program, AYBL participants will continue participation in AYBL after conversion. AYBL has specific policies governing participation already established through DCHA's MTW authority, including policies related to income/rent calculations, escrow accounts, continued occupancy, etc. Public housing residents who already entered into an AYBL contract of participation prior to RAD conversion will remain in AYBL until those households exit the program. The AYBL regulations will continue to govern those residents' participation in the AYBL program. After conversion, residents living in units funded by project-based voucher assistance will not be eligible for admission into AYBL.

DCHA is allowed to use any FSS funds already awarded to serve those FSS participants who live in units converted by RAD. At the completion of the FSS grant, DCHA will follow the normal closeout procedures outlined in the grant agreement. If DCHA continues to run an FSS program that serves PH and/or HCV participants, DCHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding and may use that funding to serve PH, HCV and/or PBRA participants in its FSS program. Due to the program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the subsequent Appropriation Acts), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

Except for AYBL provisions established under DCHA's MTW authority, DCHA will administer the agency's FSS program in accordance with FSS regulations at 24 CFR part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.[1] Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

If DCHA becomes a ROSS-SC grantees prior to RAD conversion of a site, DCHA will be able to finish out ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants. At the completion of the ROSS-SC grant, DCHA will follow the normal closeout procedures outlined in the grant agreement.

6. **Resident Participation and Funding.** In accordance with HUD RAD provision, residents of RAD properties converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding in accordance with current DCHA policies and HUD regulations.

7. **Resident Procedural Rights.** The following items will be incorporated into both the DCHA Administrative Plan and the owner's lease, which including the required tenancy addendum, as appropriate.

   a. **Termination Notification.** As required under RAD, DCHA's termination process will provide adequate written notice of termination of the lease as outlined below:

      i. A reasonable period of time, but not to exceed 30 days:
         - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
         - In the event of any drug-related or violent criminal activity or any felony conviction;

      ii. 14 days in the case of nonpayment of rent; and

      iii. 30 days in any other case, except that if a State or local law provides for a

shorter period of time, such shorter period shall apply.

b. Grievance Process

For issues related to tenancy and termination of assistance, DCHA will provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will waive 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, and require that:

i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing will be given to residents for any dispute that a resident may have with respect to the owner's action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.

- For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
- For any additional hearings required under RAD, the owner will perform the hearing.

ii. An informal hearing will not be required for class grievances or for disputes between residents not involving the owner or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the owner or contract administrator.

iii. The owner will give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR 982.555(a)(1)(i)-(vi).

iv. The owner will provide opportunity for an informal hearing before an eviction.

The DCHA Administrative Plan will include RAD hearing procedures.

8. **Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the HCV program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in Section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant (e.g. tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion due to loss of employment) is covered by this waiver.

9. **When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may select an occupied unit to be included under the PBV HAP Contract only if the unit's occupants are eligible for housing assistance payments (24 CFR § 983.53(c)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR § 983.258). Since the rent limitation under this Section of the Notice may result in a family's TTP equaling or exceeding the gross rent for the unit, for residents living in the Converting Project prior to conversion and who will return to the RAD property after conversion, HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP Contract when TTP equals or exceeds the Gross Rent. Further, HUD is establishing the alternative requirement that until such time that the family's TTP falls below the gross rent, the rent to the owner for the unit will equal the lesser of (a) the family's TTP, less the Utility Allowance, or (b) any applicable maximum rent under LIHTC regulations. When the family's TTP falls below the gross rent, normal PBV rules shall apply. As necessary to implement this alternative provision, HUD is waiving the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR § 983.301 as modified by Section 1.6.B.5 of this Notice.[2] In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP Contract. DCHA will process these individuals through the Form 50058 submodule in PIC.

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10. **Under-Occupied Unit.** If a family is in an under-occupied unit under 24 CFR § 983.260 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the RAD property. When an appropriate sized unit becomes available in the RAD property, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the RAD property, 24 CFR § 983.260 is waived. MTW agencies may not modify this requirement.

PBV: Other Miscellaneous Provisions

1. **Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** DCHA and the Project Owner will cooperate with any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work.

2. **Additional Monitoring Requirement.** DCHA's Board must approve the operating budget for the RAD property annually in accordance with HUD requirements.

3. **Establishment of Waiting List.** DCHA shall utilize the site-based waiting list(s) that exist at the time of conversion. For any applicants on the public housing waiting list that are likely to be ineligible for admission at a RAD property converting to PBV because the household's TTP is likely to exceed the RAD gross rent, the DCHA shall consider transferring such household, consistent with program requirements for administration of waiting lists, to the DCHA's remaining public housing waiting list(s) or to another voucher waiting list, in addition to transferring such household to the waiting list for the Covered Project.

