

Tacoma Housing Authority MOVING TO WORK PLAN

2019

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DRAFT



Tacoma Housing Authority Board of Commissioners

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Section I: Introduction and Overview

The City of Tacoma is facing a variety of opportunities and challenges that directly impact THA's work and the households THA serves. The City of Seattle is seeing tremendous economic and population growth. This growth is migrating south to Tacoma. With that migration comes higher wage earners and opportunities for economic growth in Tacoma. This growth puts strain on existing housing affordability (the delta between what people earn and the cost of housing). Data shows that Tacoma needs an additional 17,419 units of affordable housing to serve the current Tacoma households earning 30% or less of the area median income.

Tacoma is experiencing a growing homeless population amongst single adults, families, and unaccompanied children and young adults. Many of these children and adults are attending Tacoma's public schools and colleges.

In 2019, THA will continue to take an active role in its long-term vision for its city. THA's Board of Commissioner has stated this vision clearly:

"THA envisions a future where everyone has an affordable, safe and nurturing home, where neighborhoods are attractive places to live, work, attend school, shop and play, and where everyone has the support they need to succeed as parents, students, wage earners and neighbors."

THA acknowledges that such a future is not pending, or presently plausible. This makes THA's mission that much more urgent. THA's Board of Commissioners has also stated that mission clearly:

"THA provides high quality, stable and sustainable housing and supportive services to people in need. It does this in ways that help them prosper and help our communities become safe, vibrant, prosperous, attractive and just."

THA's Moving to Work (MTW) designation is essential to this effort. MTW status does not give THA more funding from HUD. Instead, and critically, MTW status makes the funding more flexible. It allows THA to design its programs to better serve Tacoma's community in ways that best account for Tacoma's local needs and markets as THA and its community judges them to be.

THA's vision and mission align completely with the three MTW statutory objectives:

1. Increase housing choices for low-income families
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 help people obtain employment and become economically self-sufficient
3. Reduce cost and achieve greater cost effectiveness in federal expenditures

THA looks forward to determining effective uses of MTW authority for these purposes.

LONG and SHORT TERM GOALS

In 2019, THA will face challenges that have been slowly approaching for a while and are now arriving with a dramatic and harmful effect on the people and City that THA serves. Two challenges stand out. **First**, Tacoma’s housing market is rapidly becoming unaffordable to an increasing portion of Tacoma residents and even more out of reach for low-income families. Tacoma faces not only record high rents but also record low vacancy rates. As a result, THA’s housing vouchers are not working in growing parts of the city. This happens in part because the vouchers cannot keep up with the rising rents. It also happens because landlords are able to be much choosier. Voucher households cannot compete with other households with stronger credit or rental histories. THA renters are also competing with displaced Seattle renters with higher incomes and fewer barriers. Another result is that Tacoma neighborhoods are gentrifying. The City must anticipate that in 15 years their only affordable housing will be what THA and others are able to build or buy now. The **second** challenge arises from the flat lining or decreases in federal resources for affordable housing. Combined, these challenges limit THA’s ability to serve households that need housing in Tacoma

Amid these challenges, THA is fortunate, and grateful, for its MTW flexibility. The MTW program allows THA to respond creatively to local Tacoma conditions and to make the most of THA’s resources. With the agency vision and mission and HUD’s MTW statutory objectives in mind, THA presents its plan for addressing these challenges in 2019.

THA’s Board has chosen the agency’s seven strategic objectives, each with performance measures that will guide the agency through the coming years. These strategic objectives show on the following pages. Listed below each strategic objective are the strategies THA has chosen to fulfill the objective.

In general, these strategic choices have THA provide high quality housing and supportive services to people in need, with a focus on the neediest. THA will seek to do this in ways that also get two other things done. **First**, it seeks to help people who can work to succeed, not just as tenants but also, as THA’s vision statement and strategic objectives contemplate, as “parents, students, wage earners and builders of assets”. It wants their time on its housing programs to be transforming in these ways and temporary. It wants this certainly for grownups but emphatically for children because it does not wish them to need its housing when they grow up. **Second**, THA seeks to help the City of Tacoma develop and to help ensure that when the city does develop it does so equitably. It seeks this so that Tacoma becomes a place that households of all incomes, races, needs and compositions experience that, as THA’s mission statement contemplates, is “safe, vibrant, prosperous, attractive, and just.” The following seven strategic objectives and strategies are ambitious. THA will require all the tools within reach, including its MTW flexibility.

1. Housing and Supportive Services

THA will provide high quality housing, rental assistance and supportive services. Its supportive services will help people as tenants, parents, students, wage earners, and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

To meet this objective THA will:

- Strive to increase the number of households and persons receiving THA housing or rental assistance.

- Maintain an economic, racial, ethnic, language, age and differed abilities diversity that is reflective of our community.
- Provide the support and incentives necessary to help households to increase their household incomes.
- Help households get banked and build assets.
- Monitor the educational outcomes of students in our programs and provide interventions where necessary to help students succeed.
- Connect adult customers with education and employment services.
- Help households successfully exit THA's housing programs.
- Assess households on a scale of "in-crisis" to "thriving" and provide the services and referrals necessary to help households move to self-sufficiency.
- Regularly assess our service investments to ensure customers are satisfied and that the investments are offering the outcomes we hope for our customers.

2. Housing and Real Estate Development

THA will efficiently develop housing and properties that serve primarily families and individuals unable to find affordable and supporting housing they need. Its work will serve to promote the community's development. Its properties will be financially sustainable, environmentally innovative, and attractive.

To meet this objective, THA will:

- Increase the number and type of THA units.
- Improve the quality of housing that THA owns and manages.
- Increase the life-span of the units within THA's portfolio.
- Continue to develop and rehabilitate housing that is of award-winning quality.
- Improve the cost effectiveness of THA's development function.
- Assist in the development of affordable housing by other organizations.
- Reduce the amount of THA dollars in each development and increase the amount of private and public investments.
- Develop healthy and vibrant communities as measured by their incorporation of art and the walkability to community assets such as parks, schools, grocery stores, public transit and other community amenities promoting health.

3. Property Management

THA will manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people want to live.

To meet this objective, THA will:

- Lower its per unit per year operating costs.
- Increase its rent collection.

- Improve each property's cash flow.
- Maintain high quality properties.
- Schedule and complete capital repairs on a regular schedule.
- Maintain a high level of customer satisfaction as judged by customer surveys.
- Consult with customers in advance of any policy changes 100% of the time.

4. Financially Sustainable Operations

THA seeks to be more financially sustaining.

To meet this objective, THA will:

- Achieve an agency-wide operating surplus.
- Maintain minimum and maximum restricted and unrestricted reserves.
- Achieve a 1.15 debt-service ratio.
- Increase the value of THA's land and properties.
- Increase and diversify its income.

5. Environmental Responsibility

THA will develop and operate its properties in a way that preserves and protects natural resources.

To meet this objective, THA will:

- Develop environmentally responsible properties.
- Develop communities that incorporate creativity and healthy place making.
- Reduce energy and resource consumption.
- Reduce the use of greenhouse emitting products.

6. Advocacy and Public Education

THA will advocate for the value of THA's work and for the interests of the people it serves. It will be a resource for high quality advice, data, and information on housing, community development, and related topics. THA will do this work at the local, state and national level.

To meet this objective, THA will:

- Strive to maintain a positive public regard for THA.
- Lend staff to serve as effective members of community advisory panels.

- Be an effective advocate for the value of its work and the people it serves.

7. Administration

THA will have excellent administrative systems. Its staff will have skills that make THA highly efficient and effective in the customer service it provides to the public and among its departments. It will provide a workplace that attracts, develops and retains motivated and talented employees.

To meet this objective, THA will:

- Improve its operating efficiency.
- Lower its administrative costs per household served.
- Increase the number of households served per full time employee (FTE).
- Decrease the average amount spent on community service per client outcome.
- Increase its employee engagement scores.
- Decrease its staff turnover.
- Maintain positive audit results.

Embedded within these objectives and strategies are tradeoffs that are unavoidable in the face of flat funding, increasing need and tightening rental markets. For example, a dollar spent on increased rental assistance or supportive services means serving fewer households, less support for leased housing and its tenants or weaker administration and customer service. THA can feel very confident about its judgment and the tradeoffs they denote. Yet some of them, like limits on rental assistance or increases, may not be occasions to celebrate. We may not have made some of those choices if Tacoma did not face an affordable housing crisis or if THA was flush with resources to meet it. Yet THA, in consultation with our community, will make these choices with the market we face and the resources we have. Within those constraints, THA feels proud and excited about these objectives and the path they set for its work and its city. MTW flexibility makes this work adaptable and innovative and helps give meaning to each of THA's seven strategic objectives.

