

# **HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO**



## **MOVING TO WORK ANNUAL PLAN FY2015**



**San Mateo County Board of Supervisors  
(Sitting as the Board of Commissioners for the Housing Authority)**

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## SECTION I

### Introduction

#### Overview of the Housing Authority of the County of San Mateo's ongoing MTW goals and objectives

The Housing Authority of the County of San Mateo (HACSM) commitment to increasing affordable housing choices for families, promoting the self-sufficiency of program participants, and developing administrative efficiencies remains firmly embedded as an essential characteristic of each policy decision made and program implemented. In the last five years, since HACSM received HUD approval to expand MTW authority from a small carve out of targeting vouchers to its entire HCV portfolio, HACSM has reduced administrative costs, collaborated with other County of San Mateo Departments and organizations to address and support the end to homelessness for San Mateo County residents, renewed its focus on activities that increase the potential self-sufficiency of current participants as well as expanded the overall effectiveness of the agency.

Through collaboration with a broad range of community stakeholders, made possible due to the flexibilities of the MTW program, HACSM has been able to take bold steps in supporting San Mateo County residents through program innovation and responsiveness. Following are examples that demonstrate HACSM's commitments to increasing affordable housing choice, supporting the increased self-sufficiency goals of program participants, and developing administrative efficiencies:

#### *Increasing Affordable Housing Choices*

Since signing the Standard Agreement with HUD in 2008, HACSM has taken active steps to increase and preserve affordable housing options for the low income families in San Mateo County, a high-level priority for this extremely expensive urban area. Through the disposition of Midway Village, HACSM preserved the affordability and viability of all 150 units by using MTW flexibility to project based 100% of the project.

As a result of MTW single-fund flexibilities, HACSM has been able to work with two local affordable housing developers to build a new affordable senior housing complex that contains 197 project-based units in Half Moon Bay, otherwise known as the Half Moon Village Redevelopment project.

This project replaces 60 units of obsolete senior housing units as part of a major new



“senior campus” that will include a senior center and an adult day health center. HACSM has invested \$4 million through a long-term loan, another MTW activity, enabling a leverage of an additional \$61 million in funding.

Finally, HACSM has implemented a number of rent reform initiatives that empower program participants to take greater personal responsibility when searching for and securing a rental unit, which has created more opportunity and allowed for a broader range of rental units located over a wider geographic area.

### ***Promoting Self-Sufficiency***

Implementing this goal has resulted in families utilizing the program for homeownership, increasing their income potential through education and employment advancement, and personal growth and increased financial understanding. (See current FSS participant, Shamari Alexander’s experience, highlighted to the right.) HACSM has expanded the self-sufficiency program to include a provision of monetary rewards for participants who complete educational goals as well as increase their credit scores and savings, all of which are fundamental steps for someone striving to be self-sufficient.

Through the HACSM FY14 MTW Plan, HACSM has taken another bold step to expand the time-limited MTW Self -Sufficiency Program to serve up to 800 households. All new participants admitted through the voucher waiting list will join the self-sufficiency program. To support the participants, HACSM has used cost savings realized through other MTW initiatives to further enrich the resources and staff time dedicated to this important endeavor.

Increasing self-sufficiency was also a main goal in the creation of HACSM’s Housing Readiness Program. In collaboration with stakeholders from the County’s “Ten-Year Plan to End Homelessness,” HACSM entered into contracts with homeless advocates and shelter providers to complement their case management services with housing assistance for up to 100 families for a period of three years.

### ***Developing Administrative Efficiencies***

HACSM has re-designed the processes for both initial and on-going eligibility determinations, easing the burden on both participants and Housing Authority staff and increasing the timeliness of the process. Recertifications for households that are elderly or disabled were changed to biennial schedule, and as a result of the success of this activity, in this FY15 Annual Plan, HACSM is proposing to extend the schedule to a triennial rotation.

HACSM has also moved to a biennial schedule for inspections of all subsidized units, with the provision that all units at all times must continue to meet HUD Housing Quality Standards. And last but not least, HACSM is in the fifth year of a major rent-reform program known as TST (Tiered Subsidy Table) which greatly simplifies the calculation of rental subsidies and gives participants immediate knowledge of the amount of subsidy for which they are eligible.



