



Tacoma Housing Authority

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# 2011 MOVING TO WORK ANNUAL REPORT

Covering Fiscal Year 2011



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## **Section I: Introduction and Overview**

### **A. Introduction**

THA switched its fiscal year from July 1<sup>st</sup> through June 30<sup>th</sup> to using the calendar year. This report covers July 1<sup>st</sup> 2010 through December 31, 2011.

THA's vision, mission, and strategic objectives fall perfectly in line with the MTW demonstration project. The purposes of the MTW program are to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that accomplish the three primary MTW statutory objectives:

- *Objective 1:* Reduce cost and achieve greater cost effectiveness in federal expenditures;
- *Objective 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
- *Objective 3:* Increase housing choices for low-income families.

THA has mirrored these objectives as it sets its goals for the MTW program. Doing so will further the mission, shared by THA and the MTW statute, to create housing for people in need, to help them become self-sufficient and to get it done efficiently. This work will advance the day when, in the words of THA's vision statement, everyone will have an adequate home with the support they need to succeed as "parents, students, wage earners and neighbors."

### **THA's MTW Goals**

The MTW objectives for this demonstration project fit THA's strategic direction very well. THA understands the following shared goals:

- Goal 1: Increase THA's administrative efficiency; and
- Goal 2: Encourage economic self-sufficiency among THA's participants;
- Goal 3: Increase housing options for low-income households residing in THA's jurisdiction

## **Section II: General THA Operating Information**

### **A. Housing Stock Information**

1. There are a total of 921 public housing units in Tacoma Housing Authority's portfolio. THA did not add or subtract any public housing units in 2011.
2. Description of any significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year):

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Fawcett	\$775,587	43.82%
Ludwig	\$813,519	45.97%

#### **Fawcett**

- Removal and replacement of siding and windows.
- Insulation added to walls.
- Paint exterior
- Replace wood fencing with vinyl.
- Remove and rehang existing awnings.
- New awnings added to new windows.
- New window blinds in dwellings.
- New siding and paint on storage building.

#### **Ludwig**

- Removal and replacement of siding and windows.
- Insulation added to walls.
- Paint exterior
- Replace wood fencing with vinyl.
- Remove and rehang existing awnings.
- Replace deck waterproofing coating.
- New window blinds in dwellings.
- Add balcony roofs
- Included fire sprinklers.
- Add steel entrance door canopy
- Enlarge patios.

3. Description of any new public housing units added during the year by development (specifying bedroom size, type, accessible features, if applicable): **N/A**
4. Number of public housing units removed from the inventory during the year by development specifying the justification for the removal: **N/A**
5. Number of MTW HCV authorized at the end of the Plan year; discuss any changes over 10%: THA has **3,543** authorized MTW Housing Choice Voucher Units
6. Number of non-MTW HCV authorized at the end of the Plan year; discuss any changes over 10%: **486** vouchers include Enhanced/Protection vouchers, VASH, FUP, and NED. THA experienced the following changes over 10%:
  - 100 Non-Elderly Disabled (NED) vouchers
  - 45 Veterans Administration Supportive Housing (VASH) vouchers
  - 150 Tenant Protection vouchers (TPV)

Authorized Non-MTW Vouchers	
Program	Number of Units
Enhanced/Protection	150
NED	100
VASH	105
FUP	50
Mod Rehab	81
<b>Total:</b>	<b>486</b>

7. Number of HCV units project-based during the Plan year, including a description of each separate project: A total of **648** units were project-based during Fiscal Year 2011.

Number of HCV Units Project Based in Plan Year 2011		
Development Name	Total number of units	Population
Salishan	339	Low-Income Family
Pacific Courtyards	46	Transitional
New Look Apts	42	Senior/Disabled
Hillside Terrace	9	Transitional/Family
Hillside Gardens	8	Transitional
Harborview Manor	125*	Senior/Disabled
Guadalupe Vista	40	Transitional/Family
Flett Meadows	14	Transitional
Eliza McCabe	10	Transitional
Tyler Square	15	Transitional

\*There were 152 Project based units at this site in 2011 before contract was re-negotiated and reduced to 125.

8. Overview of other housing managed by the Agency, eg., tax credit, state-funded, market rate. The properties contained in the table below do not include any partnership properties:

THA Property Management Non-MTW	
Property	Units
N. Shirley	1
Alaska 9 Homes	9
Stewart Court	59
Hillside Terrace*	16
Salishan	3
<b>Total Units:</b>	<b>88</b>

\*These are unsubsidized units at Salishan and Hillside Terrace. The remaining Salishan and Hillside Terrace units are captured within the Public Housing or Project –based voucher counts.

## B. Leasing Information-Actual

1. Total number of MTW public housing units leased in Plan year: **904** out of **921** public housing units were leased as of December 31, 2011.
2. Total number of non-MTW public housing units leased in Plan year: **N/A**

3. Total number of MTW HCV units leased in plan year: **3,448** vouchers were leased as of December 31, 2011.
4. Total number of non-MTW HCV units leased in Plan year: **325** were leased as of December 31, 2011. This number includes Enhanced/Protection vouchers, TBRA, VASH, FUP, Mod-Rehab and NED.

Leased Non-MTW Vouchers	
Program	Number of units
Enhanced/Protection	112
FUP	41
VASH	57
NED	39
Mod-Rehab	76

5. Description of any issues related to leasing of public housing or HCVs:

Program	Issue	Plan
FUP	THA was not receiving referrals at a constant rate	THA has worked with partners to increase the number of referrals. Currently, THA is down five FUP vouchers with five issued and looking to lease up.
NED	Lack of availability of proper units and lack of referrals impacted NED utilization. The tenants are not finding accessible units.	THA has been working with DSHS who refers participants for the NED program. THA is working with DSHS to look for housing opportunities that will match the NED population and believe this will increase utilization. THA has also engaged DSHS on increasing the number of referrals for the NED program in order to fully utilize the vouchers allocated.

VASH	A lack of referrals from partner agencies hindered VASH utilization. The VA did not hire a caseworker for several months after the funding was approved. The VA's lack of a caseworker led to a limited amount of referrals for the VASH program.	The VA as mentioned has took steps to increase the number of referrals coming to THA which we believe will increase the utilization. The VA now contracts caseworkers for the VASH program. This has helped expedite the leasing process.
TPV	Staffing issues led to decreased utilization of the Tenant Protection Vouchers. A hiring freeze led to the inability to get the vouchers processed.	The staffing issues have been remedied and all the TPV vouchers have been issued. THA is waiting for them to lease up.

6. Number of project-based vouchers committed or in use at the end of the Plan year, describe projects where any new vouchers are placed (include only vouchers where agency has issued a letter of commitment in the Plan year): **26** project based vouchers were placed at Salishan in plan year 2011.