Here are some examples of how THA has used and plans to use its MTW flexibility in order to meet these objectives:

Housing and Supportive Services: THA has modified its rent structure for its Housing Opportunity Program (HOP). Its flat subsidy removes the disincentive to increase earned income. It makes it easier to administer and explain. It also lowers program costs. The savings allow THA to serve more families and to invest in supportive services that households need to succeed as “tenants, parents, students, wage earners and builders of assets.”

THA has used MTW dollars and flexibility to fund its innovative Education Project. Among its initiatives is a program that has stabilized an elementary school that had ruinous transient rates among its students because of family homelessness. THA has extended this program model to house homeless community college students and their families during their enrollment as long as they make adequate academic progress toward a degree.

THA has modified its Family Self-Sufficiency program to build escrow accounts for customers as they achieve tangible, individual goals rather than through extremely complicated calculation worksheets that few people could understand and that took a lot of staff to explain and administer.

THA has also been able to invest federal dollars in non-traditional rental assistance programs that serve homeless households with children, homeless youth without families, and families who need housing to prevent or shorten their children's foster care placements.

Plans for 2019

THA will not be able to serve the same number of households that it has in the past. In 2018, THA's board faced a decision that has been brewing for a couple of years. The Tacoma rental market is changing rapidly and it is becoming increasingly difficult for households to maintain their current tenancy and find new units due to rising rents and shrinking vacancy rates. Federal funding has also been stagnant. THA had the choice to (1) decrease the amount of rental assistance it gives to each household, possibly making it even harder for them to find and retain housing; (2) serve higher income households that would require less subsidy in order to make their rent affordable; (3) disinvest from other THA activities such as building and buying affordable housing and providing supportive services for families; or (4) serve fewer households. The Tacoma community strongly favored serving fewer households and the Board adopted this choice in early 2018.

In order to effectively serve THA's households in this inhospitable rental market, THA has hired a Landlord Liaison to assist THA's participants and landlords. THA will also consider increasing its security deposit assistance program and deploying new landlord incentive programs.

THA will expand its innovative Elementary School Housing Assistance Program to other elementary schools in Tacoma to help families in crisis stabilize so their children can succeed in school. It will continue its expansion of its College Housing Assistance Program (CHAP) from 25 rental subsidies to 150 subsidies. This program will also be expanded to serve not just homeless Tacoma Community College (TCC) students but also students who begin their TCC coursework while they are in prison. When they get out of prison they come to campus to continue their studies. Many of them are also mothers reuniting with children. Their housing problems are much more challenging.

THA will expand its partnership with local service providers to provide more resources to families. THA is engaging with a system funded by the local United Way called Centers for Strong Families. These integrated service centers are intended to interrupt poverty and connect households with employment coaching, financial empowerment resources and access to financial products aimed at asset building.

Expand how THA offers rental assistance to include property-based subsidies to improve affordable housing options available to low-income renters. THA is designing a new rental assistance model to make it appealing to private owners to make long-term commitments to set aside units at rents affordable to households from 30-50% of area median incomes.

THA will continue to invest in the Pierce County homeless system for families and young adults. THA will continue its \$1.288 million investment and will expand the use of funds to include all types of housing, not just rapid rehousing.

Real Estate Development: THA is able to invest MTW dollars to build or buy new housing. Over the next five years, THA plans to add an average of 70 new housing units per year. This investment is important especially as Tacoma's rental market becomes less and less affordable making vouchers less and less

effective. This investment also allows THA to (i) bring affordable housing to higher opportunity parts of the market that would be or are becoming unaffordable or inaccessible even with a voucher; (ii) invest in depressed parts of the market that need the investment and embolden others to invest.

Plans for 2019

THA will partner with Community Youth Services (CYS) to develop a service-enriched campus providing homeless youth without families and homeless young adults with short and long-term housing and high quality, empowering and supportive services. These services will include professional trauma-informed case management services, independent living skills training, and job training. The campus will include the following elements:

- A Crisis Residential Center (CRC) for homeless youth aged 12 to 17 years, with 12 beds for short-term stays. The CRC offers youth a safe, supervised, and nurturing place to stay while skilled case managers work to arrange a safe place to live. This may be back with family, to relatives, to a new family, or to foster care. CYS's CRC in Olympia, WA has a 95% rate of successful discharge to a safe new residence. We anticipate that the CRC at Arlington Drive will serve 400-500 Pierce County youth every year.
- 40 to 50 units of rental housing for young adults ages 18 to 24 years, with focused support services to address their behavioral and physical health needs and to help them complete their education, get a skill, find a job and begin a meaningful adulthood.
- High quality supportive services that emphasize social community activities, diversity, equity, and social enterprise.
- A design that will be a thoughtful, lovely addition to the neighborhood, with a tree canopy.

THA will complete Hilltop Master Planning to inform THA's investments in a neighborhood that is becoming increasingly unaffordable. This will include developing affordable and workforce housing on property it has acquired in this neighborhood.

Acquire and develop housing units in Tacoma's West End neighborhood near Tacoma Community College where housing has become unaffordable and unavailable to THA's voucher participants and to TCC students generally.

Redevelop THA's 1800 Block of the property formerly known as Hillside Terrace. This is the third phase of the new Bay Terrace development and will hold up to 80 units developed with low income housing tax credits and other financing sources. The third phase will also include set-aside units for households exiting homelessness.

Acquire existing housing in the market to preserve affordable housing to households earning up to 80% of the area median income (AMI).

Property Management: THA has used MTW dollars to maintain its public housing portfolio. This investment is also critical. That portfolio is valuable. It serves THA's neediest households, including those who would not do well in the private rental market even with a voucher, such as disabled persons, seniors, households coming from trauma and those who do not speak English. THA and its talented and multi-lingual staff are very good landlords to such tenants. This use of MTW dollars is also how THA can bring investments to neighborhoods that need it and to spur their development in ways that benefit all their residents.

Plans for 2019

THA will complete its portfolio-wide Rental Assistance Demonstration (RAD) conversion by converting the Salishan and Hillside Terrace portfolios to RAD financing.

THA will embark on life after its RAD conversion at THA's remaining properties. This life will include streamlining the processes to meet various funder and investor requirements and providing high quality supportive services to our tenants.

THA will continue to invest in supportive services for the tenants living in its portfolio. The focus of these services include community building, bringing tenant resources on-site, and case staffing to help maintain tenancies.

Financially Sustainable Operations: The addition of affordable housing units to the portfolio will increase the agency assets. It will also add new income streams to the agency.

Plans for 2019

THA will complete its portfolio-wide Rental Assistance Demonstration (RAD) conversion by converting the Salishan and Hillside Terrace portfolios to RAD financing.

With the acquisition of additional units and property in Tacoma's West End neighborhood, THA will have additional unsubsidized rental income to help offset the cost of operations.

Environmental Responsibility: THA achieved Certified LEED Gold in the Bay Terrace Phase I development that we developed using MTW dollars.

Plans for 2019

THA will deploy a document imaging/management program to allow THA to begin moving to paperless operations.

Advocacy: MTW has allowed THA to develop and test new ideas using its federal flexibility. These programs have added value to the Tacoma community and benefitted the customers we serve. We have been able to share these experiences with a wide national audience.

Plans for 2019

THA will partner with Forterra and University of Washington-Tacoma to renew the advocacy effort with the city council for effective affordable housing policies. These policies include: (i) a local housing trust fund, (ii) inclusionary and incentive zoning to require in some cases and entice in others the inclusion of affordable housing in a market rate development. (iii) a contingent loan program to lower borrowing costs for affordable housing development.

THA continues to be available as a source of data and advice to city, county, state and national policy makers on housing, community development and related topics. The topics to note in 2019 include increasing affordable housing and expanding tenant protections in the private market.

Staff will continue to present at local and national conferences about its work and the benefits of MTW.

Administration: THA has greatly simplified how it verifies household income and assets for the purpose of calculating rent.

Plans for 2019

THA will continue to deploy a new, self-developed software system on the Salesforce platform to manage the bulk of THA operations. This system should make program administration, data monitoring and reporting, staff onboarding, and tenant/public communication easier and more streamlined. Getting this done will continue to be an operational preoccupation at THA. If we succeed as we expect, we can offer the software applications to other housing authorities. If it all goes bust, you will read about us in the newspaper.

THA will continue to look for innovative ways to best leverage its MTW designation in order to meet these objectives. THA's efforts could inform policy choices of other Public Housing Authorities unable to participate in the MTW demonstration.

Section II: General THA Operating Information

A. HOUSING STOCK INFORMATION

i. Planned New Public Housing Units

New public housing units that the MTW PHA anticipates will be added during the Plan Year.

ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER	BEDROOM SIZE						TOTAL UNITS	POPULATION TYPE*	# of Uniform Federal Accessibility Standards (UFAS) Units	
	0/1	2	3	4	5	6+			Fully Accessible	Adaptable
N/A	#	#	#	#	#	#	0	N/A	#	#

Total Public Housing Units to be Added in the Plan Year

0

*Select "Population Type" from: General, Elderly, Disabled, Elderly/Disabled, Other

If "Population Type" is "Other" please describe:

Description

ii. Planned Public Housing Units to be Removed

Public housing units that the MTW PHA anticipates will be removed during the Plan Year.