Shamari Alexander, a current Family Self Sufficiency Participant, recently received a scholarship from the Alan and Ruth Stein scholarship fund to support the pursuit of her education goals.

As a part of my role as a FSS Coordinator, I worked with Shamari earlier this year on writing her personal statement for the scholarship. At the time, she was unemployed and wanting to get into the medical field as a medical office assistant. I suggested she reach out to several clinics in the area for volunteer opportunities, in addition to applying for education scholarships, but they mostly had a need for someone who was bi-lingual. Shamari began to get frustrated with what she saw as a lack of opportunity but I encouraged her to be patient and to keep trying.

When she was notified that she had won the scholarship, Shamari was so excited! She plans to use the money to attend Canada College, enrolling in their Medical Administrative Assistant program starting January 2014. In the meantime, she is holding a part time job through Manpower which, she hopes to continue while going to school at the same time.

Shamari invited me to be her guest at the award luncheon held in San Francisco. 17 of the award recipients attended the luncheon along with their family members and employees and supporters of Bridge Housing. One speaker, a recipient of the scholarship herself, spoke about driving in the car pool lane to get past all the traffic. She related her scholarship award to the car pool lane, just a little boost to help her along in her journey. I thought that was a fitting analogy, not unlike what we do with each individual in the MTW Self Sufficiency Program.

- Danielle Sanderson  
FSS Home Ownership Coordinator



## **HACSM's long-term vision for the direction and duration of its MTW program**

MTW flexibility has given HACSM the ability to combine resources, through the fungibility of the MTW block grant, and thus removed significant financial barriers, allowing HACSM the freedom to better address San Mateo County program priorities and the community needs. The following are focus areas that HACSM has identified to support this vision:

### ***Serve More Families***

In FY14, after significant stakeholder engagement, HACSM expanded its five-year, MTW Self-Sufficiency program to include all new applicants from the waiting list. This MTW activity not only gives HACSM the ability to serve more families, but it also strengthens our community by providing a path for program participants to increase their economic self-sufficiency. All new program participants have access to greatly expanded and enriched case management services and to quarterly connections with their HACSM Self-Sufficiency Coordinators. The proposed initiative includes a comprehensive hardship policy for elderly and/or disabled persons as well as for self-sufficiency participants who need some additional time to achieve their goals.

In FY13, HACSM researched and developed a strategic plan for using its voucher resources in ways that meet specific goals over the next five years. Three broad goal areas were developed: serving residents most in need, facilitating residents' self-sufficiency, and building sustainable system capacity. Specifically, the plan calls for increased Provider-Based Assistance (PBA) partners, increased creation of new affordable units using project-based vouchers, and expansion of the five-year self-sufficiency program. HACSM has taken active steps toward the attainment of each of these strategic goals, as discussed throughout this Annual Plan.

### ***Expand Community Partnerships and Commitments with Support Service Providers***

In FY14, HACSM has been rigorously and conscientiously expanding the program partnerships with a variety of educational institutions, work force development providers, and county and community health and social service providers. The Housing & Resource EXPO was one example of HACSM's expansion efforts.



In October 2013, HACSM hosted its first Housing & Resource Expo for all MTW Self-Sufficiency participants and residents of HACSM-owned properties. The EXPO was a great success, linking over 30 vendors from community partners ranging from San Mateo Credit Union, Covered California (The CA Affordable Care Act Provider), Peninsula Works, JobTrain, Wells Fargo, ReMax, CivicCorps, Voter Registration, to the Employment Development Department, and CA University Nutrition program. Over 125 participants attended and received information on services, gained linkages with organizations to assist with training, resume writing, interviewing skills and employment opportunities.

HACSM has an active Program Coordinating Committee that meets on a quarterly basis to further support leveraging of services on behalf of low-income families in our programs.

### ***Provider Based Assistance Programs (PBA)***

In 2011, HACSM used its “block-grant” funding status to create a new rental subsidy program, otherwise known as Provider-Based Assistance or PBA. Using an RFP process, HACSM awarded three contracts for up to three years. Each provider serves a typically underserved population in the HCV program. The first award was given to CORA (Community Overcoming Relationship Abuse), the organization in San Mateo County that serves survivors of domestic violence (15 units). The second award was given to Service League of San Mateo County that serves persons re-entering society after a period of incarceration and who are receiving addiction treatment and other supportive services (16 units). Both programs are well on their way to full utilization and an expansion of the program is under development. The third award was implemented in 2013, with a signed agreement with Human Investment Project (HIP) Housing for their shared housing self-sufficiency program.