   For RAD properties where transfer assistance will be utilized, CHA will notify existing waiting list applicants on how to apply they can apply for any new properties with site-based waiting lists.

   DCHA will maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations.

4. **Mandatory Insurance Coverage.** The RAD property shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.

5. **Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of secured debt during the HAP Contract term to ensure the financing is consistent with long-term preservation of the Covered Project. With respect to any financing contemplated at the time of conversion (including any permanent financing which is a conversion or take-out of construction financing), such consent may be evidenced through the RCC.

6. **Administrative Fees for Public Housing Conversions.** For the remainder of the Calendar Year in which the HAP Contract becomes effective (i.e., the "year of conversion"), RAD PBV projects will be funded with public housing funds.

   PHA's operating HCV program typically receive administrative fees for units under a HAP Contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Work Responsibility Act of 1998" and 24 CFR § 982.152(b). During the year of conversion mentioned in the preceding paragraph, these provisions are waived. DCHA will not receive Section 8 administrative fees for PBV RAD units during the year of conversion.

   After the year of conversion, the Section 8 ACC will be amended to include Section 8 funding that corresponds to the units covered by the Section 8 ACC. At that time, the regular Section 8 administrative fee funding provisions will apply.

Site Selection and Neighborhood Standards Review

DCHA certifies that the conversion of Fairlawn Marshall and Matthews Memorial to the RAD program complies with the site selection requirements for existing or rehabilitated housing set forth at 24 CFR § 983.57 (PBV), the Fair Housing Act, Title VI of the Civil Rights Act of 1964 including implementing regulations at 24 CFR § 1.4(b)(3), Section 504 of the Rehabilitation Act of 1973 including implementing regulations at 24 CFR § 8.4(b)(5), and the Americans with Disabilities Act.

Relocation Plan

Relocation will not be required as a result of the conversion. DCHA will complete the Accessibility and Relocation Checklist and submit it with the Financing Plan as provided for the PIH Notice 2012-32 REV-3.

Significant Amendment Definition

As part of RAD, DCHA is redefining the definition of a substantial deviation from the MTW plan to exclude the following RAD-specific items:

a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
b. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
c. Changes to the financing structure for each approved RAD Conversion.

Public Comment

DCHA presented the RAD amendment for Fairlawn Marshall and Matthews Memorial for discussion as part of the agency's FY 2018 MTW plan public comment process, including a meeting with the City-wide Advisory Board (CWAB) on June 22, 2017 (See Section VI(B)) . There was discussion about the elements of the amendment, with a request that as the process progresses that a more detailed outline of resident rights be provided and reflect discussions with residents. In addition, DCHA has met with residents at Fairlawn Marshall and Matthews Memorial to discuss the RAD program and its impact. There were no major issues/concerns raised outside of the request for ongoing updates on the detail related to resident rights. DCHA will continue to engage residents as the process moves forward.

Appendix D: DCHA Lead Assessment Plan and Projected Budget

District of Columbia Housing Authority
1133 North Capitol Street, NE Washington, DC 20002-7599
202-535-1000

Tyrone Garrett, Executive Director

April 6, 2018

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Washington DC, 20002
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Re: DCHA Lead Assessment Action Plan

Dear Ms. Jenkins:

This letter is to follow-up on our in-person meeting on Thursday, March 29, 2018, which also included Chelsea Johnson, DCHA's Deputy Executive Director and Special Counsel and James Brown, HUD Portfolio Management Specialist. As indicated during our meeting, one of my first initiatives when joining DCHA was to request a full and detailed review of all of its environmental practices to ensure compliance with all Federal and Local laws, as well as develop a plan to address any deficiencies. As a result of the review, I learned that DCHA did not have in its possession copies of all of its Risk Assessments for each property in its portfolio. As such, I mandated that the agency develop and implement a Lead Assessment Action Plan, attached hereto, as well as an Environmental Compliance Plan to comprehensively address any issues related to mold, lead, vermin and asbestos. It is anticipated that DCHA will provide a supplemental plan once it receives the results of the Risk Assessment Plans.

DCHA is requesting that HUD review and approve the attached Lead Assessment Action Plan to ensure that its plan is a comprehensive and acceptable plan of action. Please note that while HUD is undergoing review, DCHA will still proceed as indicated in its plan to avoid any delay in implementation. Additionally, DCHA is seeking guidance on the specific language that would be acceptable to HUD when providing required certifications of its MTW Plan, Annual Plan, etc.