AMP NAME AND NUMBER	NUMBER OF UNITS TO BE REMOVED	EXPLANATION FOR REMOVAL
Salishan One, AMP WA005000010	55	Rental Assistance Demonstration (RAD)
Salishan Two, AMP WA005000011	55	Rental Assistance Demonstration (RAD)
Salishan Three, AMP	45	Rental Assistance Demonstration (RAD)

WA005000012		
Salishan Four, AMP WA005000013	45	Rental Assistance Demonstration (RAD)
Salishan Five, AMP WA005000014	45	Rental Assistance Demonstration (RAD)
Salishan Six, AMO WA005000015	45	Rental Assistance Demonstration (RAD)

290

iii. Planned New Project Based Vouchers

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).

PROPERTY NAME	NUMBER OF VOUCHERS TO BE PROJECT-BASED	RAD?	DESCRIPTION OF PROJECT
Unknown	50	No	The College Housing Assistance Program (CHAP) is a partnership with Tacoma Community College which provides rental assistance to homeless students. As part of this program's expansion rental assistance will be provided to recently incarcerated students. To address utilization challenges in this program up to 50 tenant-based vouchers will be converted to project-based vouchers.
Arlington Drive	58	No	Affordable housing for homeless young adults

Hillside 1800	53	No	70 new units with 53 project-based 1&2 bedroom units at 30%, 40% and 60% AMI with set-asides for homeless and disabled persons
Unknown	50	No	THA will project-base vouchers into at least one new property in 2019.
Salishan 1 – 6	290	Yes	THA is converting 290 public housing units to project-based units under the RAD.

501

Planned Total Vouchers to be Newly Project-Based

iv. Planned Existing Project Based Vouchers

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.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Bay Terrace 1	20	Leased/Issued	No	Family Housing
Bay Terrace 2	52	Leased/Issued	No	Family Housing
Eliza McCabe Townhomes	10	Leased/Issued	No	Family Housing
Flett Meadows	14	Leased/Issued	No	Family Housing
Guadalupe Vista	40	Leased/Issued	No	Family Housing
Harborview Manor	145	Leased/Issued	No	Senior Housing
Hillside Gardens	8	Leased/Issued	No	Family Housing

Hillside Terrace 1500	12	Leased/Issued	No	Family Housing
Hillside 2	13	Leased/Issued	No	Family Housing
Nativity House	50	Leased/Issued	No	Housing for chronically homeless individuals
New Tacoma Phase 2	8	Leased/Issued	No	Senior Housing
Pacific Courtyards	23	Leased/Issued	No	Transitional Housing for formerly homeless families
Salishan 1 - 7	340	Leased/Issued	No	Family Housing
Tyler Square	15	Leased/Issued	No	Permanent Supportive Housing for families
Renew Tacoma Housing	456	Leased/Issued	Yes	Converted Public Housing
Bay Terrace 1 (RAD)	26	Leased/Issued	Yes	Family Housing

1232

Planned Total Existing Project-Based Vouchers

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

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR

THA will redevelop its 1800 block of the property formerly known as Hillside Terrace. This is the third phase of the new Bay Terrace development and will hold up to 70 units developed with low income housing tax credits and other financing sources.

THA will develop Hilltop Lofts. This property will have up to 60 units of workforce housing, developed with low income housing tax credits.

THA will acquire existing housing in the market to preserve affordable housing to households earning up to 80% of the area median income (AMI).

THA plans to add up to 500 property-based subsidies in 2019.

THA's RAD conversion and disposition of its scattered site public housing through Section 32 will be completed in 2018. This will leave THA with 709 public housing units. THA is considering placing Public Housing Faircloth units in new acquisitions and new developments, and potentially other projects owned by others in the community.

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

Narrative general description of all planned capital expenditures of MTW funds during the Plan Year.

GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR

THA plans to complete the RAD conversions for its remaining properties. Under this conversion, THA would use CFP funds for HAP payments until January 2019. These funds would also be used to fund replacement reserve at RAD-approved levels, if needed.

Should the RAD conversion not occur in 2018, THA will transfer CFP funds

B. LEASING INFORMATION

i. Planned Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA 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	3260	326
MTW Housing Choice Vouchers (HCV) Utilized	50712	4226
Local, Non-Traditional: Tenant-Based^	609	51
Local, Non-Traditional: Property-Based^	327	27
Local, Non-Traditional: Homeownership^	0	0

Planned Total Households Served	54347	5188
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* "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*
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Tenant-Based	Regional Approach for Special Purpose Housing/15	609	51
Property-Based	Creation & Preservation of Affordable Housing/16	324	27
Homeownership	N/A	0	0

* 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..

ii. Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing

Discussions of any anticipated issues and solutions in the MTW housing programs listed.

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	THA does not expect issues with leasing any properties owned and managed by THA.
MTW Housing Choice Voucher	THA voucher holders will continue to have challenges leasing up in the private market due to rising rents, lack of affordable units, ongoing client challenges with credit/criminal/rental history, required deposits amounts, required income qualifying amounts, etc. Tacoma's private markets are experiencing low vacancy rates which means landlords can ask for a premium on their units. THA will focus on acquiring and developing more affordable housing, project-basing existing complexes and more client education.

Local, Non-Traditional

THA currently invests in two local non-traditional housing programs that are administered through Pierce County. The county is responsible for allocating THA's investment to local rapid rehousing providers. Depending on the capacity of county and local providers to utilize and allocate these funds, there may be issues related to fully utilizing the allocated amount. THA will work closely with Pierce County to monitor the contract amount and the number of households served and will plan accordingly for unused funds.

C. WAITING LIST INFORMATION

i. Waiting List Information Anticipated

Snapshot information of waiting list data as anticipated at the beginning of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.

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
Children's Housing Opportunity Program	Other / Families re-uniting	54	Open	Yes
Bay Terrace (non-PH, non-PBV units, non-traditional MTW housing units)	Other/ Non-PH, non-PBV, non-traditional, MTW funded tax credit units for families. Applications are accepted on a rolling basis and are served on a first-come, first-serve basis as units become available.	62	Open	Rolling basis
Low Income Housing (Housing Choice Voucher Program and THA RAD Units)	Other/ Consolidated waitlist for THA voucher programs and THA site-based waiting list	3200	Closed	Yes

<p>College Housing Assistance Program</p>	<p>Other/ Literally homeless students are admitted on a rolling basis. For near-homeless students, applications are accepted quarterly for a two-week time period. Applicants are placed in a lottery for selection into program. Remaining applications are purged and are able to re-apply for lottery the following quarter.</p>	<p>0</p>	<p>Partially Open</p>	<p>Yes</p>
<p>Rapid Rehousing - Families</p>	<p>Community-Wide/ A tenant-based Local, Non-Traditional Housing Assistance Program operated in conjunction with Pierce County. It serves homeless or near homeless households with children in Tacoma and Pierce County.</p>	<p>121</p>	<p>Open</p>	<p>Yes</p>
<p>Rapid Rehousing - Youth and Young Adults</p>	<p>Community-Wide/ A Tenant-Based Local, Non-Traditional Housing Assistance Program operated in conjunction with Pierce County. It serves homeless or near homeless youth and young adults in Tacoma and Pierce County.</p>	<p>27</p>	<p>Open</p>	<p>Yes</p>
<p>Elementary School Housing Assistance Program</p>	<p>Other / Tenant-Based assistance for homeless families enrolled into the Tacoma School District. The structure is TBD.</p>	<p>0</p>	<p>Closed</p>	<p>Yes</p>

Please describe any duplication of applicants across waiting lists:

N/A

i. Planned Changes to Waiting List in the Plan Year

Please describe any anticipated changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
THA Consolidated Waitlist	In 2018, THA consolidated its site-based waiting and Housing Opportunity Program (HOP) waiting lists into one waiting list. Once an applicant reaches the top of the list they will be offered the option of either (a) receiving a fixed-subsidy, time-limited housing voucher; or (2) remain on the waiting list for the property of their choosing. In 2019, THA endeavors to open an online client portal where clients can check their status, update their information and check-in. If THA is able to bring the client portal online in 2019, THA is considering a check-in system which will require clients to check-in on a regular basis or they will be removed from the waiting list. THA is also considering re-opening the waiting list in 2019.
Elementary School Housing Assistance Program	THA's Elementary School Housing Assistance Program has served homeless families enrolled at McCarver Elementary. Throughout 2018, THA has been working toward expanding and redesigning the program. THA plans to open the ESHAP waiting list in 2019, but the structure and policies have yet to be determined.