The Service League of San Mateo County  
HOPE House

Operated by the Service League of San Mateo County, Hope House is a 180-day residential treatment program for women who have been involved in and are exiting the criminal justice system. Following is the story of one of the PBA participants who graduated from Hope House and now resides in one of their women’s transitional treatment homes. Her name has been changed for confidentiality purposes. Antonia entered Hope House, upon her release from the San Mateo County jail. As her case worker shared, Antonia, has made great strides in her recovery and is not only a success story for herself but has also become a role model for new women moving into Hope House.

Since entering the PBA program almost one year ago, Antonia enrolled and was accepted at Canada College, a local community college to complete her general education and to prepare for her goal of becoming a registered nurse. Once she completes her associate degree she plans to transfer to a local University. The supportive environment of Hope House has allowed her to focus on her education and personal aspirations which include working a few hours a week to pay for groceries and gas and establishing personal savings habits. Her good grades are a testament to her focus and determination to excel.

After researching the cost of apartment rental prices in the community, in preparation for her graduation from the program, Antonia has expressed her deep gratitude for the opportunity to remain in our program while receiving subsidized housing support. Knowing the challenges that she will face in securing a stable home, she has also taken advantage of the savings match program at Hope House which will allow her to have the funds needed to pay for a security deposit and secure an apartment on her own when she completes the PBA/transitional living program.

She is so proud of herself now that she is on her way in her life and moving forward with her educational goals. She has increased her knowledge and now understands how to apply for financial aid, counseling services, tutoring support, and accommodation services at her school. No longer feeling like a victim, through her increased personal empowerment, she willingly shares her knowledge and supports other household residents with their education process and the key things to know when navigating the education systems.

Antonia is continuing to work on her 12-step program, building a wonderful support system, going to school, working and helping other along the way. She repeatedly states that without this opportunity she does not know what she would have done. Antonia is just one example of how the PBA program supports change, personal empowerment, and second chances

### ***Electronic Content Management***

In October 2012, HACSM took the bold step of initiating a conversion of its paper records to an electronic content management system, designed to help HACSM manage and facilitate access to information used to provide programs and services for our participants and community partners. The document system is web-based and thus allows multiple users to have access to a specific file at the same time.

The next step in the implementation process will potentially encompass a re-structuring of the agency's business processes to better align with the new electronic content management system and increase day-to-day efficiencies. The workflow redesign should not only eliminate most paper from our operation, but will also enable the agency to implement automated work-flow processes that will amplify experiences already achieved through MTW reforms.

The technology platform will also enable clients to accomplish many of their housing program needs on-line if they choose. An example of HACSM's continued innovation can be seen in the recent launch of an on-line wait list portal. New applicants, interested in the MTW Program, can create their own secure user ID and password, complete the data entry of their household information, and access the content at any time for any changes that occur. This on-line system allows families to take responsibility for keeping their contact information and application content current. An expiration date (12 months from the date of the application, or the last renewal or update date) is set for each application and thus avoiding the need for HACSM to periodically purge the waiting list, allowing the waiting list to be always open, and giving the opportunity to families to apply or reapply at any time.

### ***Expand Affordable Housing Partnerships and Project-Based Programs***

HACSM is actively using its MTW flexibility to assist in the development of new or rehabilitated affordable housing by strategically project-basing HCV vouchers as a key financial component. Project-Based Vouchers' (PBV) contractual obligation for long-term unit availability is also important in our perennially tight housing market. HACSM has just completed a Request For Proposals process for new construction and rehabilitated units under the PBV program, which could, when completed, add up to 90 units of long-term affordable housing in San Mateo County.

Pictured below are two project-based voucher projects that have been completed in 2013 and are currently in the lease up process. One project is for senior and disabled participants (Coastside Senior Housing) and the other is for families (Delaware Pacific). In total they represent 69 new and long-term affordable units in San Mateo County.