Development Name	Total number of authorized units	Total number of units leased	Project Description
Eliza McCabe	10	10	Transitional
Fleet Meadows	14	12	Transitional
Guadalupe Vista	40	34	Transitional/Family
Harborview manor	125	101	Senior/Disabled
Hillside Gardens	8	8	Transitional
Hillside Terrace	9	9	Transitional/Family
New Look Apartments	42	38	Senior/Disabled
Pacific Courtyards	46	19	Transitional
Salishan	339	330	Family
Tyler Square	15	12	Transitional
<b>Total</b>	<b>648</b>	<b>573</b>	



## C. Waiting List Information

1. Number and characteristics of households on the waiting lists at the end of the plan year are as follows:

<b>WAITING LIST INFORMATION*</b>		
<b>Applicant Information</b>	<b>HCV</b>	<b>Public Housing</b>
	<b>FY 2011 Total</b>	<b>FY 2011 Total</b>
<b>Composition</b>		
Single Non		
Disabled/Non Elderly	155	1,849
Family Non		
Disabled/Non Elderly	864	3,785
Disabled	562	2,045
Elderly Non-Disabled	44	302
<b>Total Households</b>	1,625	7,981
<b>Race</b>		
White	777	2,977
Native Hawaiian	46	260
American Indian	44	141
Asian	117	547
Black	611	1,901
Not Specified	25	2,152
Other	5	3
<b>Total Households</b>	1,625	7,981
<b>Ethnicity</b>		
Hispanic	201	474
Non-Hispanic	1,422	7,493
Other	2	14
<b>Total Households</b>	1,625	7,981
<b>Income</b>		
<30% AMI	1,244	6,966
30%-50% AMI	304	727
50%-80% AMI	68	253
>80% AMI	9	35
<b>Total Households</b>	1,625	7,981

\* Numbers include duplication of persons on both lists

2. THA's board of commissioners approved a site based wait list for public housing. THA has removed local public housing preferences and now bases its on application date and time. THA also removed local preferences for the HCV waitlist and puts all HCV applicants into a lottery system.

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As part of the waiting list reorganization, THA purged the wait lists for public housing and the HCV program. Software updates are finished, and THA made the final changes to the waitlists at the beginning of 2012.

### **Section III: Non-MTW THA Information (Optional)**

1. List planned vs. actual sources and uses of other HUD or others Federal Funds (excluding HOPE VI): THA chooses not to provide this optional information.
2. Description of non-MTW activities implemented by the agency: THA chooses not to provide this optional information.

### **Section IV: Long-Term Plan (Optional)**

THA has established four long-term goals for its MTW program that reflect both the MTW statutory objectives established by HUD and THA 's priority for using its MTW flexibility in line with its own strategic objectives:

Goal 1: Increase THA 's administrative efficiency;

Goal 2: Encourage economic self-sufficiency among THA 's participants;

Goal 3: Increase housing opportunities for low-income households residing in THA 's jurisdiction; and,

Goal 4: Monitor program effectiveness and performance through a "digital dashboard."

THA looks forward to determining effective uses of MTW authority for these purposes. Some notable examples of its plan appear below. Some of them seem replicable in other places or on a larger scale. When that is the case, we say so **in bold**.

#### Goal 1: Increase THA 's Administrative Efficiency:

THA is eager to explore the full limits of MTW flexibility to make itself into a more efficient property manager and manager of programs. THA began its MTW career, for example, focused on reducing unnecessary annual certifications for senior or disabled households, and de-linking annual inspections from annual recertifications so our inspectors can more efficiently cover the geographic spread of units. The fungibility of funds also gives THA more flexibility that has helped assign resources in a more efficient alignment to need. Over the longer term, THA will study the full range of leading edge strategies and systems. We are eager for such an assessment unencumbered by those HUD rules and reporting systems that do not always relate to a well-run property.

#### Goal 2: Encourage Self-Sufficiency among THA 's Participants

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The MTW statutory objective of economic self-sufficiency for assisted households nicely complements THA's view of supportive services for its residents and voucher families. THA provides supportive services that allow tenants to succeed as tenants. Yet, as its strategic directives contemplate for the non-disabled and non-elderly households with children, THA wants them also to succeed as "parents, students and wage earners." THA wants them to come into its housing programs and prosper so they can live without assistance. In this way, it wants its housing programs to be a transforming experience for them and for their time with us to be temporary. Supportive services make this transformation much more likely. In this way, THA regards itself as much more than a landlord.

THA's long term strategies to get this done include the following:

- Regulatory reform for rent and definition of income

THA's proposed initial MTW plan included rent reforms for all MTW families. Over the longer term, THA expects that this search will continue with increasing refinement and increasingly widespread application. **Although effective reforms of this sort must account for local factors, success in one place will be interesting in others. THA has certainly studied the experience of other MTW agencies. If THA is successful, other agencies will study our experience.**

- Supportive Services to Spur Economic Self-Sufficiency

THA seeks to provide supportive services to help families prosper. These efforts strive to keep people in school, get them back to school, get them into job training, teach them English, get job skills, find a job, keep a job, get their drivers' license, clean up their credit, save money, and buy a house. THA intends to explore how MTW status can get this done better and in a more sustained way.

THA, in particular, is interested in finding out if MTW is useful for two types of self-sufficiency initiatives. **First**, we hope that MTW will help THA finance the supportive services and staff these self-sufficiency efforts require. The fungibility of funds that it confers will help do this. **If this works, it will be very interesting to that portion of the affordable housing industry that seeks to provide supportive services.**

**Second**, THA seeks to better link its housing resources with the supportive services of other organizations. Such linkage makes both the housing and the services more effective. Such leveraging of effect makes these linkages a very good use of a housing dollar.

- THA's Education Project

THA's Education Project and THA's initial MTW plan to support that project are a very good example of how THA regards its mission and the MTW flexibility this mission requires. The goal of this project is to improve the educational outcomes of the children THA houses or whose families receive its rental assistance and to improve the outcomes of the public schools that serve THA communities. THA focuses on education for three main reasons. **First**, educational success is an important part of self-sufficiency and a meaningful life. **Second**, educational success is a good proxy for other important outcomes that are harder to measure. THA spends considerable time and effort assisting families address problems of drug or alcohol dependency, domestic abuse

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and other maladies. This work is important. But it is hard to tell if it is effective. Tracking educational outcomes can help. The family afflicted in these ways must be making some progress if its child's reading levels are improving. **Third**, the success of Tacoma's public schools is essential to the health of THA's communities. For example, THA owns and is building mixed-income communities. Their financial and social success requires them to attract middle income households whose incomes allow them to live elsewhere. Yet, even if these properties are lovely and well managed, middle income families will not move in or will not stay if the local public school is failing. For this reason, THA has a direct stake in the success of those schools.

**THA's Education Project seeks to test three propositions that should be very interesting to HUD, other public housing authorities and other school districts:**

- That THA, and other public housing authorities, in how it provides housing and supportive services to needy families, can improve educational outcomes for their children and the outcomes of the schools that serve its communities;
- That THA, and other public housing authorities, should find out the effective ways to do this;
- That THA should then embed these strategies into its normal program operations as part of the appropriate mission of an alert and engaged public housing authority.

**THA believes that its Education Project will pioneer the effort to determine a PHA's role in spurring educational success of residents and of local schools. Any success will have obvious and crucial pertinence throughout the nation.** PHAs may turn out to be singularly placed for such experiments. They have the physical communities that can be the staging ground for initiatives, especially those that are most successful if identified with a discrete community. They are already engaged in the lives of families in ways that give them an influence. They are stable and enduring organizations prepared for a long term effort.

By its Education Project, THA seeks to determine the influence it can have and to exercise it effectively.