Section III. Proposed MTW Activities

25. Modify HQS for initial inspections

THA proposes to revise the HQS certification to allow landlords to self-certify in cases where fail items are non-life threatening as determined by a prescribed list developed and maintained by THA. Landlords will be required to resolve fail items within a 30 day time frame. THA will also continue to conduct internal audits for quality control and the unit will be subject to its annual inspection.

Describe how it will achieve one or more of the three statutory objectives and specific impacts on that objective

The proposed activity will meet the statutory objective to “reduce cost and achieve greater cost effectiveness in federal expenditures” by reducing the amount of staff time spent conducting re-inspections for initials which fail due to non-life threatening items.

Provide anticipated schedule for implementation

THA expects to implement the new activity after developing its own prescribed list of “life threatening” fail items and implementing a process for compliance – this is expected to happen by early to mid-2019.

Applicable Standard HUD metrics

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Decrease total cost of task measured by staff time (decrease).	Total cost of initial re-inspections in 2018 (TBD) (in dollars).	20% decrease from baseline (in dollars).	TBD in 2019 (in dollars).	Whether the outcome meets or exceeds the benchmark.

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Average time to conduct initial inspections x number	20% decrease from baseline (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity	Whether the outcome meets or exceeds the benchmark.

	of initial re-inspections		(in hours).	
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Give data source from which the metric data will be compiled

THA will compile data using THA’s “Open Door” software system to track initial inspections which utilize the option to self-certify in lieu of a re-inspection.

Cost Implications

THA expects this activity to result in a slight positive gain.

If cost implications provide estimate of amount and how PHA will manage surplus or deficit

A significant savings is not expected the surplus can be expected to remain within the department to continue supporting daily operations.

Need/Justification for MTW flexibility

MTW Authorization: Attachment C, D. 5 Authorizations Related to Section 8 Housing Choice Vouchers Only - Ability to Certify Housing Quality Standards.

Explain why the cited authorization is needed to engage in proposed activity

THA needs the authorization in order to remove the requirement to conduct re-inspection of initials with 10 or less non-life threatening items.

Section IV: Approved MTW Activities

Implemented Activities

1. Extend allowable tenant absences from unit for active duty soldiers: THA proposed and implemented this activity in 2011. THA modified its policy for terminating households who were absent from their unit for more than 180 days. Modifying the policy was necessary to account for households with adults called to active duty from retirement, from the reserves, or national guards. THA's programs have a number of reserve or guard military families because of close proximity to Fort Lewis, one of the nation's largest military bases. Due to the war in the Middle East, more of these reserve or guard members have been called to active duty. Active duty may force a household to be absent from their assisted unit for more than 180 days the normal rules allow, leaving them without housing assistance when the service member returns home. Although the question of having to terminate such a household of service men and women arose only a few times during the war and although THA managed to avoid such terminations with an artful understandings of the rules, even the prospect of terminating these households is too unsettling even to risk. This activity allowed THA to make the following policy revisions:

- Allow a previously assisted household returning from deployment to request reinstatement within 90 days from the date they return from deployment.

Status Update: THA has not needed to exercise this flexibility since 2010 but, since Tacoma is home to one the nation's largest military bases, THA wants to be ready if this issue arises again.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity during the Plan year.

2. Elementary School Housing Assistance Program (formerly McCarver Elementary Housing Assistance Program): This activity was proposed and implemented in the 2011 MTW Plan. THA used the flexibility provided under Moving to Work status to pilot an innovative rental assistance program in partnership with Tacoma Public Schools. The rental assistance program is designed to assist families at McCarver Elementary School and to help transform the school. Among its many challenges, McCarver Elementary had a very high student turnover rate. For the 2007- 2008 school year, the school's student population had a turnover rate of 121%; in prior years, the turnover rate was as high as 179%. This population is transient because of family homelessness, a high poverty level in the school (96%), and the attendant housing insecurity. McCarver has more homeless students than any other elementary schools in Tacoma, the region and possibly the state.

THA used its MTW authority to provide rental assistance for eligible students and their families at McCarver for the duration of their enrollment at the school. THA began by serving 50 families with a plan to assess the results on stability and educational outcomes. THA believes that increased housing stability will show in better school performance.

The initiative has five elements: (i) the rental assistance to homeless families with children enrolled at McCarver. The assistance lasts for as long as the children remain at McCarver, with a maximum five years; (ii) parental commitment to keep their children enrolled at McCarver, support their children's education by getting them to school on time every day, reading to them, making time and space for homework, attending every student-parent-teacher conference and PTA meetings, and investing in the parents' own education and employment prospects; (iii) close case worker support from THA to help the parents fulfill these commitments; (iv) an investment in the school by the Tacoma Public School District to make the school worthy of the commitment we ask the parents to make. In particular, the School district has invested the considerable funds and effort to make McCarver an International Baccalaureate Primary Years Program that raises student and faculty standards for the entire school; (v) third party evaluation tracking an array of metrics (paid for by the Bill & Melinda Gates Foundation.)

Throughout their participation in the project, a family's compliance with program requirements are monitored by a case worker assigned to them. If a family has difficulty meeting the requirements, the case worker provides additional support. Should THA determine the family to be unable or unwilling to comply with the requirements, THA can terminate their participation.

Other Metrics: Other metrics beyond those HUD asks us to track are at the core of the initiative. McCarver Elementary’s annual transiency rate declined between 15%-30% throughout Year 1 and Year 5 of the program. School attendance improved, with 92% of cohort students not missing more than one day of school per month by Year 5.

Status Update: As reported in the previous report, THA changed the rent structure for all participant families to an income based model already in use at THA due to the level of shelter burden impacting program families by year 3. Household rent calculations were set on THA’s current rent reform model of the traditional Section 8 program. This means that household rent is based on 28.5% of the household income.

In July 2017, families who belonged to the initial program’s cohort 1 reached the end of their program term time limits.

Throughout 2018, THA and TPS took the data of previous years’ evaluation and feedback to identify the areas of the program needing improvement and where THA and TPS can address the issues of the current rental market. THA and TPS aim to have an expansion plan ready for implementation by fall 2018.

Planned Non-Significant Changes: The program is currently serving its second cohort of program families, the majority of whom joined the program in the early half of 2017. THA continues to apply the traditional Section 8 income-based rent structure for program families. In anticipation of the completion of the redesign by summer of 2018, THA and TPS worked with families to develop a legacy policy that would allow households to continue benefitting from the offerings of the program. The policy provided a clear operational plan for staff and an assistance plan for families that would alleviate potential disruption that may be brought forth by the redesign. The legacy policy states that families will continue to receive a subsidy based on 28.5% of their income until July 1, 2019. Following that, THA will transition families to the Housing Opportunity Program (HOP) voucher utilizes a flat-subsidy model based on 50% of the payment standard. In order to qualify for the HOP voucher, families must demonstrate engagement toward asset-building activities.

THA also removed the requirement that families remain enrolled in McCarver Elementary School. Based on Tacoma’s increasing rental market and low supply of affordable housing, 80% of cohort-two program families were unable to lease-up within the McCarver catchment by the start of the 2017 school year. Thus, transportation to McCarver became burdensome for majority of families living at far distances. In order to eliminate this burden for families and promote on-time and regular school attendance, THA and TPS allowed students to enroll at their neighborhood schools.

Planned Changes to Metrics/Data Collection: Depending on the number of households receiving assistance through the program expansion, THA may reset the benchmarks to appropriately reflect those numbers.

Planned Significant Changes: THA does not anticipate any significant changes to this activity during the Plan year.

3. Local Project Based Voucher Program: THA proposed this activity in 2011. THA implemented parts of the program in 2011, and to date, it has implemented most of the activity except that THA has not yet exceeded the cap on PBVs in its own developments. This program introduced several changes to the way THA operates the project based voucher program. They are as follows:

- THA removed the cap on project based vouchers for its own developments. That will allow THA to finance more developments in the future.
- THA waived the mobility option that allows PBV tenants to automatically receive a tenant-based voucher after one year of occupancy.
- THA established a reasonable competitive process and contract terms, including the length of the contract, for project-basing HCV assistance at units owned by for-profit or non-profit entities. Units must meet existing HQS or any standard developed by THA and approved by HUD pursuant to the requirements of this Restated Agreement.
- THA began conducting Housing Quality Standards (HQS) inspections on units it owns or has interest in.

The changes have allowed THA to streamline many parts of the project based program that were inefficient or unfair to those on the waitlist.

In 2018, THA modified the activity by waiving the per project cap on a case-by-case basis for projects, including those not owned by THA; and allowing individual project owners to manage their own waiting lists.

Status Update: Traditionally, HUD mandates that PHAs not spend more than twenty (20) percent of their Annual Budget Authority (ABA) toward Project Based Vouchers. THA received permission through MTW to go above this threshold toward PBVs in projects owned and operated by the agency. THA will maintain the cap in projects not owned or operated by the agency. Below are the percentages of THA's ABA toward both types of PBV subsidy:

PBVs in THA Properties(927 units): 19%*

PBVs in THA Partner Properties (305 units): 8%

Together, THA spends roughly twenty-seven (27) percent of its ABA towards PBVs.