## SECTION II

### General Housing Authority Operating Information

#### Housing Stock Information

| Planned New Public Housing Units to be Added During the Fiscal Year                |              |     |     |     |     |     |     |                |                   |                  |           |
|--|--------------|-----|-----|-----|-----|-----|-----|----------------|-------------------|------------------|-----------|
| AMP Name and Number  | Bedroom Size |     |     |     |     |     |     | Total Units    | Population Type * | # of UFAS Units  |           |
|  | 0            | 1   | 2   | 3   | 4   | 5   | 6+  |                |                   | Fully Accessible | Adaptable |
| PIC Dev. # /AMP<br>PIC Dev. Name   | N/A          | N/A | N/A | N/A | N/A | N/A | N/A | N/A            | N/A               | N/A              | N/A       |
| PIC Dev. # /AMP<br>PIC Dev. Name   | N/A          | N/A | N/A | N/A | N/A | N/A | N/A | N/A            | N/A               | N/A              | N/A       |
| PIC Dev. # /AMP<br>PIC Dev. Name   | N/A          | N/A | N/A | N/A | N/A | N/A | N/A | N/A            | N/A               | N/A              | N/A       |
| PIC Dev. # /AMP<br>PIC Dev. Name   | N/A          | N/A | N/A | N/A | N/A | N/A | N/A | N/A            | N/A               | N/A              | N/A       |
| <b>Total Public Housing Units to be Added</b>                                      |              |     |     |     |     |     |     | 0              |                   |                  |           |
| * Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other |              |     |     |     |     |     |     |                |                   |                  |           |
| If Other, please describe:   |              |     |     |     |     |     |     | Not Applicable |                   |                  |           |

  

| Planned Public Housing Units to be Removed During the Fiscal Year |                                  |  |
|---|----------------------------------|--|
| PIC Dev. # / AMP<br>and PIC Dev. Name                             | Number of Units to be<br>Removed | Explanation for Removal  |
| CA014000004<br>El Camino Village                                  | 30                               | HACSM is in the process of submitting an application under the Rental Assistance Demonstration program for Project-Based Vouchers in FY14. |
| <b>Total Number of<br/>Units to be<br/>Removed</b>                | <b>30</b>                        |  |



| New Housing Choice Vouchers to be Project-Based During the Fiscal Year   |  |  |  |  |   |  |     |  |  |
|--|--|--|--|--|---|--|-----|--|--|
| Property Name  |  | Anticipated Number of New Vouchers to be Project-Based * |  |  | Description of Project  |  |     |  |  |
| Half Moon Village, Phase II  |  | 114  |  |  | Half Moon Village, Phase II, is a continuation of the Half Moon Bay Senior Campus Plan. In April 2014, construction is expected to begin on Phase II of the redevelopment, replacing the existing 60 units of Half Moon Village with 114 units of new affordable senior rental housing.   |  |     |  |  |
| Oceanview Apartments   |  | 31   |  |  | Oceanview Apartments is an existing 100-unit senior complex in Pacifica, CA; HACSM anticipates providing 31 PBVs for rehabilitation to the project.   |  |     |  |  |
| 6800 Mission Street  |  | 26   |  |  | 6800 Mission Street is a new 52-unit multi-family development, including commercial and retail space, in Daly City, CA; HACSM will provide 26 PBVs to the project. Construction is expected to start in March 2015 and completion is scheduled for July 2016.   |  |     |  |  |
| Foster Square Affordable Senior Housing  |  | 33   |  |  | Foster Square Affordable Senior Housing is a new 66-unit development in Foster City, CA; HACSM will provide 33 PBVs to the project. The development will provide new housing for extremely low and very low income senior households--including seven units for special needs senior populations--within San Mateo County. Construction is expected to start by November 2014 and completion is expected by May 2016. |  |     |  |  |
| Anticipated Total New Vouchers to be Project-Based   |  | 204  |  |  | Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year  |  | 204 |  |  |
|  |  |  |  |  | Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year  |  | 145 |  |  |
| *New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year. |  |  |  |  |   |  |     |  |  |

| Other Changes to the Housing Stock Anticipated During the Fiscal Year   |
|---|
| Not Applicable  |
| Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units. |
| General Description of All Planned Capital Fund Expenditures During the Plan Year   |
| In FY2015, HACSM plans to remodel kitchens and replace carpet in resident units at El Camino Village (Development #CA014000004)   |