The Education Project has many elements to it. Some do not require MTW status. Others require MTW flexibility and our initial MTW plan launched them. Here are three examples:

Linking Housing Assistance with School Programs: THA will determine whether it should or could expect its families to cooperate with their children's schooling as a condition of receiving housing assistance. Coupled with supportive services to help the families comply, such a linkage will help raise educational expectations generally. This can be an important contribution to educational success because expectations are critical.

Matching Housing Assistance with Academic Support Services and Scholarships: Several notable public and private efforts provide very valuable support to students in Tacoma's public schools. For example, the private College Success Foundation (CSF) provides mentoring and support to selected promising low-income high schoolers in each of Tacoma's five mainline high schools. The students chosen for this assistance are fortunate. Yet, a notable minority of them have serious housing problems that imperil their ability to comply with the program and receive its benefit.

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Providing housing assistance in such cases is a good use of a housing dollar because it leverages valuable academic services. The normal rules of the public housing or voucher programs do not make it an easy match for programs like CSF. For example, the wait list rules are difficult to adjust. The rules do not permit THA to limit the assistance to the duration of the student's participation in the education program and then to reassign the assistance to the next cohort of students. THA is looking forward to collaborating with organizations like CSF in designing its housing contribution to the success of participating students.

McCarver Elementary School Initiative: THA spent more than a year planning this innovative effort to reform an public elementary school. McCarver's student population is among the city's poorest. It has the most homeless students. In part because of these problem, more than 100% of its student population turns over during each school year. This instability greatly detracts from the prospects for good school outcomes. In this initiative, THA will provide rental assistance to 50 McCarver families who are homeless or at risk of homelessness. Their children comprise about a quarter of the school population. This assistance will last for as long as their children are enrolled in McCarver for a maximum of five years. Families also receive a wide array of supportive service from nonprofit service providers. The parents of these families also commit to important efforts. They commit to participating fully in their children's education. This includes: making sure their children attend school every day and on time, providing their children with home work space and home work time every day, attending each parent-teacher-student conference, and participating actively in the PTA. The parents also commit to their own education and employment prospects. A robust range of services are available to help them do this. THA also had expectations of the school district. In response, the district has committed the investment to turn McCarver into an International Baccalaureate Primary Program. This will greatly raise standards for both teachers and students. THA has designed a detailed data and evaluation effort around this Initiative to track a variety of metrics. Funds from the Bill & Melinda Gates Foundation and local government support this initiative. PHAs from other parts of the country are watching to see our results.

### Goal 3: Increase Housing Opportunities for Low-income Households Residing in THA 's Jurisdiction

To meet this goal, THA plans to address the following issues and activities:

- Serve More Households

Over the longer term, but starting right away, THA will seek to determine if the flexibility and efficiencies of MTW status will allow it to serve more households. Several examples of how this may work bear mention. **First**, saving administration costs of running the Housing Choice Voucher program may allow THA to transfer administrative funds to HAP funds to pay for more vouchers. **Second**, MTW fungability will allow THA to redirect savings in HAP expenditures to assist more families or to sustain public housing operations. **These strategies should be available to other PHAs.**

- Increase Housing Supply

MTW status will allow THA to project base more vouchers. This is an important development strategy that allows THA and other nonprofit developers to finance the construction of new housing, to preserve existing affordable housing, and to ensure the long term affordability of

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both types. THA has used this to very good effect in Tacoma, e.g, Eliza McCabe Homes (Intercommunity Mercy Housing), Hillside Gardens (same), Guadalupe Vista (Catholic Community Services), Harbor View Manor (ABHOW), New Look Apartments (MLK Housing Development Association). Banks have learned how to lend against the long-term rental stream that a long term HAP contract denotes. This financing not only gets the housing built but makes it affordable to households down to zero income. It also locks in this deep affordability for a long time. Additionally, these arrangements usually leverage supportive services as well. In all these ways, project-basing is a very good use of a housing dollar and MTW will allow THA to do more of it. **This use of project basing vouchers should also be applicable in other jurisdictions.**

- Increase housing throughout the continuum of need

THA is very interested in using its MTW status to provide housing and services along more parts of the housing continuum. Generally, THA has been focused on providing permanent housing to households headed by adults capable of living independently, perhaps with light assistance. THA is interested in better providing or arranging more intensive supportive services to serve a wider variety of needs.

The effort to do this elicits an important feature of how THA views supportive services generally. In general, there are two views of supportive services in the affordable housing industry. By one view, supportive services are a sideshow. They are interesting but, by this view, the housing provider has no particular role in providing them. According to this view, housing providers are primarily landlords. In contrast, THA, and most MTW agencies, have a different view. It goes like this: supportive services are a necessary companion to the housing they provide. Their necessity derives from whom we house, and why. We house some of our community's neediest households – seniors aging in place, disabled persons trying to live independently, and families coming from trauma, such as homelessness and domestic violence. These households need help to succeed as tenants.

THA provides considerable services for these purposes. It seeks to do more. MTW flexibility will make this easier to do in the following possible ways:

**Sustainable Source of Funding for Services:** THA looks forward to finding out if the financial flexibility and efficiencies that MTW allows will make it easier to fund supportive services within a building from the operating funds assigned to that building. As HUD realizes, regarding supportive services as an “above the line” expense for a building is the elusive ambition of all housing providers interested in supportive services. Perhaps MTW flexibility will make this more attainable. **If MTW provides this ability to sustain supportive services then it would greatly interest many other PHAs.**

**Homeless Youth:** Tacoma has a serious and growing problem of homelessness among unaccompanied youth. These youth are not with adults. They are not in foster care. They are not in school. They constitute a first rate child welfare disaster for our community. Using state funds, and in collaboration with service partners, THA participates in an “Independent Youth Program” that serves these youth. THA provides the rental assistance and partners provide the wrap around services. It is a very good model. However, the state funds are ending. Unfortunately, except for a limited number of FUP vouchers, THA's mainline federal housing resources are not well designed to be helpful in such programs. THA will be very interested in finding out if MTW

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flexibility will better equip THA to participate in a collaborative community response to this growing emergency. For example, using MTW flexibility, THA is participating with Washington State's child welfare agency to provide rental assistance to teenagers aging out of foster care and who would otherwise face homelessness. **Most other cities see a significant population of homeless, unaccompanied youth. A successful model of intervention would interest many other PHAs.**

Disaster Relief: THA had an interesting and frustrating experience during the Hurricane Katrina disaster that makes it eager for MTW flexibility so it can be more helpful with the next disaster. Hurricane Katrina caused the largest loss of housing from a single event in American history. Afterward, the South Puget Sound area received several hundred families from the Gulf Coast. THA helped to coordinate the effort to receive them. The FEMA assistance never proved very effective. THA, and other providers, filled in as best as their program rules permitted. THA wrote about the experience in a report: *THA Review of Its Katrina Relief Plan 2006 (THA 2006)*. It is available at <http://www.tacomahousing.org/about/reports.html>. As the report makes clear, although THA did help several dozen households, its federal rules were not flexible enough to respond effectively or quickly. THA means to find out how MTW will better equip its ability to respond to the next disaster. **Whether PHAs can or should become sources of emergency assistance in a mass disaster is a question that will surely recur with the next calamitous hurricane, earthquake or flood. Innovative answers should interest the entire PHA community.**

People Coming from Correctional or Psychiatric Institutions: The Tacoma area has more than its full share of people discharged from correctional institutions and psychiatric institutions. (It is home to large correctional institutions, including the state's only women's prison. It is also home to the state's largest psychiatric hospital.). As HUD knows well, people discharged from these places have serious housing needs. They are also among the hardest to house. It is clear that the normal programmatic templates are not suited to the challenge. THA intends to examine its role in fulfilling this need. MTW flexibility will no doubt be very useful, especially in partnerships with service providers, rules of occupancy, and terms of assistance. **Many successful models exist to effectively serve these difficult populations. It is a separate question on how mainline federal housing programs like public housing and the Housing Choice Voucher program could or should adapt to the purpose. Effective answers will be interesting and transferable to many other PHAs.**

Drug or Alcohol Dependent Adults: People afflicted with drug or alcohol dependency present a housing challenge that also requires flexibility that MTW may provide.