*RAD PBVs are not factored into this calculation as they do not count against the cap.

Planned Non-Significant Changes: THA does not anticipate any modifications to this activity in the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in the Plan year.

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4. Allow transfers between public housing and voucher waitlists: This activity was proposed and implemented in 2011. THA created transfers to make it easier for families to move to a unit that better meets their needs. The policy combines the public housing transfer list and the list of HCV movers who are having difficulties finding a unit that meets their needs on the private rental market. Households on the public housing transfer list can be issued a voucher if there are no units that meet their needs. Voucher holders may be transferred into a public housing unit if they cannot find a unit on the market that meets their needs.

Status Update: The activity has made it easier for reasonable accommodation clients to find units that meet their needs. THA is continuing to look into ways to help clients on our transfer list find units that better meet their needs. Seven (7) households successfully transferred between public housing and voucher programs in 2017 and 70 households total were on the transfer waiting list.

Planned Non-Significant Changes: THA anticipates that this activity will be closed out after the agency's public housing portfolio has been converted to RAD.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in 2019.

5. Local Policies for Fixed Income Households: THA proposed and implemented this activity in 2012. THA used local policies to implement rent reform for fixed income households in 2012. This plan applies to households in which all adult members are either elderly or disabled and at least 90% of total household income comes from a fixed source such as social security, SSI, or pension. These households are subject to the following rent policy:

- Eliminate elderly/disabled deduction;
- Eliminate dependent deduction;
- Eliminate medical deductions below \$2500 and implement bands
- Implement 28.5% TTP to help offset the elimination in the elderly/disabled deduction and simplification of medical expense allowances.
- Implement a tiered rent model based on adjusted income bands.
- Implement local verification policies as outlined in Activity 7.
- Implement minimum rent of \$25 (and therefore eliminate utility allowance reimbursements)

Status Update: The above rent policy allows THA to streamline the process of rent calculations and annual reviews. THA is not running off year reviews. THA has made changes to forms and documents in order to administer the rent reform program successfully. The activity has allowed THA to save staff time because the reviews per year have been cut by over 50% for the activity population. THA is doing triennial reviews for this population. As a result, THA sees roughly \$9,000 in agency cost savings and 455 hours in staff time savings.

Planned Non-Significant Changes: HUD has approved biennial and triennial reviews for any PHA to implement, not just MTW agencies.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

6. Local Policies for Work-Able Households: This activity was proposed and implemented in 2012. Local policies for work-able households are very similar to the fixed income activity with minor differences. THA used this activity to implement rent reform for work-able households. Under this plan work-able households are subject to the following rent policy:

- Complete recertification reviews once every 2 years instead of every year (biennial recertifications) with no “off-year” COLA-related rent adjustments unless interim is triggered.
- Eliminate dependent deduction.
- Eliminate medical deductions below \$2500 and implement bands.
- Implement 28.5% TTP to help offset the dependent deduction.
- Implement a tiered rent model based on adjusted income bands.
- Implement local verification policies as outlined in Activity 7.
- Implement minimum rent of \$75 (and therefore eliminate utility allowance reimbursements).

Status Update: This above rent policy allows THA to streamline the process of rent calculations and annual reviews. THA is not running off year reviews. THA has made changes to forms and documents in order to administer the rent reform program successfully. THA continues to see staff time and cost savings because of the biennial review schedule. As a result, THA sees roughly \$28,000 in agency cost savings and 1,225 hours in staff time savings. Household earned income for this population has also risen from an average of \$12,372 in 2011 to \$13,586 in 2017. Also in 2017, 375 households had at least one member employed full time and 242 households had at least one member employed part time.

Planned Non-Significant Changes: As noted above, biennial and triennial reviews no longer require MTW flexibility.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in the Plan year.

7. Local Income and Asset Verification Policy: THA proposed and implemented this activity in 2011. THA implemented the following policies:

- Allow tenants to self-certify assets valued at less than \$25,000.
- Disregard income from assets valued at less than \$25,000.
- Eliminate earned income disallowance (EID).
- Exclude resident stipends up to \$500.
- Accept hand-carried third party verifications and increase number of days verifications are valid up to 180 days.
- Extend the authorization of the HUD 9886 form.
- Accept hand carried verifications.

These changes allowed THA to further streamline inefficient processes and save both staff time while reducing the burden on clients to provide information that made little difference in rent calculation.

Status Update: The activity has been successful and THA has seen 100% time and cost savings most years by no longer having to verify income in the stated cases.

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

8. Local Interim Policy: THA proposed and implemented this activity in 2011 to streamline the interim review process. THA limited the number of interims a household can have over a period of time. Households also have to meet a 20% threshold before an interim will be processed.

Status Update: THA has found some of the rules of the program are hurting efficiency and are burdensome on residents. Since 2013, THA has not required an interim recertification for income increases if a household has had an interim decrease in between recertifications. THA will keep the 20% rule because it has been the major factor in the reduction of interims processed. This requirement has been both an administrative burden and a burden on clients trying to process an interim decrease.

Planned Non-Significant Changes: Using MTW flexibility, THA has limited the instances in which interim rent increases and reductions are processed. In order for THA to process a rent decrease, the household must experience a twenty (20) percent decrease in income. As an incentive for households to increase their earned income, THA does not process interim increases in income.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

11. Local Utility Allowance Schedule: THA proposed and implemented this activity in 2011. This activity streamlined the utility allowance credit given to housing choice voucher and public housing clients. Utility allowances varied by building type, bedroom size, and type of fuel/energy used. These variables resulted in numerous possible utility allowance combinations that are difficult to explain to property owners and clients, and often result in methodological misunderstandings. In addition, HUD determined that incorrectly calculated utility allowances are one of the most common rent calculation errors in the country.

The Housing Authority has calculated the average utility allowance currently provided to housing choice voucher and public housing program participants, and revised allowances. The revision provides each household responsible for tenant supplied utilities with the average allowance based upon unit bedroom size. Households have a more simplified explanation of utility allowance benefits and the Housing Authority staff now selects an allowance based only on unit size instead of determining individual allowances for every unit leased.

Status Update: THA continues to see staff time saved each year because of this activity.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

12. Local Policy on Port Outs: THA proposed and implemented this activity in 2012. THA put limits on outgoing portability except for households that need to move out of the jurisdiction due to reasonable accommodation, employment, situations covered underneath the Violence Against Women Act (VAWA), and education. THA also allows a family to port-out if the receiving housing authority absorbs the voucher. The policy intends to cut back on the number of invaluable housing dollars leaving Tacoma and to cut back on the burden of administrating port outs while preserving portability in enumerated cases where it would advance important program goals.

Status Update: THA has not made any changes to the activity. The activity has been successful in reducing the total number of port outs each year. So far in 2018, 154 clients have ported out of THA's jurisdiction. This is a decrease of 171 households from the baseline of 325 households prior to implementation of this activity in 2011.

Planned Non-Significant Changes: THA is considering changes to the Housing Choice Voucher program portability policies. Current MTW flexibility allows THA to limit the reasons a household may port out of THA's jurisdiction. For example, households are eligible to port out of THA's jurisdiction if the head of household or spouse has secured part time employment or part time enrollment in a college/university/trade school that is more than 35 miles away. The region THA serves is growing rapidly meaning that commuting times are worsening and people have to travel longer to get to work and/or school. THA may consider lessening or eliminating the mileage restriction from this policy.

Planned Changes to Metrics/Data Collection: THA does not anticipate any changes to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

15. Regional Approach for Special Purpose Housing: THA proposed this activity in 2012 and implemented it in 2013. Under this activity THA has used the competitive funding process established by the local government jurisdiction (Pierce County Consortium) to award THA funds/resources for sponsor based housing. THA has committed MTW dollars to be awarded through the locally established funding cycle. This allows THA to “pool” resources with the local jurisdiction to meet the local needs as prioritized through city and or county planning processes. The pooling of resources has allowed THA to serve homeless and “at risk” of being homeless adults, unaccompanied youth and young adults, and families in the Tacoma/Pierce County area. Without the ability to operate these local non-traditional programs, THA would not be able to serve these households when they need housing assistance the most. THA is using this activity to fund an unaccompanied youth housing program and to add funds to the rapid rehousing program supporting households with children for the area.

Status Update: THA has successfully continued serving households through this activity in 2018. In early 2016, THA and its partner amended the family service contract to allow for the county to use funds towards program operations and supportive services as long as fifty-six (56) percent of the contract funds are used to provide rental assistance. The family service contract increased to one million dollars in 2017. In 2017, THA revised the contract with its partner to reduce spending on supportive services in the family contract so that seventy-five (75) percent of contract funds are used to provide rental assistance. Twenty-five (25) percent may be used on supportive services necessary to stabilize homeless families with children. The contract revision allows THA to reevaluate the contracts on an annual basis in response to the demonstrated need based on the prior year’s spending.