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Please memorialize HUD's approval of DCHA's Lead Assessment Action Plan and advise of any next steps that should be taken by DCHA. Your cooperation and immediate attention to this matter is greatly appreciated.

Best Regards,

Tyrone Garrett
Executive Director

cc: James Brown, Portfolio Manager, U.S. Department of Housing and Urban Development
Chelsea Johnson, Deputy Executive Director and Special Counsel
Kenneth Slaughter, DCHA General Counsel

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ATTACHMENT

District of Columbia Housing Authority
Lead Assessment Action Plan

I. Executive Summary

DCHA's Executive Director, Tyrone Garrett, joined the agency in October 2017 and requested a full and detailed review of all of its environmental practices, to ensure compliance with all Federal and Local laws, as well as develop a plan to address any deficiencies. As a result of the review, the agency developed and implemented this Lead Assessment Action Plan, as well as an Environmental Compliance Plan to address the issues noted herein. While DCHA is executing this Lead Assessment Plan, it should be noted that DCHA is not currently aware of any children in its properties with elevated blood lead levels ("EBLs").

II. Background

The District of Columbia Housing Authority ("DCHA") owns approximately 8,000 public housing units, most of which were built prior to 1978. All of the housing has been renovated since original construction. In 1998 and 1999, the DCHA spent $110 million to update units through the Occupied Unit Rehabilitation Program ("OURP"). From approximately 2000 through 2011, a smaller number of units were rehabilitated through the Comprehensive Modernization program. Prior to 1978, paint and many other building components, including drywall and joint compound, included lead. DCHA performed some lead testing at its units prior to 1998, and some retesting of public housing properties for lead hazards and some risk assessments from 1998 through 2002. A review of DCHA's available records have established that these records do not provide enough detail to definitively confirm which components of DCHA buildings have lead paint. As such, these tests are not sufficiently detailed or comprehensive enough for DCHA to rely upon for guidance on interim controls or abatement. Additionally, DCHA does not have all of the Risk Assessments conducted in its current possession.

III. DCHA Plan for Environmental Safety and Compliance Assessing Lead Paint Hazards

DCHA's Lead Assessment Action Plan encompasses: Reorganizing its Risk Management and Environmental Compliance Department; Conducting Environmental Inspections; Providing notifications to residents, participants and landlords; Training Staff; Public Awareness Campaign and obtaining approval of this Lead Assessment Action Plan and ongoing oversight by HUD.

A. Reorganization – Risk Management and Environmental Compliance

DCHA has reorganized its risk management and environmental compliance groups into the Office of General Counsel (OGC), and, as part of this process, formalizing compliance

procedures and adding additional personnel. As part of this change, OGC is in the process of formalizing compliance procedures and adding additional personnel where appropriate. Compliance procedures will be finalized by July 2018. OGC will be hiring internally an Environmental and Safety Manager along with hiring two new Industrial Hygienists. These individuals will be responsible for, among other things, promoting DCHA's emphasis on safety and the appropriate training for all of its personnel

B. Environmental Inspections

Visual Inspections (Target Group – Households with Children under the age of 10)

Beginning in April 2018, all units with children, starting with units that have children under ten years of age, will be spot checked for the existing of peeling, chipping paint, and repaired in compliance with RRP. Approximately 1,138 units are occupied by this population, which represents an approximate total of 1,805 children. DCHA is currently assessing financial and human capital constraints to determine the timeline for the inspection and repair of these units.

Risk Assessments (All Properties)

Simultaneously, the DCHA will begin the process of conducting risk assessments of the entire DCHA-owned public housing stock in accordance with the HUD rule. DCHA will procure contractors certified by the District Department of Energy and Environment ("DOEE") to test buildings for the existence and location of lead-based paint and to develop a risk assessment plan. The HUD rule permits sampling of units in every building to establish a baseline of information. A Risk Assessment will guide all interim controls and abatement moving forward for every unit in the DCHA portfolio. DCHA believes that by end of June 2018, it should have established a baseline of testing and have risk assessment plans applicable to all of the DCHA-owned housing stock.