#### Goal 4: Monitor Program Effectiveness and Performance through a "Digital Dashboard."

THA intends to design a digital dashboard to track the various performance measures it will chose for its strategic objectives and operations. We mention this separately because it will be a critical tool in assessing MTW effectiveness, as well as overall agency success. Even at this time, however, THA has a detailed list of metrics to track. Baselines have already been established for most activities and methods put in place to extract the required data from THA's various systems. THA recently entered into a new contract with the consultant who performed the impact analysis for the agency and part of the scope of work includes defining the logic required for the THA dashboard in order for THA move forward into the development phase.

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The purpose of the digital dashboard is to place various performance measures and the results front and center. Some performance measures most pertinent to MTW will include changes in the following:

- Earned income among various work-able populations
- Savings rates
- Educational outcomes
- Number of households of various subpopulations served
- Various metrics indicating housing stability
- Per unit costs of operations
- Per voucher cost of operations
- Metrics of individual properties and portfolio aggregates (vacancy rates, unit turns, work orders, rent collections, turnover rates, maintenance expenses, etc.)

A successful dashboard will allow staff to see the “needle” or gauge change as they succeed or fail at their work. It will place the important measures prominently in view. This system will change department meetings, cabinet meetings and board meetings. The focus of these meetings can then be where it belongs - on how we are doing and why or why not. This in turn will become a valuable source of data for program design – exactly what a creative MTW agency needs in order to make good use of MTW flexibility.

**An effective digital dashboard should be applicable to nearly every other PHAs. They collect or should collect similar data. They should value similar performance measures. They share with all organizations a pressing need for a greater focus on outcomes.**

#### **Section V: Proposed MTW Activities: HUD Approval Requested**

At the end of Fiscal Year 2011, THA had proposed and received approval of 11 MTW initiatives.

Detailed information concerning each initiative implemented during Fiscal Year 2011 is fully discussed in Section VI of this report.



## Section VI: Ongoing MTW Activities: HUD Approval Previously Granted

Activity Number	Initiative Description	Statutory Update	Plan Year	Status Update
1	Extend allowable tenant absences from unit for active duty soldiers	Encourage self sufficiency	2011	Implemented July 2011
2	McCarver Elementary School Project: Housing and Education	Increase housing choices for low income families, encourage self-sufficiency	2011	Implemented July 2011
3	Local Project Based Voucher Program	Reduce costs and achieve greater cost effectiveness	2011	THA continues to look at ways to utilize PBV's and is seeking approval to have a regional approach to providing voucher dollars in the community
4	Allow Transfers Between Public Housing and Voucher lists	Increase housing choices	2011	Implemented in Spring 2012
5	Local Policies for Fixed-Income Households	Reduce costs and achieve greater cost effectiveness	2011	Because of 2011 plan amendment, activity was delayed until November of 2011 with an effective date starting January 2012
6	Local Policies for Work-Able Households	Encourage self Sufficiency, Reduce costs and achieve greater cost effectiveness	2011	Because of 2011 plan amendment, activity was delayed until November of 2011 with an effective date starting January 2012
7	Local Income and Asset Policies	Reduce costs and achieve greater cost effectiveness	2011	Implemented July 2011
8	Local Interim Processing and Verification policies	Reduce costs and achieve greater costs effectiveness	2011	Because of 2011 Plan amendment, activity was delayed until November of 2011 with an effective date starting January 2012
9	Modified Housing Choice Voucher Inspection Process	Reduce costs and achieve greater cost effectiveness	2011	Because of changes to the City of Tacoma's code inspections, THA has not fully exercised the flexibility for this option. THA will look to use this activity in the near future
10	Special Program Vouchers	Increase housing choices for low income households	2011	THA has not used the approval as of this writing, but is actively looking for opportunities partner with our service partners. THA may use activity 4 from the 2012 plan to identify a partner
11	Simplified Utility Allowance	Reduce costs and achieve greater cost effectiveness	2011	This activity has been successfully implemented in November of 2011.

### 1. EXTEND ALLOWABLE TENANT ABSENCE FROM UNIT FOR ACTIVE DUTY SOLDIERS

**Impact of Activity:** THA received authorization to allow soldiers to be absent longer than 180 days from their house when they are deployed away from home. The normal HUD rules would have THA terminate a soldier's assistance when he or she is away serving the nation for a prolonged deployment. This does not happen too often but contemplating such a termination is disturbing. Tacoma is also home to one the nation's largest military bases so we want to be ready if this issue arises again. This activity is meant to allow soldiers who are deployed the opportunity to leave without worrying about their housing situation when they are gone. The activity did not get used in 2011.

Metric	Baseline 2010	YTD	Benchmark
Number of active duty households deployed or away from their unit for more than 180 days ( who would have been	1	0	0

**Discussion of Benchmarks:** This activity is meant to allow soldiers who are deployed the opportunity to leave without worrying about their housing situation why they are gone.

**Revisions to Benchmarks or Metrics:** THA does not plan on changing benchmarks or metrics on this activity. Having this approved allows THA to assist households who may have this unsettling situation arise in the future.

Revised Benchmarks and Metrics are as follows: N/A

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

## 2. McCarver Elementary School Project: Housing and Education (HCV)

The McCarver Special Housing Program began accepting families in the fall of 2011. As of December 31, 2011 42 families (69 McCarver students) were housed and 8 families were still in various stages of admittance to the program. Baseline data on the performance of students of participating families were collected in the fall of 2011. Most of the measures are reported annually by Tacoma Public Schools (TPS); therefore the first opportunity to measure the academic growth of the students will be upon the release of the spring 2012 data.