In 2016, THA designated one (1) of its Public Housing scattered units to provide shelter to homeless and unaccompanied youth in Tacoma and Pierce County. THA does this through a partnership with Community Youth Services (CYS) through a state licensed Crisis Residential Center for youth aged 12-17 years. The Crisis Residential Center falls within a current approved disposition plan and will be reoccupied. The unit will remain in its current disposition approved status in PIC. THA will continue to adhere to the disposition timeframe for which the unit was approved.

The use of this unit as shelter for the aforementioned purpose addresses a growing population in Pierce County of homeless, unaccompanied youth. This unit offers a temporary solution. THA is also seeking a long term, permanent solution through its collaborative partnership with CYS, Amara, the City of Tacoma and Pierce County to build, maintain and operate a Crisis Residential Center and housing on THA’s Arlington Drive, a remaining unused parcel in THA’s Salishan community, and on THA’s Hillside Heights property foster homes and an Emergency Sanctuary.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

16. Creation and Preservation of Affordable Housing: This activity was proposed in 2012 and implemented in 2012. This initiative allows THA to use its MTW funds to provide low-income families the opportunity to reside in safe, decent, and sanitary housing while paying affordable rents. The affordable housing units may be any bedroom size and will be located within the City of Tacoma. They may be acquired or created by THA to be rented to families at or below 80% AMI. THA intends to allow eligible low-income families to reside in the units, including those that may be receiving Section 8 rental assistance. This activity falls under PIH Notice 2011-45. The 'broader uses of funds' authority under MTW makes this initiative possible as HCV funds can be used to serve a greater number of families residing within the City of Tacoma. These units may house both families who are MTW Housing Choice Voucher participants and families who are not currently receiving other types of rental assistance.

Status Update: This MTW activity allowed THA to activate its broader uses of funds ability so the agency could spend MTW dollars on the construction and acquisition of affordable housing units. This activity was used in 2012 to help with the development of Bay Terrace, formerly Hillside Terrace. Phase I came online in 2014. Phase II for Bay Terrace was completed in 2017 and is fully leased. The new Bay Terrace units completed under this activity are a mix of project based units and affordable units that do not have a subsidy attached. THA will use unrestricted funds to fill any funding gaps in the affordable units that will be in the project.

The development provides 74 newly constructed units comprised of thirty (30) 1BR, twenty-nine (29) 2BR and fifteen (15) 3BR units serving households with annual incomes between 30% and 60% of AMI. Rents for all of the units at 40% of median income or below will be subsidized with Project Based subsidies provided by THA; the remaining twenty-two (22) units will be unsubsidized and/or be leased to households with a Section 8 Voucher. This project was developed using Low Income Housing Tax Credits..

In 2018, THA may use this flexibility to preserve units through the RAD conversion.

THA plans to use MTW dollars to develop and/or acquire the following projects:

Hilltop Development

This new development will be located in the Hilltop neighborhood of Downtown Tacoma. Planning of the project, which may have up to 250 units will begin in late 2018. Depending on funding, construction may start in 2020. One of the parcels is located at the corner of Martin Luther King Way and Brazill Street and three others follow the alley from Brazill to 10th street which are the very center of the rapidly changing area. With its close proximity to downtown and the hospitals, its many current and future mass transit options, and the neighborhood's colorful history as an artist community, a series of multi-family mixed use building will serve as a catalyst for high quality residential and commercial development that will encourage increasing private investment in the area, while ensuring that affordable commercial and retail spaces are available. ***This would all be part of the Housing Hilltop plan.*** Financing would be a combination of THA, local, state and tax credits program sources.

The 1800 Hillside Terrace

THA will complete the third phase of Hillside Terrace redevelopment plan. Phase III will continue the theme of a strategic investment in the Hilltop neighborhood through the production of high quality, well designed multifamily units that integrates into the neighborhood, takes advantage of public transit and ensures that affordable rental housing will be available in the neighborhood for years to come. Phase III will provide an additional 70 rental housing units in a mixed-income setting. The unit mix will consist of 1 and 2 bedroom homes affordable to households earning between 30% and 60% AMI. A 20% special needs set-a-side is programmed for both persons with disabilities and another 20% is for individuals/small families experiencing homelessness. THA has committed to provide Project Based Section 8 vouchers for those units designated to serve households below 40% AMI.

Acquisition

THA will acquire existing rental housing where THA doesn't have a strong presence and/or to preserve housing affordability is being pursued. Acquiring existing rental housing that is affordable to households earning 80% or less of the AMI is one of THA's rental housing preservation strategies. These properties are acquired with a combination of bond, HOME, CDBG and THA resources.

Hillsdale Intergenerational Development

This new development is planned to be located on approximately 7 acres of vacant land currently owned by THA. A potential partnership with the Korean Women's Association (KWA), the program will serve a multigenerational community where traumatized children receive love and care from kinship and adoptive parents and live in a community with seniors who by living there agree to be respite care givers, honorary grandparents and tutors to the families. There are more 3,100 children in foster care who need a forever family, a record number of elders who want to stay connected, and parents and families who need support to raise these very special children. This development will be built on a foundation of community services in support of the community.

The project will provide approximately 80 units of affordable housing for seniors and another 52 units of 1 to 4 bedroom units for kinship families who agree to adopt youth in the foster care system. This is modeled after a multigenerational community in Portland. Currently, construction completion is scheduled for year 2021.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the metrics or data collection during the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

17. Housing Opportunity Program (HOP): THA proposed this activity in the 2013 MTW plan and implemented it in 2013. THA re-proposed HOP in the 2014 plan because of changes to the program that required additional authorizations. These changes included allowing for longer voucher times and flexibility in lease requirements, allowing participants to self-certify their income during the review process and allowing participants to lease up in shared housing units or to rent from relatives. Program requirements were also re-proposed in the 2014 plan. The changes included that applicants must be at or below 50% AMI to qualify, the age of elderly was defined as 57 for HOP only, and that participants will income out once they reach 80% AMI and will receive 90 days of continued assistance.

All new admissions to the tenant-based voucher program receive a HOP subsidy. A HOP subsidy is a fixed subsidy as opposed to a subsidy based on income. That includes senior/disabled households. Work-able households have a five year time limit on their assistance. Households experiencing a hardship may apply for a three (3) month extension for an unforeseen loss of income or up to one (1) year to complete a qualifying self-sufficiency activity. Senior/disabled households do not have a time limit. HOP households have annual reexaminations so THA can monitor the earned income and compare it to its other programs. There are no interim exams in this program. THA does not permit port outs for this program except for domestic violence issues covered by VAWA, Reasonable Accommodations or if the receiving PHA will absorb the voucher. The goal of the program is to help our participants achieve true self sufficiency by assisting them with their housing needs for a specific term and to give other waiting households a turn to receive assistance. An example of the fixed subsidy is below:

SUBSIDY AMOUNT					
Voucher Size (Bedrooms)	1	2	3	4	5
MTW Subsidy Amount (50% of payment standards)	\$463	\$601	\$833	\$1,009	\$1,160

Status Update: THA implemented this activity in 2013 and the results of the program have been mixed. THA completed an in-depth analysis of the HOP program in early 2018. Work-able households in the final year of the program increased their earned income by 45%, dramatically reduced their reliance on public assistance and over 80% are working (compared to 60% at admission). Because of the fixed subsidy, THA has been able to serve 20% more households than it could serve if the agency maintained an income-based subsidy. However, these households will experience extreme shelter burden at exit. The average shelter burden at exit will be greater than 50%. To date, 11 work-able households have exited HOP after spending 4 or more years on the program. The average shelter burden for those households is 51%. THA expects approximately 60 work-able households to exit the program in 2018. THA will report on shelter burden metrics and survey results for first year exits in the 2018 MTW Report.

Through the use of targeted funding, THA provides a limited number of HOP subsidies to two programs: the College Housing Assistance Program (CHAP) and the Children’s Housing Opportunity Program (CHOP). Descriptions of these programs follow:

CHAP: THA partnered with the Tacoma Community College (TCC) where THA provides rental assistance to homeless students at the community college. TCC provides services designed to help the families succeed so they are ready to be independent of housing subsidies after graduation. The program offers the same fixed subsidies as the HOP program and has a three (3) year limit on assistance. Graduates are considered a success and transitioned off of the program with a 30 day notice. The community college handles all eligibility but anyone on the program would have to be an active student at the community college. Students have to continue to stay in college and maintain a 2.0 grade level.

CHOP: THA partnered with the Department DSHS to provide rental assistance to families who need housing to prevent or shorten their child's foster care placement or to house a teenager aging out of foster care who otherwise would begin his or her adulthood as a homeless person. Information on this program has been included in the HOP activity.