## Leasing Information

| Planned Number of Households Served at the End of the Fiscal Year   |  |  |
|---|--|--|
| MTW Households to be Served Through:  | Planned Number of Households to be Served* | Planned Number of Unit Months Occupied/Leased*** |
| Federal MTW Public Housing Units to be Leased   | 30   | 360  |
| Federal MTW Voucher (HCV) Units to be Utilized  | 4009                                       | 48108  |
| Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **   | 18   | 216  |
| Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **   | 13   | 156  |
| <b>Total Households Projected to be Served</b>  | <b>4070</b>                                | <b>48840</b>                                     |
| * Calculated by dividing the planned number of unit months occupied/leased by 12.   |  |  |
| ** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served. |  |  |
| ***Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.  |  |  |

| Reporting Compliance with Statutory MTW Requirements   |   |
|--|---|
| <p>If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.</p> |   |
| <p>Not Applicable</p>  |   |
|  |   |
| Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions   |   |
| Housing Program  | Description of Anticipated Leasing Issues and Possible Solutions  |
| MTW Housing Choice Vouchers  | Expensive market, shortage of affordable housing units, landlords not accepting vouchers. Possible solutions: Landlord outreach, continued focus on development and preservation of long-term affordable units in San Mateo County. |
| Housing Program 2  | Not Applicable  |
| Housing Program 3  | Not Applicable  |



## Wait List Information

| Wait List Information Projected for the Beginning of the Fiscal Year  |                  |                                   |   |  |
|---|------------------|-----------------------------------|---|--|
| Housing Program(s) *  | Wait List Type** | Number of Households on Wait List | Wait List Open, Partially Open or Closed*** | Are There Plans to Open the Wait List During the Fiscal Year |
| MTW Housing Choice Voucher Program  | Community-Wide   | 2332                              | Open  | Yes  |
| MTW Housing Choice Voucher Program - Project Based  | Site-Based       | 2952                              | Partially Open                              | Yes  |
| Rows for additional waiting lists may be added, if needed.  |                  |                                   |   |  |
| <p>* Select Housing Program : Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.</p>             |                  |                                   |   |  |
| <p>** Select Wait List Types : Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).</p> |                  |                                   |   |  |
| <p>*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.</p>  |                  |                                   |   |  |
| Households that are eligible for SRO or four (4) bedroom units  |                  |                                   |   |  |
| Not Applicable  |                  |                                   |   |  |
| Not Applicable  |                  |                                   |   |  |
| If Local, Non-Traditional Housing Program, please describe:   |                  |                                   |   |  |
| Provider-Based Assistance Program: HACSM does not maintain a wait list for this program. Eligible households are referred by service agencies that have an executed agreement with the Housing Authority.   |                  |                                   |   |  |
| If Other Wait List Type, please describe:   |                  |                                   |   |  |
| Not Applicable  |                  |                                   |   |  |
| If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.   |                  |                                   |   |  |
| Not Applicable  |                  |                                   |   |  |



### **SECTION III**

#### ***Proposed MTW Activities: HUD approval requested***

#### **Activity #2010.6 (Revised): Triennial Recertification Schedule for Elderly/Disabled Families**

##### **A. Description of the Proposed Activity**

Based upon the success of the original Activity #2009-5, “Biennial Recertification Schedule for Elderly/Disabled Families,” HACSM is proposing to expand the regular recertification schedule to once every three years for Elderly/Disabled households. With the Biennial recertification schedule, HACSM has experienced staff time savings that have allowed the agency to weather Federal budget cuts which precipitated reductions in staff, maintain its performance standards, and allocate any remaining staff time to self-sufficiency activities. In combination with the TST rent reform program, and the financial stability of this segment of the population, HACSM has not seen a rise in HAP costs as a result of the biennial recertification activity.

In order to increase staff time savings thus far realized, HACSM is proposing to increase the regular recertification schedule for elderly/disabled households to once every three years. However, if the household includes non-elderly/disabled adult members, and those members experience an increase in income, HACSM may recalculate the households annual adjust income in accordance with the HACSM’s Interim Policy, and potentially the HAP as well, due to the increase.