### Impact of Activity

Metric	Baseline	Benchmark	Benchmark Target Date	Current Status
Third grade students still enrolled in fifth grade (among students from participating households)	36% based on historical data from TPS	100% enrollment	6/30/2012	Data to be first collected in the fall of 2013 when first cohort of 3 <sup>rd</sup> graders become 5 <sup>th</sup> graders
Math and reading	State Measures of	5% annual	6/30/2012	The measurement

Metric	Baseline	Benchmark	Benchmark Target Date	Current Status
test scores among students from participating households	<p>Student Progress results from end of spring 2011</p> <p>Number Meeting State Standard (% not reported due to very small # of students)</p> <p><u>Reading</u> Current gr. 4 4 of 5 Current gr. 5 2 of 4</p> <p><u>Math</u> Current gr. 4 1 of 5 Current gr. 5 2 of 4</p>	improvement in both sets of scores		of growth will be comparison to spring 2012 test scores which will be released in August 2012.
Attendance among students from participating households	TBD from 2010-2011 school year	5% annual improvement	6/30/2012	Attendance of the participating students will be collected at the end of the 2011-2012 school year and compared to the prior school year. TPS is developing a system to collect and summarize these data.
Suspensions among students from participating households	TBD from 2010-2011 school year	10% annual reduction	6/30/2012	Attendance of the participating students will be collected at the end of the 2011-2012 school year and compared to the prior school year. TPS is developing a system to collect and summarize these data.
Number of school activities in which parents participated	The baseline for this outcome will be the number of activities participated in during the 2011-2012 school year.	20% annual improvement	6/30/2012	First improvement data to be reported after the 2012-2013 school year.
Teacher effectiveness	TBD from survey	TBD	6/30/2012	TPS is implementing a new system of teacher evaluation which will

Metric	Baseline	Benchmark	Benchmark Target Date	Current Status
Number of adults from participating households involved in job training or educational programs	8 job training 21 job search 6 enrolled in educational program  2 completed GED while in McCarver Program	% increase	12/31/2012	First improvement data to be reported after the 2011-2012 school year

- **Hardships:** No hardships were requested in the 2011 plan year. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Changes to Data Collection Methodology:** THA is working with TPS on data collection. THA will continue to work with the school system on tracking methods. We are in the process of selecting an external evaluator who will help with defining our data collection methods as well as evaluating our outcomes over the next three years.

**Discussion of Benchmarks:** THA has worked with TPS to develop benchmarks and will continue to meet and update as needed.

**Revisions to Benchmarks or Metrics:** No changes to metrics or benchmarks.

Revised Benchmarks and Metrics are as follows: N/A

**Changes to Data Collection Methodology:** THA continues to partner with TPS to find the best ways to collect data. THA and TPS will use state tests as well as a new teacher evaluation system that TPS is developing.

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** Standard MTW agreement Attachment C Section D.1.e and D.7

### 3. LOCAL PROJECT BASED VOUCHER PROGRAM (HCV)

**Impact of Activity:** THA has not completely exercised the flexibility allowed by this activity. As noted in the approved metrics, THA's benchmark target date is 12/31/2013 for the metrics. In 2011, THA did project base 26 vouchers. The total number project based is still below the 20% cap amount. THA is still interested in using this activity in 2012. No opportunities presented themselves for THA to project base additional vouchers with partners in plan year 2011.

THA did waive the option that allows PBV holders to automatically receive a tenant based voucher after one year. THA grandfathered in anyone who had a PBV before October 1, 2011.

THA did not begin inspecting its own PBV units until the early part of 2012.

Metric	Baseline 2010	YTD	Benchmark
Number of affordable housing units	1284	N/A	1385
Number of new special housing units	0	N/A	25
Annual cost to conduct HQS inspections annually	\$20,280	N/A	\$7,500
Percentage of PBV units requiring special inspections annually	0	N/A	<10%
Amount of leveraged dollars by using project based vouchers	0	N/A	0

Sub-activities		
Name of sub-activity	Currently Active	Status update
a. THA may award project based assistance to agencies and have them, in turn, identify an owner with whom THA may contract	No	Not being used
b. THA may revise the manner in which advertising and solicitation is performed and how awards are publicized	No	Not being used
c. THA may allow for project-specific wait lists and/or take agency referrals rather than establishing wait lists for special needs and homeless housing	No	Not being used
d. THA is not required to take applicants directly off the Section 8 waitlist or advertise the availability of project-based wait lists on the Section 8 wait lists	No	Not being used
e. THA may allow for unique preference and occupancy standards to be established for each of its project based programs	No	Not being used
f. THA is not required to offer continuing subsidy to participants leaving project-based units.	Active	THA is no longer giving tenant based vouchers to households who stay in a project based unit after one year. Those in Project based units can request to be transferred to public housing

		units or apply to the tenant based waitlist when opened.
g. THA may allow use of project based subsidy for transitional housing	No	Not being used
h. THA may establish unique payment standards for project-based programs and may allow project based rents to exceed tax credit rents	No	Not being used
i. THA may provide project based assistance in another jurisdiction under an agreement with another agency	No	Not being used
j. THA may allow project-based rules to mimic those of other government operating/rental subsidy sources in the case of development with mixed financing and when project based subsidy is assigned to a former public housing development	No	Not being used

**Discussion of Benchmarks:** THA has not been able to implement parts of this activity that relate to the metrics indicated above. However, THA will keep the above metrics and monitor this activity in 2012.

**Revisions to Benchmarks or Metrics:** THA has added the following metric:

- Amount of leveraged private dollars as a result of using project based vouchers

Revised Benchmarks and Metrics are as follows: N/A

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** Standard MTW agreement Attachment C Section D.1.e and D.7

#### 4. ALLOW TRANSFERS BETWEEN PUBLIC HOUSING AND VOUCHER PROGRAMS

**Impact of Activity:** THA has not been able to fully implement this activity because it first needed to change how it managed its waitlist. The metrics for this activity have the target date of 12/31/12. The board of commissioners approved the needed changes in late 2011. THA has made the needed software changes and THA implemented this activity in March 2012.

Metric	Baseline 2010	YTD	Benchmark
Annual number of housing transfers due to bedroom size or accessibility issues	11	12.0	15
Number of days between approval of reasonable accommodation due to bedroom size and transfer to available unit (PH only)	225	47.5	15
Number of households who receive a voucher instead of being transferred to PH unit	0	N/A	25
Number of days between approval of reasonable accommodation due to bedroom size and transfer with a voucher	0	N/A	0
Number of underutilized housing units returned to the housing stock	0	N/A	5

**Discussion of Benchmarks:** THA would like to make changes to the benchmarks set out in the original plan. The major change to the former policy is having the opportunity to transfer public housing residents with a voucher or offer a voucher holder a public housing unit if needed. THA has added metrics that will more accurately reflect the tracking of this major change.

**Revisions to Benchmarks or Metrics: THA has removed the following metrics:**

- Number of days between approval of reasonable accommodation due to accessibility and transfer to available unit (PH only)
- Annual number of reasonable accommodation requests due to bedroom size or accessibility issues
- Annual number of reasonable accommodation request due to emergencies
- Annual staff time in hours to process housing transfers

**THA has added the following metrics**

- Number of households who receive a voucher instead of being transferred to another PH unit
- Number of days between approval of reasonable accommodation due to bedroom size and transfer with a voucher

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C Section D.1.e and D.7

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## 5. LOCAL POLICIES FOR FIXED INCOME HOUSEHOLDS

**Impact of Activity:** In the Fiscal Year 2011 MTW Annual Plan, THA received authorization to begin a complicated rent reform activity for all of its households. After receiving resident feedback, THA consulted with HUD and decided to do a plan amendment. The plan amendment simplified the rent reform activity but still allowed for changes that would meet MTW goals. Because of the timing of the plan amendment, THA could not start the activity as early as originally planned. THA did successfully implement its new MTW add-on system in November for January 2012 recertifications. THA's staff created its new MTW add-on software to work with the existing housing software. THA turned on this add-on system in November after months of staff trainings and feedback sessions. The software assigns MTW rents including minimum rents, the elimination of utility allowances, the tiered rent calculations, elimination of deductions and assigns all households to a biennial rent recertification schedule.

THA is happy to report that this process has gone very smoothly and looks forward to reporting on this rent reform activity in full in the 2012 report.