Planned Non-Significant Changes: After a thorough analysis of the HOP program THA approved the implementation of a hardship policy which allows households experiencing a hardship to apply for a three month extension for an unforeseen loss of income or for a completion of a self-sufficiency activity for up to one to year. In 2017, THA also expanded the CHAP program from 25 vouchers for homeless students to 150 vouchers for homeless or near homeless students with 25 set-aside for recently incarcerated students.

Planned Changes to Metrics/Data: In the 2017 MTW Plan, THA made changes to the metric in which we measure self-sufficiency. THA initially used graduation from FSS as a measure for self-sufficiency but moved away from this definition for two reasons: 1) Households enrolled in the FSS program set varying goals from which they could achieve and then graduate from the FSS program. It has been determined that this may not be the best way to measure self-sufficiency. 2) In today's tightening rental market, a better measure of self-sufficiency is to gauge a household's capacity to maintain their housing without rental assistance.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

18. Elimination of the 40% Rule: This activity was proposed in the 2013 MTW Plan and implemented in 2013. THA used this activity to waive the 40% cap on the percentage of income spent on rent. Our goal is to allow for maximum resident choice in the voucher program and to substantially increase the participant's ability to understand the program and lease up more quickly. THA has observed that the voucher program has been extremely confusing for participants. Despite using multiple tools to simplify the process, many participants leave the voucher briefing unsure about how to apply the information as they begin their search. As a result, the number of calls THA fields during the lease up process is high. THA wants participants to be confident about their choices in the housing market.

Status Update: THA implemented this activity in 2013. The change has made it easier for clients to understand the leasing program. THA has seen an increase in the number of households that use this flexibility. In 2018 over 600 households spent more than 40% of their income on rent. A report from June 2018 prepared for Tacoma City Council cited that more than 40% of households in Tacoma pay more than 30% of their income towards rent.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

19. Modification of the Family Self Sufficiency Program: This activity was proposed in the 2013 Plan and implemented in 2013. THA modified the way the FSS program handles the escrow payments. THA changed the escrow calculations to simplify the process and to provide clearer motivation and guidelines for participating families.

THA has designed a savings calculation method under which families may qualify for one or more pay points. Pay points will be calculated and credited at the end of the FSS contract term and only if the family provides credible and verifiable documentation that show they qualify for each of the pay point credit types. Below are examples of pay points:

- \$2,000 Maintain 32 hours/week employment for a minimum of 6 consecutive months
- \$1,000 Complete ESL classes; Levels 1-5, \$200 per level
- \$100 Receive certificate of successful completion of financial literacy
- \$3,000 Complete educational goal such as a GED, degree from an accredited school/college, vocational certificate, etc. Maximum escrow credit for achieving educational goals is \$3000 per family.
- \$500: 0-6 months vocational training certificate
- \$750: 7-12 months vocational training certificate
- \$1,000: 13-24 months vocational training certificate
- \$1,500-Associate degree
- \$2,000-Bachelor's degree

Status Update: This activity was successfully implemented in 2013. Clients have reported the escrow is motivating and easier to understand. THA has also seen staff time saved, and the time is now being spent on direct service. In 2017, FSS served 166 households; 15 households graduated from the program and 66 households maintained employment for greater than one year.

Planned Non-Significant Changes: THA may consider revisions to the pay point schedule in order to ensure that all households participating in FSS are eligible to try to achieve a maximum incentive amount of \$8,500. The current pay point schedule, for example, allows one pay point of \$1,000 for participants

completing five levels of ESL. Not all participants require ESL, which limits their maximum pay point potential. THA may consider offering an equivalent pay point for households who do not require ESL. Pay point revisions will be made with recommendations from current and interested participants, and will include alignment with other Client Support & Empowerment programming, including the Children's Savings Account Program and financial capabilities services offered by the Sound Outreach Empowerment Counselor. Forty-seven (47) percent of all FSS participants have utilized financial capability services. These services include one-on-one financial coaching, credit analysis, and workshops geared towards saving and investing. Many clients receiving these services have shown gains in credit scores and display positive attitudes towards saving for their future.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the metrics or data collection during the Plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

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20. MTW Seed Grants: This activity was proposed in 2013 and implemented in 2013. THA proposed this activity so, if needed, the agency could provide seed grants to partner service agencies to increase capacity to serve THA households. The grants would be specific to helping work-able households increase earned income and become self-sufficient.

Status Update: THA used this activity to provide three (3) job skills and soft skills trainings for work-able households in 2013. In THA's 2014 MTW Report, this activity was moved to the "on hold" section of the report because it was not used in 2014. THA does not have specific goals for this activity in 2019 but would like to keep it in the implemented section of the plan in case an opportunity to leverage a partnership through the use of a seed grant arises. THA will report any use of this activity in its reports, otherwise, the activity will be marked as "on hold" if it is not used.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA has worked with HUD to implement new standard metrics for this activity and does not anticipate any changes to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

21. Children's Savings Account (formerly Local Asset Building Activity): This activity was proposed in the 2014 MTW plan and implemented in the fall of 2015. THA offers children's savings accounts (CSAs) to the children of New Salishan from kindergarten through high school. The program is aimed at developing a savings habit among students and their families and improving academic achievement, graduation rates, college preparation and enrollment. New Salishan is THA's largest community. It is a HOPE VI redevelopment that created a mixed-income community of 1,350 renter and homeowner households on an award-winning design.

THA's CSA Program contains following elements:

Elementary School Stage: When a Salishan student enrolls in elementary school, THA will open a savings account in his or her name. THA will remain the account custodian. THA will make an initial \$50 deposit into the account. THA will match the family's deposit into the account up to \$400 per year. This match will continue through 5th grade.

Middle School through High School Stage: When students reach 6th grade the match stops. Instead the student and a counselor will devise a plan with milestones from then until high school graduation and enrollment in college. *E.g.:* improved attendance; improved Grade Point Average; enrolling in the College Bound Scholarship Program; taking the PSAT, SAT and ACT; taking college preparatory courses; applying to college; filling out the FAFSA; getting into college; graduating from high school, and starting college. Upon the student reaching each milestone, THA will deposit more money into the account up to \$700 per year.

An example of pay points is on the following page.

GRADE 6			
1ST SEMESTER	VALUE	2ND SEMESTER	VALUE
ATTENDANCE			
Maintain perfect attendance	\$ 75.00	Maintain perfect attendance	\$ 75.00
1 - 3 full day absences with zero unexcused	\$ 50.00	1 - 3 full day absences with zero unexcused	\$ 50.00
ACADEMIC PREPARATION			
Turn in a minimum of 90% of your assignments.	\$ 30.00	Turn in a minimum of 90% of your assignments.	\$ 30.00
GPA			
Maintain a cumulative G.P.A of 3.7 or better	\$ 100.00	Maintain a cumulative G.P.A of 3.7 or better	\$ 100.00
Maintain a cumulative G.P.A of 2.7-3.6	\$ 75.00	Maintain a cumulative G.P.A of 2.7-3.6	\$ 75.00
Maintain a cumulative G.P.A of 2.0-2.6	\$ 50.00	Maintain a cumulative G.P.A of 2.0-2.6	\$ 50.00
EXTRACURRICULAR ACTIVITY			
Participate in a college prep program, sport or club at your school with 90% or better attendance OR Volunteer for school related activity	\$ 30.00	Participate in a college prep program, sport or club at your school with 90% or better attendance OR Volunteer for school related activity	\$ 30.00
FINANCIAL LITERACY			
Complete Junior Achievement Curriculum (In school activity)			\$ 60.00
EXPLORING CAREERS			
Research a description of and the education/training requirements required for three careers that interest you (email written descriptions to csa@tacomahousing.org)			\$ 30.00
CITIZENSHIP			
Zero days suspended or expelled	\$ 30.00	Zero days suspended or expelled	\$ 30.00
BACK TO SCHOOL BONUS			
Back to school bonus opportunities are designed to keep you engaged with your success plan over the summer. Details about the opportunity will be sent to students in the spring!			\$ 80.00
Maximum Annual Payment Total			\$ 700.00

When fully in place, these two programs will serve up to 760 children in cohorts covering 13 grades.

Experience and research strongly suggest that even modest balances in such accounts greatly increase the prospects that a student will attend college. For this reason, THA undertakes these efforts as part of its Education Project.

THA plans this effort in collaboration with Tacoma Public Schools (TPS), Prosperity Now, Heritage Bank, initial funding from the Bill & Melinda Gates Foundation, Medina Foundation, College Spark, the Bamford Foundation, other funders, and the collaboration of banking and social service partners in Tacoma. Further funding will determine the scope and schedule for this initiative.