Once DCHA has Risk Assessments for all of its units, it will incorporate these plans into its Management and Operations plans for annual inspections and turn-over inspections. Every unit inspection will be tied back to the building- or unit-specific Risk Assessment, and any areas of potential lead-based paint hazards will be reviewed. In addition, all areas where lead-based paint was identified will be subject to evaluations by a certified risk-assessor every two years, in accordance with the HUD rule. HUD Guidelines and requirements for Visual Assessment Training will guide DCHA inspectors through annual and turn-over inspections. Biennial re-evaluations will be performed by a certified risk assessor, for all units as required by the Risk Assessment. A records system with the original Risk Assessments, annual inspections, turn-over inspections, and biennial

inspections will be maintained to confirm that the unit is being inspected in accordance with HUD and District requirements.

Until DCHA has Risk Assessments for all interim controls and abatement for its public housing stock, DCHA will treat all renovations with a presumption of lead-based paint, using practices under RRP.

DCHA will also engage in on-going monitoring to ensure that families are not exposed to lead-based paint hazards.

C. Notifications to Residents, Participants and Landlords

In cooperation with DOEE, residents of public housing, Housing Choice Voucher ("HCVP") participants and HCVP landlords will be provided additional notices and education materials to ensure that all are fully informed regarding lead-poisoning prevention, lead screening, and healthy homes. Existing HUD disclosures will be updated based upon information available to DCHA, and additional notices will be provided after the testing and Risk Assessment Plans are completed. All RRP notices will be provided when renovation under RRP occurs.

D. Training – All Operations Staff

Senior Operations staff is focused on revising internal practices to emphasize safety and ensure compliance with applicable laws. All maintenance staff will be trained and certified, as appropriate, in the EPA's RRP. All staff will follow the RRP rule any time a painted surface is disturbed. All staff that perform annual public housing unit inspections and turn-over inspections will take HUD's visual assessment course. DCHA will also provide additional training regarding OSHA compliance, including compliance related to safe practices lead-based paint or paint suspected to be lead-based paint.

Beginning in April 2018, all maintenance staff will be trained in RRP. All work completed after this training that disturbs paint will follow RRP standards. RRP is required to be used where the existence of lead has been established or where the existence of lead is presumed. Until DCHA has a baseline of testing completed establishing exactly which components have lead-based paint, DCHA must presume that all paint in a building built prior to 1978 is lead-based and follow appropriate practices. After testing is complete, DCHA may follow RRP for known lead components, and normal painting safety practices for areas that have been determined not to have lead.

E. Environmental Initiative Public Education Campaign

In April 2018, DCHA will notify all residents about a planned review of the portfolio scheduled to begin in early May 2018. The agency-wide review will include an examination of "quality of life" and environmental conditions (e.g., vermin, lead, asbestos, and mold). The communication with residents is intended to let them know that the agency is taking all reasonable steps to ensure that all residents and employees are aware of the onsite activities, to prepare residents and employees for any on site testing that may be deemed necessary, and that DCHA is committed to developing short- and long-range strategies to improve living conditions and take all necessary steps to comply with all applicable federal and D.C. laws and regulations related to environmental hazards.

DCHA is collaborating with other agencies in the District to address health and safety hazards impacting residents. DCHA is participating in the Healthy Homes Interagency Working Group with other District agencies to coordinate efforts to improve the quality of housing for its residents. DCHA has engaged DOEE in discussions on entering into a MOA in April 2018 facilitating the exchange of information so DCHA will be informed if any children under six residing in public housing or in an HCVP participant household have reported an elevated blood lead level ("EBL") for lead. If there are any reports of EBL, the District will conduct a special risk assessment of the unit.

F. HUD Guidance and Oversight

DCHA and HUD will memorialize the approval of this proposed Lead Action Plan with HUD in the format acceptable to HUD. DCHA will make all required certifications to HUD in the format provided by HUD to ensure compliance and full disclosure of its Lead Action Plan. DCHA will provide regular briefings, at the frequency provided by HUD, to the designated HUD Officials of the status of its implementation of its Lead Action Plan and next steps.

IV. DCHA Timeline for Implementation

Date	Action Item
April 2018 – May 2018	RRP Training of maintenance staff
April 2018 – mid-June 2018	Visual inspection of units with children under 10 years old
April 2018 – late June 2018	Risk Assessments of all properties conducted
April 2018	Public Education Campaign launch
July 2018	Environmental compliance procedures finalized

V. Conclusion

DCHA is committed to immediately assessing its public housing stock to ensure compliance with all Federal and Local laws, and to ensure that all children in its residences are in safe environments. DCHA will use local partners to maximize efficiencies with notices and testing and will hire staff and contractors as needed to fully address any compliance concerns. Moreover, DCHA will maintain a close working relationship with HUD and will keep them abreast of the efforts and outcomes related to its Lead Action Plan.