THA had to make some changes to the policy because of software changes. Anyone who received an interim certification from after October 31, 2011 went underneath the MTW rent reform calculation. That included a 28.5% TTP, elimination of deductions, the new utility allowance methodology and changes in the medical allowance.

Metric	Baseline 2010	YTD	Benchmark
Annual Section 8 Subsidy for elderly/disabled households	\$6.9M		\$7.0M
Annual Public Housing rent roll for elderly/disabled households	\$1.1M		\$1.1M
Annual staff time in hours required to process public housing elderly/disabled recertification's	516		258
Annual staff time in hours to process Section 8 elderly/disabled recertification's	1,587		794
Annual postage costs mailing recertification documents related to elderly/disabled rent adjustments (section 8 only)	\$1,111		\$555

**Hardships:** No hardships were requested in the 2011 plan year. The new rent calculations were not effective in 2011. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Discussion of Benchmarks:** THA anticipates that in plan year 2012 it will meet benchmarks regarding subsidies. THA anticipates that it will meet benchmarks regarding staff time savings in 2013 but will still report on this activity in 2012. All households are receiving regular recertification in 2012 but THA will assign them for biennial recertification schedules. In 2013, only half of the MTW households will receive a recertification allowing THA to realize the staff time savings. The benchmark target dates remain the same as what is listed in the 2011 plan.

**Revisions to Benchmarks or Metrics:** No revisions were made to benchmarks or metrics.

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



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**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section C(4) and D.1.4

## **6. LOCAL POLICY FOR WORK-ABLE HOUSEHOLDS (HCV/PH)**

**Impact of Activity** In the Fiscal Year 2011 MTW Annual Plan, THA received authorization to begin a complicated rent reform activity for all of its households. After receiving resident feedback, THA consulted with HUD and decided to do a plan amendment. The plan amendment simplified the rent reform activity but still allowed for changes that would meet MTW goals. Because of the timing of the plan amendment, THA could not start the activity as early as originally planned. THA did successfully implement its new MTW add-on system in November for January 2012 recertifications. THA staff created a new MTW add-on software to work with the existing housing software. THA turned on the add-on system in November after months of staff trainings and feedback sessions. The software assigns MTW rents including minimum rents, the elimination of utility allowances, the tiered rent calculations, elimination of deductions and assigns all households to a biennial rent recertification schedule.

THA is happy to report that this process has gone very smoothly and looks forward to reporting on this rent reform activity in future reports.

THA had to make some changes to the policy because of software changes. Anyone who received an interim certification after October 31, 2011 went underneath the MTW rent reform calculation. That included a 28.5% TTP, elimination of deductions, the new utility allowance methodology and changes in the medical allowance.

Metric	Baseline 2010	YTD	Benchmark
Annual Section 8 subsidy for work-able households	\$20.2M		\$18.7M
Annual Public Housing rent rolls for work-able households	\$1.4M		\$1.5M
Percentage of Section 8 work-able households with gross income <\$5,000	12%		10% (219)
Percentage of Public Housing work-able households with gross income <\$5,000	10%		5%(22)

**Hardships:** No hardships were requested in the 2011 plan year. The new rent calculations were not effective in 2011. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Discussion of Benchmarks:** THA anticipates that in plan year 2012 it will meet benchmarks regarding subsidies. THA will not meet benchmarks regarding staff time savings until 2013 but will still report on this activity in 2012. All households are receiving regular recertification in 2012 but THA will assign them at this time to biennial recertification schedules. In 2013, only half

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of the MTW households will receive a recertification allowing THA to realize the staff time savings. The benchmark target dates remain the same as what is listed in the 2011 plan.

**Revisions to Benchmarks or Metrics:** No changes to benchmarks or metrics

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section C (4), C.1.1, D.1.c, D.2.a, and D.3.b

## 7. LOCAL INCOME AND ASSET POLICIES (HCV/PH)

**Impact of Activity:** THA received permission to implement several policy changes that would reduce the agency's administrative burden. Part of this activity included allowing tenants to self-certify assets valued at less than \$25,000 and eliminate EID.

Metric	Baseline 2010	YTD	Benchmark
Annual staff time in hours to process asset income in recertification's	967	537*	963
Number of Households with the Earned Income Disallowance	12	0	6

\*The Activity was implemented in July of 2011. The number includes 6 months of non MTW processing of asset income and 6 months of MTW processing of asset income.

**Hardships:** No hardships were requested in the 2011 plan year for this activity. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Discussion of Benchmarks:** THA implemented some of these activities in the later part of 2011. The data for the asset metric is for the full year with half of the year using MTW asset processing and half using the non-MTW asset processing. There is reason to believe THA will see much larger time savings in the number of annual staff time in hours used to process asset income in recertification's in the coming years. Staff surveys have shown that time spent on asset income has decreased by 90%. Very few households have assets over the \$25,000 that needs verification.

**Revisions to Benchmarks or Metrics:**

- THA has removed the metrics regarding the number of third party verifications processed. HUD changed the verification hierarchy, so this is no longer an activity that just MTW agencies can implement.
- THA has added a metric for the number of households who have EID.

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

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**Changes to Authorization Used:** No changes

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section BC.4, C.11, D.1.c, D.2.a, D.3.a, and D.3.b.

## **8. LOCAL INTERIM PROCESSING AND VERIFICATION POLICIES (HCV/PH)**

**Impact of Activity:** Under the local interim policy, THA processes interim requests due to reported decreases of income only if the family's rent portion decreases 10 percent or more. Additionally, THA must anticipate that the decrease of income will last more than 90 days. Family members must apply for unemployment benefits if the decrease of income is a result of employment loss. THA had to make some changes to the policy because of software. Anyone who received an interim from 11/1/11 and on went underneath the MTW rent reform calculation. That included a 28.5% TTP, elimination of deductions, the new utility allowance methodology and changes in the medical allowance.

Metric	Baseline 2010	YTD	Benchmark
Annual number of decrease in income interims conducted	1,672	1,734	1,254
Annual staff time in hours required to process decreases in income interims	1,672	1,734	1,254

**Hardships:** No hardships were requested in the 2011 plan year for this activity. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Discussion of Benchmarks:** THA did not fully implement this activity until November of 2011 because of the plan amendment. The YTD numbers for 2011 show more interim recertifications for decreased incomes. This occurred because of Washington State cuts in public assistance income. Next year THA will have implemented this activity for a full year. Also, we hope, the state's public assistance programs will stabilize. That will allow THA to give a full report in 2012 and subsequent years.

**Revisions to Benchmarks or Metrics:** The activity's main purpose was to reduce the amount of interim decreases processed. THA had a policy in place where very few interim increases were processed prior to MTW. Because of that, THA has deleted the metrics for:

- Number of interim income increases
- Staff hours required to process decreases in income interims

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, C.4, C.11, D.1.c, D.2.a, D.3.a and D.3.b

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## 9. MODIFIED HOUSING CHOICE VOUCHER INSPECTION PROCESS (HCV)

**Impact of Activity:** THA has not exercised this activity because of changes to the City of Tacoma's inspection code. THA incorporates the City's code into its HQS inspections. THA has used much of 2011 to update the Administrative plan with more detailed inspection requirements and staff trainings. THA still wish to apply this flexibility in the future:

Metric	Baseline 2010	YTD	Benchmark
Annual number of HCV inspections	3200		2950
Annual staff time in hours spent on HCV inspections	2400		2213

**Discussion of Benchmarks:** THA has not exercised this activity and cannot report on the benchmarks set out. As mentioned above, THA is training staff to meet the City of Tacoma's inspection code along with HQS standards. Once it completes the training and management is satisfied with the staff's knowledge, THA plans to implement the biennial inspections.