##### **B. Relationship to Statutory Objectives**

HACSM expects that implementation of this activity will create further administrative efficiencies.

##### **C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

HACSM expects a 30% reduction in the volume of recertification appointments, with little to no corresponding impact to HACSM’s HAP budget, due in part to both the small COLA increases that this population has experienced over the last three to four years as well as HACSM’s rent reform activity that has a fixed subsidy amount for a \$3,000 range in annual adjusted income, far greater than the small COLA increases.

**D. Proposed anticipated schedules for achieving the stated objective**

Because the triennial recertification schedule will take effect at the family's next recertification, HACSM anticipates that this activity will take approximately two years to fully implement, however, with the reduction of two-thirds of the required recertification appointments for elderly/disabled households, within the first twelve months of implementation HACSM should realize 1800 hours saved.

| <b>E. The Metric</b>       | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|----------------------------|--|--------------------------------------|---|--|
| CE #2 – Staff Time Savings | 2,949 Hours  | 1800 Hours                           | 1800 Hours  | HACSM Staff time study and program database                  |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

This MTW activity is authorized in HACSM's MTW Standard Agreement, Attachment C, Paragraph D (1)(c) and waives certain provisions of Section 8(o)(5) of the US Housing Act of 1937 and 24 CFR 982.516

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

This MTW authorization is necessary because HUD regulations require annual reexaminations for all participants to determine ongoing program eligibility.

**L. Rent Reform Activities**

This proposed revision is not a rent reform activity.

**Activity #2015-30: Standard Proration for Ineligible Household Members****A. Description of the Proposed Activity**

When a household includes eligible and ineligible members, defined as individuals who do not have eligible immigration status, the household is considered a “mixed family.” In such cases, current HUD regulations require that the PHA prorate the HAP portion of the household’s subsidy based on the number of eligible to in-eligible household members. This current practice is challenging to calculate correctly, is very hard for most mixed families to understand, and at times can be a significant barrier to the family’s ability to find a rental unit.

HACSM is proposing to implement a standard pro-ration of \$150 per ineligible household member that will be subtracted from the HACSM HAP subsidy.

**B. Relationship to Statutory Objectives**

This activity would correspond with the HUD goal of increasing administrative efficiencies.

**C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

Implementation of this proposed activity would simplify the calculation, increase the transparency in the calculation process, remove the appearance of inconsistent treatment and reduce staff time required to meet with households to explain the calculation process. This activity would also help in the lease up process where HACSM staff expends additional time and resources working with participants and owners of rental properties to understand the maximum subsidy differences for “mixed families.” HACSM believes that this activity would meet the intent of the regulation, have a cost neutral impact on the HAP budget, reduce staff time that could be allocated to other self-sufficiency activities, and support mixed families in both the lease up and on-going occupancy processes.

**D. Proposed anticipated schedules for achieving the stated objective**

HACSM expects to implement this activity immediately upon HUD approval. Staff time savings will be determined upon tracking of the lease up and rent calculation processes for families with ineligible household members.

| <b>E. The Metric</b>      | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|---------------------------|--|--------------------------------------|---|--|
| CE #2: Staff Time Savings | 166 hours  | 42 hours                             | 42 hours, dependent upon the total number of “Mixed Families”               | HACSM Staff time study                                       |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

This MTW activity is authorized in HACSM’s MTW Standard Agreement, Attachment C, Paragraph D (2)(a) and waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10), and 8(o)(13)(H)-(I) of the US Housing Act of 1937 and 24 CFR 982.508, 982.503 and 982.518.

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

This MTW authorization is necessary because HUD regulations require the PHA to calculate a “mixed family’s” housing assistance based on the number of eligible to in-eligible household members.

**L. Rent Reform Activities**

**1. Impact Analysis**

**a. Description of the activity**

HACSM is proposing to deduct a standard proration from the HAP for each ineligible household member in mixed families.

**b. Tracking and documentation the implementation of the activity**

HACSM plans to monitor the implementation, following HUD approval, of this activity through the PHA database.