District of Columbia Housing Authority
1133 North Capitol Street, NE Washington, DC 20002-7599
202-535-1000

Tyrone Garrett, Executive Director

December 18, 2018

SENT VIA EMAIL

Christine Jenkins
Director, DCFO-PH
U.S. Department of Housing and Urban Development
Office of Public Housing – Washington DC Field Office
820 First Street, NE
Suite 300
Washington, DC 20002
Christine.Jenkins@hud.gov

RE: Projected FY2019 DCHA Lead Assessment Action Plan Budget

Dear Ms. Jenkins:

Per your request, this letter transmits the projected budget and itemized expenses related to the District of Columbia Housing Authority's (DCHA) Lead Assessment Action Plan that is being added to the agency's proposed FY2019 Moving to Work Plan (MTW). The work outlined in the budget has been identified as part of a comprehensive review of unit conditions and reflects actions necessary to perform lead related interim controls, along with other activities to address health and safety issues in FY2019[1]. As previously indicated in written and verbal communication by DCHA to HUD, the tremendous expense to ensure that DCHA residents live in safe and hazard-free homes far exceeds DCHA's capital funds, including reserves.

Since the development of the Lead Assessment Action Plan, DCHA has spent over $3,400,000 on interim controls and environmental repairs. In order to complete the activities outlined, the total projected FY2019 budget amount for the Lead Assessment Action Plan, inclusive of health and safety activities, is $343,411,752. DCHA's total available funding to commit to this effort is $5,251,538 of its calendar year (CY) 2018 capital fund budget. Please note per HUD's guidance that public housing authorities maintain a four month public housing program reserve, DCHA does not have any additional monies available in reserves for these expenses. As such, DCHA is projecting a funding gap of $338,160,214. This projection does not include expenses related to potential litigation costs related to any claims of lead poisoning. Although the cost of litigation is not certain, if the DCHA is sued, estimated costs for legal fees and expert fees are likely to be $200,000 - $300,000 per case, and settlement costs are likely to range between $500,000 and $1,500,000.

Given the timing requirements related to responding to the conditions identified, DCHA is anxious to finalize the supports that the U.S. Department of Housing and Urban Development (HUD) will provide to ensure that the

[1] Please note that these expenses will be ongoing, as interim controls will need to be maintained year after year.

health and safety issues are addressed. For detail about the previous requests DCHA has made to HUD, please see the November 21, 2018 letter to HUD Re: DCHA's Request for Resources in Support of its Lead Assessment Action Plan.

If you or your team have any questions, about the proposed budget, please do not hesitate contacting me.

Best Regards,

Tyrone Garrett
Executive Director

cc: Marvin Turner, Director, HUD – Washington DC Field Office
James Brown, Portfolio Manager, HUD – Washington DC Field Office
Chelsea Johnson, Deputy Executive Director and Special Counsel, DCHA
Kenneth Slaughter, General Counsel, DCHA

District of Columbia Housing Authority

Environmental Initiatives - FY 2019

Projected Budget

Sources				
Capital Fund Program - CY 2018	$	5,251,538		
Total Sources			**$**	**5,251,538**
Uses				
Relocation (Interim Controls)	$	8,486,700		
* Legal Services	$	258,727		
DCHA Communications	$	64,307		
Environmental Inspections	$	554,247		
Risk Assessments	$	306,849		
Mold Remediation	$	2,530,000		
Interim Controls	$	19,714,922		
Duct Cleaning	$	1,100,000		
Pest Services	$	1,500,000		
[1] Extremely Urgent Repairs	$	90,650,000		
[2] Relocation (Extremely Urgent Repairs)	$	19,110,000		
[3] Urgent Repairs	$	164,465,000		
[4] Relocation (Urgent Repairs)	$	34,671,000		
Total Uses			**$**	**343,411,752**
Net Deficit			**$**	**(338,160,214)**

* This number does not include costs for litigation. Although costs of litigation are not certain, if the DCHA is sued, estimated costs for legal fees and expert fees are likely to be $200,000 - $300,000 per case, and settlement costs are likely to range between $500,000 and $1,500,000.

[1] Based on an avg cost of $37,000/unit for 2,450 public housing units

[2] Includes lodging, food, transportation, and vehicle storage = avg $260/night for an avg of 30 days

[3] Based on an avg cost of $37,000/unit for 4,535 public housing units

[4] Includes lodging, food, transportation, and vehicle storage = avg $260/night for an avg of 30 days

-12/17/18

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