**Revisions to Benchmarks or Metrics:** THA plans to continue the initiative since the flexibility provided by the activity is valuable and will allow THA efficiencies that will help in the future.

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section D.5.

## 10. SPECIAL PROGRAM VOUCHERS

**Impact of Activity:** THA received authorization from HUD to establish a voucher program that would allow it to award vouchers to service partners for special purposes or special programs. THA did not find any partners in the plan year 2011 for this activity. THA is seeking out potential programs in 2012.

Metric	Baseline 2010	YTD	Benchmark
Percentage of households with special program vouchers who remain in good standing after 1 year of occupancy	61%		85%
Percentage of households with special program vouchers who receive case management services	100%		100%
Percentage of households with special program vouchers who increase their income	22%		40%
Percentage of households with special program vouchers who stay in place for 12 months or more	20%		50%

**Discussion of Benchmarks:** THA did not meet the benchmarks because no special program vouchers were awarded in 2011.

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**Revisions to Benchmarks or Metrics:** None

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section B.2, B.4, D.1, D.2, D.3 and D.4

## 11. SIMPLIFIED UTILITY ALLOWANCE

**Impact of Activity:** HUD approved this activity which allows THA to streamline the utility allowance (UA) credit given, and cut back on administrative errors. THA implemented this simplified UA in November of 2011. Staff and residents warmly greeted this activity. It has made explanation of the UA much simpler and cut back on the amount of time staff uses to process the UA's.

Metrics	Baseline 2010	YTD	Benchmark
Total annual staff time in hours to determine utility allowances in recertification's	333	305*	50% reduction
Utility allowance calculation error rate as a percentage of annual recertification's	NA	<1%	<1%

\*Number is for the full year, but the activity was implemented in November 2011. The YTD reflects 10 months of non-MTW utility allowances and 2 months of MTW utility allowances.

**Hardships:** No hardships were requested in the 2011 plan year. THA has created a hardship tracking database that allows us to track all hardships and dates started and expired. This information will be reported on in the 2012 MTW Report.

**Discussion of Benchmarks:** THA cannot give a full years report on this activity since THA implemented it only in November. What we have provided is a full year's report that includes the two months at the end of 2011 when the activity began. The trend indicates THA should meet the goal of a 50% reduction in staff time spend determining utility allowances in plan year 2013.

**Revisions to Benchmarks or Metrics:** THA has given a two-month sample of what the effects are.

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

**Changes to Authorization Used:** No changes were made to the authorizations used to implement the initiative.

**Description of Authorization or Regulation Waived:** MTW Agreement Attachment C, Section C.11 and D.2.a

## Section VII: Sources and Uses of Funding

A. Below is a table detailing the planned versus actual sources and uses MTW funds:

As an MTW Block Grant agency, THA combines all Public Housing Operations, Capital Fund, and Section 8 program resources into a single fund with full funding flexibility. The information below compares anticipated Sources and Uses of Funds shown in THA's FY 2011 MTW Annual Plan with actual expenditures for the period January 1, 2011 through December 31, 2011. This was THA's first MTW reporting period. This plan was for 12 months, and was a portion of the financial information for an 18 month fiscal year. This is due to the fact THA changed its' FYE from June 30 to December 31 upon becoming an MTW agency. THA also transitioned from a Central Office Cost Center to a Program Support Center approach as described in the Local Asset Management Plan.

Sources of MTW funds (from our budget)	Planned Amount	Actual Amount
HCV Housing Assistance Payments	\$31,293,000	\$31,495,000
HCV Administrative Fee	\$2,502,000	\$2,532,000
Public Housing subsidy	\$2,280,000	\$2,373,000
Public Housing rental income	\$2,813,000	\$2,980,000
Public Housing non-rental income	\$45,000	\$61,000
Public Housing Capital Fund (including RHF funds)	\$2,600,000	\$3,004,000
Interest income	\$30,000	\$32,000
Management Fee Income	\$2,569,000	\$3,039,000
Other Revenue Sources*	\$130,000	\$194,000
MTW Reserves	\$455,000	\$0
<i>Total Sources</i>	<i>\$44,717,000</i>	<i>\$45,710,000</i>

Uses of MTW funds	Planned Amount	Actual Amount
HCV Housing Assistance Payments	\$30,707,000	\$29,664,000
Program administration	\$8,290,000	\$8,257,000
Utilities	\$630,000	\$700,000
Maintenance	\$1,564,000	\$1,575,000
Resident Service activities	\$380,000	\$440,000
Public housing rehabilitation (Capital Expenditures)	\$1,611,000	\$2,197,000
RHF Bond Payments	\$200,000	\$397,000
Subsidy payments to Tax Credit Properties	\$790,000	\$870,000
Insurance	\$209,000	\$162,000
Other miscellaneous operations	\$336,000	\$658,000
MTW Reserves	-	\$790,000
<b>Total Uses</b>	<b>\$44,717,000</b>	<b>\$45,710,000</b>

**\*Note:** Other Revenue Sources includes the following sources:

Other Revenue Source	Amount	Actual Amount
Section 8 Port In Admin Fees earned	\$ 30,000.00	\$31,000
Section 8 Fraud Recovery	\$ 25,000.00	\$68,000
Other Revenue – PH Projects	\$ 35,000.00	\$53,000
Interest Income	\$ 40,000.00	\$37,000
Income Earned from Outside Inspections		\$5,000

As indicated in THA's FY 2011 MTW Annual Plan, this was the first full year of THA's MTW plan. The plan was based on estimates of what HUD funding would be for 2011 when THA developed the Plan. THA also implemented its Local Asset Management Plan during this plan year. THA put the budget together for the MTW Annual Plan when THA was not in its budget cycle, so there are some variations in THA's "Planned" vs "Actual" amounts. Minor variation in results occur naturally. The areas that have more significant differences are as follows:

- The Public Housing Capital Fund line item(s) reflects estimated utilization of the grants that the agency has in place, and may be either more or less than current year awards. This depends on the amount of work that THA can accomplish during the period. For 2011, THA was able to accomplish more than anticipated in the budgeted amount.
- In preparing the Sources and Uses document, the Management Fee Income from THA's Tax Credit Properties was not included as part of its Management Fee Income for the Planned amount. That figure accounts for the majority of the difference.
- For Other Revenue Sources, THA did not include \$45,000 for casework of its Families in Transition program where THA received funds from two of its Salishan projects. This also affects THA's Resident Service activities expense area.
- For the 2011 Plan, THA had anticipated HAPs to increase until the Occupancy Standards took full effect on renewals in November. Due to both the depressed economy, and the inspection

policy, along with instituting the new occupancy policy for moves and new voucher holders in 2011, HAP did not increase as expected. HAP payments actually decreased during the course of the year. This accounted for almost all of the difference between Planned and Actual amounts, as usage was close to what was projected.