Status Update: THA launched the program in the fall of 2015. 140 students are currently enrolled in the program (92 families). The total elementary seed and match as of June 5, 2018 is \$12,573 and the middle school incentives earned is \$23,805. The average CSA account balance across accounts is \$166. Reconsideration of the structure of the incentives and those eligible are underway through community consultation.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

24. Rental Assistance Success Initiative (formerly) Local Security and Utility Deposit Program: This activity was proposed in the 2014 MTW plan and was implemented January 2016. The activity is a security deposit assistance program that would be open to THA applicants in its Tacoma Public Schools Special Housing Project, its College Housing Assistance Program, and any of THA's affordable housing applicants/residents who are in need of assistance in order to move into a unit. THA realizes it is very difficult when a household comes to the top of a waitlist and it does not have the resources to pay the security deposit. This program ensures that families in need can afford to move into the unit when their name is called and will reduce the number of unit turndowns THA receives.

Status Update: So far up to June of 2018, THA has served 34 qualified households with deposit assistance. The program has helped households lease in the market and will need to be scaled up to meet the needs of the households attempting to lease with THA rental assistance.

Planned Non-Significant Changes: The Tacoma market has been shifting for the past couple of years as Seattle's economy booms and renters are searching for more affordable housing outside of the city of Seattle. Over the past 12 months, this rental shift has led to shrinking vacancy rates and growing rents in Tacoma. With the shrinking stock, subsidized households are being screened out of the market in favor of higher income renters with large sums of cash on hand to pay escalating security and move in costs. Property owners are also screening out more households with blemishes on their rental and credit histories. These factors have been and will continue to impact our utilization rate across all THA tenant-based subsidy programs—Housing Choice Voucher, HOP, Elementary School Housing Program, College Housing Assistance Program, etc. It is taking longer for households to find housing and larger numbers of new program participants are not able to use their subsidies at all.

THA is proposing to modify this activity to expand past just offering security deposits and to develop incentive programs to encourage property owners to add units to THA's rental assistance programs. THA will use its Moving to Work Authority in order to implement additional programs and activities that will lead to increased participation in the MTW program and the utilization of this highly valued housing assistance. In addition to the security deposit assistance program, THA will implement a landlord incentive program and damage mitigation fund using MTW funds. THA consulted with its property owners through the 2017 MTW Plan public comment period regarding this modification. As you will see in the public comments, property owners are eager to work with THA to further develop these programs.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: With the expansion of this activity, we plan to add the following authorizations: Attachment C, Section (D) (1) (b), (d) and (f).

B. Not Yet Implemented:

10. Special Program Vouchers:

Implementation Description: This activity was proposed in 2011 but not yet implemented. The initial idea was to establish a Special Program Voucher program similar to the project-based voucher program. Vouchers were to be awarded to service partners for a special purpose or a special program. The service partners would be responsible for designing the program. This includes selecting households for the program, establishing program guidelines and eligibility criteria, length of time a household would be eligible for a voucher, level of assistance provided to each household, etc. THA would then oversee the administration of these vouchers through an annual reporting and/or audit process.

Status Update: This activity was proposed before HUD issued guidance on local non-traditional programs. THA now proposes any new activity that is not directly operated by our agency as a separate local non-traditional program activity. No activities are being operated under this activity as of now. There is not a timeline in place to use this activity.

Modifications to the activity since approval: THA does not anticipate any changes to this activity during the Plan year.

22. Exclude Excess Income from Financial Aid for Students:

Implementation Description: This activity was proposed in the 2014 MTW plan and has not yet been implemented. The purpose of the activity is to further encourage self-sufficiency among participants and streamline administrative processes; THA will modify the administration of the full-time student deduction by excluding 100 percent of a student's financial aid.

Status Update: THA will implement this activity upon conversion to its new software system. Current system constraints have made implementation difficult. THA is still in the process of converting to a new system. THA will provide full details on this activity in the 2018 Report if the activity is implemented.

Modifications to the activity since approval: THA does not anticipate any changes to this activity during the Plan year.

C. On Hold Activities: N/A

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D. Closed Out Activities:

9. Modified Housing Choice Voucher Activity: THA proposed this activity in 2011 and has yet to implement it. The activity proposed to modify the annual inspection process to allow for biennial inspections of qualifying HCV units (instead of yearly). Since HUD guidance was released on biennial inspections allowing any PHA to perform them, this activity was closed out in 2015.

13. Local Blended Subsidy: THA proposed this activity in 2012 but has not implemented it. The activity was created so that THA could create a local blended subsidy (LBS) at existing and, if available, at new or rehabilitated units. The LBS program would use a blend of MTW Section 8 and public housing funds to subsidize units reserved for families earning 80 percent or below of area median income. Because of the complicated nature of this activity, THA has not implemented it. THA has been approved for a RAD conversion in 2014/2015 which caused this activity to be closed out in 2015. The units may be new, rehabilitated, or existing housing. The activity is meant to increase the number of households served and to bring public housing units off of the shelf.

14. Special Purpose Housing: THA proposed this activity in 2012 and has not implemented it. The activity was meant to utilize public housing units to provide special purpose housing, and improve quality of services or features for targeted populations. In partnership with agencies that provide social services, THA would make affordable housing available to households that would not be admitted to traditional public housing units. With this program, THA would sign a lease with partner agencies to use public housing units both for service-enriched transitional/short-term housing and for office space for community activities and service delivery. The ability to designate public housing units for specific purposes and populations allows units to target populations with specific service and housing needs and specific purposes, such as homeless teens and young adults. Because of the RAD conversion, THA closed this activity in 2015.

A. Sources and Uses of MTW Funds

2019 budget data is not yet available.

Estimated Sources of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated sources and amount of MTW funding for the Fiscal Year		
SOURCES		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$ 49,000.00
70600	HUD PHA Operating Grants	\$ 40,578,000.00
70610	Capital Grants	\$ -
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$ 2,622,000.00
71100+72000	Interest Income	\$ 27,000.00
71600	Gain or Loss on Sale of Capital Assets	\$ -
71200+71300+71310+71400+71500	Other Income	\$ 80,000.00
70000	Total Revenue	\$ 43,356,000.00

Estimated Uses of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated uses and amount of 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	\$ 8,492,000.00
91300+91310+92000	Management Fee Expense	\$ 1,506,000.00
91810	Allocated Overhead	\$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	\$ 761,000.00
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$ 61,000.00
93500+93700	Labor	\$ 76,000.00
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$ 112,000.00
95000 (95100+95200+95300+95500)	Total Protective Services	\$ 11,000.00
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$ 97,000.00
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$ 1,160,000.00
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ -
97100+97200	Total Extraordinary Maintenance	\$ -
97300+97350	Housing Assistance Payments + HAP Portability-In	\$ 33,257,000.00
97400	Depreciation Expense	\$ 300,000.00
97500+97600+97700+97800	All Other Expenses	\$ -
90000	Total Expenses	\$ 45,833,000.001

¹ THA will cover the projected \$2,477,000 shortfall between the expected sources and uses by using both federal and non-federal reserves.

Planned Use of MTW Single Fund Flexibility

THA uses this single funding source to fund the Housing Choice Voucher programs in order to carry out the mission of the MTW Demonstration Program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act. Below are listed some of the specific ways in which THA plans to exercise the Single-Fund Flexibility:

- THA is making 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 fixed incomes such as the elderly and disabled, and to relieve families from some of the more burdensome requirements of annual certification. The new certification cycle started in 2013.
- THA is focusing on housing, employment-related services, and other case management activities that will move families towards self-sufficiency. Its Client Support and Empowerment area also assists tenants that are facing challenges in successful tenancy.
- THA is going into the sixth year of its Education program. It has various elements and initiatives. One has THA providing rental assistance to homeless 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 is adjusting administrative staff as necessary to ensure that activities are in line with the agreement. THA is in the midst of making necessary technological enhancements that will benefit the organization and the residents.
- THA is analyzing its administrative overhead and charge expenses directly to the programs whenever possible. The agency is charging administrative or previously allocated costs to a 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 wrote an activity in its 2012 amended plan that allows the agency to activate the single fund flexibility and to spend MTW money on the development, and preservation of affordable housing.
- THA is partnering with local agencies in the community to create local non-traditional housing programs. The programs are funded by THA but run by partnering agencies in the community.
- THA has developed a property-based subsidy program. Under this model, THA makes an annual contribution of MTW funds. The owner then rents these units to low income households at a rent affordable to these households. THA inspects the units annually and reviews a percent of tenant files annually to ensure the owner is renting to low-income households.

B. Local Asset Management Plan

Is the PHA allocating costs within statute? or No

Is the PHA implementing a local asset management plan (LAMP)? Yes or

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

Has the PHA provided a LAMP in the appendix? Yes or

The changes to the 2018 LAMP reflect the transition of our 456 ACC Public Housing units over to RAD. It also updates our Management Fees schedules for 2017, as well as eliminates the Rent Calculation. As there have been some organizational structure changes, it adjusts some of the narrative to reflect those changes.

C. Rental Assistance Demonstration (RAD) Participation

Section VI: Administrative

- A. Board Resolution and Certifications of Compliance
 - B. Documentation of Public Process
 - C. Planned and Ongoing Evaluations
 - D. Lobbying Disclosures