- RHF bond Payments were underestimated, and reflected only one of the two payments for the year.
- During 2011, THA adjusted calculations for Subsidy payments for Tax Credit properties, which resulted in THA paying more to our Tax Credit entities than budgeted in the MTW plan.
- The MTW plan overestimated Insurance costs.
- For the MTW plan, the Interest payments for the RHF loan, along with Stewart Court's Debt service was not included. THA is including them under "Other miscellaneous operations" in actuals for reporting purposes on this report.

B. Below is a table outlining the planned vs. actual uses of State and Local funds

Sources of State/Local Funds	Planned Amount	Actual Amount
TBRA	\$74,250	\$51,000
Washington State and City funds for Community Service Activities	\$64,000	\$38,000
<i>Total Sources</i>	<i>\$138,250</i>	<i>\$89,000</i>

  

Uses of State/Local funds	Planned Amount	Actual Amount
TBRA HAP	\$67,500	\$47,000
TRBA Admin Fees	\$6,750	\$4,000
Washington State and City funded Community Service Activities	\$64,000	\$38,000
<i>Total Uses</i>	<i>\$138,250</i>	<i>\$89,000</i>

C. Planned Sources and Uses Of Program Support Center (PRIOR COCC)

Sources of Program Support Center Funds	Planned Amount	Actual Amount
Admin Support Fees	\$1,841,500	\$2,148,000
Management Support Fees	\$509,000	\$568,000
CFP Management Fee	\$362,000	\$83,000
TBRA Admin Fee	\$6,750	\$4,000
Investment Income - Operating	\$35,000	\$11,000
Other income	\$339,500	\$63,000
<i>Total Sources</i>	<i>\$3,093,750</i>	<i>\$2,876,000</i>
Uses of Program Support Center	Planned Amount	Actual Amount
Administrative salaries & benefits	\$2,609,000	\$2,705,000
Management Fees	\$147,000	\$188,000
Other administrative expenses	\$708,000	\$690,000



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Resident Services	\$126,000	\$35,000
Utilities	\$34,000	\$35,000
Maintenance/Facility expenses	\$142,000	\$109,000
Insurance	\$59,000	\$5,000
<i>Total Uses</i>	<i>\$3,825,000</i>	<i>\$3,767,000</i>

#### D. Changes In Cost Allocations From 1937 Regulations

Effective with this plan, THA no longer allocated indirect costs to either the programs or properties. Expenses that are not associated with a specific fund is charged to a newly formed Program Support Center, which allocates administrative and overhead costs to a Support Center either within the MTW area, Business activities area, or to centralized Community Services fund. Fees were then charged out according to the 2010 Local Asset Management Plan as outlined in Appendix II of our 2010 MTW Plan. It has helped the program areas manage their programs by knowing what charges are applicable to their property/program, and what fees they are paying. It also allows the administrative area to determine if it is covering its costs.

E. List or describe planned vs. actual use of single fund flexibility

Planned	Actual
THA will make changes to relieve the administrative burden on both the agency and the tenants by creating a more streamlined approach to both the certification process and inspections. THA intends its processes to be less intrusive on people with elderly/disabled such as the elderly and disabled, and to relieve families from some of the more burdensome requirements of annual certification.	THA has implemented rent reform activities including processes that are less intrusive on families. Unless HUD requires it, THA will no longer list this in the THA plan or report as it has no bearing on the use of single fund flexibility.
THA will focus on housing, employment-related services, and other case management activities that will move families towards self-sufficiency.	THA has used MTW funds to fund our community services department. The department includes employment services, and self-sufficiency caseworkers.
THA will consider funding and developing a resident training program, through which residents would engage in training activities and take an assessment at the end of each activity. If the resident completes the training and passes each phase, THA would then assign them to appropriate tasks within the agency based on skills they obtained utilizing MTW funds.	THA has not implemented this activity.
THA will continue the planning efforts for its Education program. THA will provide Housing Choice Vouchers to households with children who attend a school with an exceptionally high level of turnover to help stabilize the student population. THA believes this approach will help to improve educational out-comes, add stability to the neighborhood, and create a better learning environment for the community as a whole.	THA has implemented this activity and a full report can be found in metric Section VI metric 2.
THA will adjust administrative staff as necessary to ensure that activities are in line with the agreement. THA may also make necessary technological enhancements that will benefit the organization and the residents.	THA has made technical upgrades to support its MTW rent reform activities. This has included a new MTW add-on program created to work with our existing housing software VisualHomes. In addition, upgrades to VisualHomes were necessary for the rent reform to be implemented successfully.
THA will analyze its administrative overhead and charge expenses directly to the programs whenever possible. The agency will charge administrative or allocated costs to a newly created Program Support Center for each of its three activity areas as identified in the Local Asset Management Plan, along with a Community Services Central fund to track expenses associated with those functions.	THA implemented this.
Even though not specifically identified in the plan, THA will investigate MTW's flexibility in the acquisition, new construction, reconstruction or moderate to substantial rehabilitation of housing. THA will do this in strict accordance with its mission, and the objectives of the MTW demonstration.	THA has investigated opportunities to use single fund flexibility for housing development. THA had a Local Blended Subsidy activity approved in its 2012 plan and is investigating it as a use. THA adopted the RHF amendment allowing the agency increased flexibility in spending RHF dollars on affordable housing. THA understands a separate MTW activity will be needed to

Planned	Actual
	activate the broader uses of funds in attachment D. THA is currently in the process of working on that activity.

- F. Optional – List planned versus actual reserve balances at the end of the plan year. **THA chooses not to provide this optional information.**
- G. Optional – In plan appendix, provide planned versus actual sources and use by AMP. **THA chooses not to provide this optional information.**

### Section VIII: Administrative

- A. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, or other oversight and monitoring mechanisms, if applicable. **N/A**
- B. Results of latest Agency-directed evaluations of the demonstration, as applicable. THA is using the MTW Annual Report to evaluate the demonstration. THA is also developing an internal dashboard to monitor the progress of its MTW activities.
- C. Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant, as an attachment to the Report. **N/A**
- D. Certification that the agency has met the three statutory requirements of the program: (See following page)

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On behalf of the Tacoma Housing Authority, I certify that that the agency has met the 3 statutory requirements of the MTW program in fiscal year 2011.

**Certification that the Agency has met the three statutory requirements of:**

- 1) Assuring that at least 75 percent of the families assisted by the Agency are very low-income 50% AMI and below families;

Certification of Statutory Compliance MTW 2011			
Family Size	50% AMI and Below	Above 50% AMI	Percentages Served
No.	%		
1	99%	1%	100%
2	96%	4%	100%
3	95%	5%	100%
4	93%	7%	100%
5	95%	5%	100%
6	98%	2%	100%
7	97%	3%	100%
8+	100%	0%	100%
<b>Total</b>	<b>95%</b>	<b>5%</b>	<b>100%</b>

- 2) Continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and

Program	Moving to Work Baseline	2011 Households Served
Public Housing	904	904
Section 8	3,443	3448
<b>Totals</b>	<b>4,347</b>	<b>4,352</b>

- 3) Maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

	MTW Household Breakdown							
Persons in Household	1	2	3	4	5	6	7+	Total
Pre-MTW	36%	21%	18%	12%	7%	3%	2%	100%
2011	40%	20%	17%	10%	7%	3%	3%	100%

\_\_\_\_\_  
Michael Mirra  
Executive Director

\_\_\_\_\_  
Date