**c. The intended and possible unintended impacts including changes to the amount of rent residents pay**

At this time, only nine families would see a potential increase in their rent portion, six of whom would be less that \$50 per month. Over 90% of the families would realize a decrease in their portion, thus assisting low income families secure affordable units in San Mateo County and move from homelessness to stable housing. For those who might experience an increase, HACSM is proposing a streamlined hardship policy as described below. HACSM expects that this proposed activity will streamline staff workload and increase the self-sufficiency of program participants.

**d. Measurement of the impact of the activity**

HACSM plans to measure the impact of this activity through staff time savings realized.

**2. Hardship Case Criteria**

HACSM does not expect that any household will be adversely affected by this MTW activity, due to the high contract rents in the local jurisdiction. However, HACSM has implemented the following hardship policy for current households: When reviewing hardship requests, HACSM will compare the amount of subsidy calculated by the traditional method and the standard proration method. The family shall be granted the higher of the two subsidies.

**3. Description of Annual Reevaluation of the Activity (An overview as to how they will reevaluate rent reform activities on a yearly basis and revise as necessary to mitigate the negative impacts of unintended consequences)**

HACSM will review the impact and success of this MTW activity at least annual and make any necessary adjustments at that time.

**4. Transition Period**

HACSM will begin implementation of this activity for all new applicants from the Housing Choice Voucher and Public Housing waitlists effective July 1, 2014, and after; in addition HACSM will implement this activity for existing participants of the HCV and Public Housing programs at their next action, annual, biennial, or interim recertification and/or relocation, whichever comes first.

**Activity #2015-31: Local Referral Process for Supportive Service Exception Units, in Project Based Voucher (PBV) Complexes**

**A. Description of the Proposed Activity**

Current PBV regulations require the PHA provide applicants to an owner of PBV units from the PHA wait list. In general, this system is efficient and with on-going oversight and communication with PBV owners, HACSM has been able to provide a sufficient number of applicants for an owner to fill vacancies in a timely manner. The one area where this has been problematic has been in supportive service exception units, particularly the larger size exception units. Balancing the overall number of households on the waitlist while at the same time maintaining a sufficient number of households that can most benefit from the services provided for the exception units have proven to be quite challenging and time consuming. In some instances, it requires the opening and closing of the waitlist in order to expand the pool of applicants. This process is also confusing for the applicant households and at times causes delays in the lease up process.

HACSM is proposing to implement a local referral process for supportive service exception units. Upon notice from an owner that an exception unit has been vacated, HACSM will provide applicants to the owner from its waitlist. If HACSM is unable to provide a list of applicants to the project owner within 15 business days, or upon owner screening, if it is determined that none of the applicants provided by the PHA wait list meet the owner's selection criteria or the applicants subsequently do not meet HACSM eligibility requirements, HACSM will accept direct referrals from the owner for eligibility determination for that exception unit. As always, the owner will be required to notify HACSM, in writing, of any rejected applicant and the grounds for the rejection.

**B. Relationship to Statutory Objectives**

This activity would correspond with the HUD goal of increasing housing choice

**C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

HACSM expects that implementation of this activity will further streamline the lease up process for vacated PBV exception units that otherwise could see a much more extended timeline due to the specific requirements for the unit.

**D. Proposed anticipated schedules for achieving the stated objective**

HACSM plans to implement this proposed activity upon HUD approval. The schedule for achieving the proposed time savings is dependent upon the timing and number of exception units that are newly created and/or vacated in the coming months.



| <b>E. The Metric</b>                                   | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|--|--|--------------------------------------|---|--|
| HC#3:<br>Average Applicant time on wait list in months | 6 months   | 1 month                              | 1 month   | HACSM database   |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

This MTW activity is authorized in HACSM's MTW Standard Agreement, Attachment C, Section D (4) and waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F.

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

The above cited authorizations from Attachment D are needed to implement this activity because HUD requires that all PBV units, including exception units, be filled from applicants on the PHA wait list. This proposed activity would allow HACSM, after due diligence filling the exception unit from its waitlist, to accept direct referrals from the owner of the PBV exception unit.

**L. Rent Reform Activities**

This proposed revision is not a rent reform activity.

## **Activity #2015-32: Revised EIV Income Report Review Schedule**

### **A. Description of the Proposed Activity**

Effective January 31, 2010, HUD implemented new regulations mandating the use of EIV as a third party source to verify tenant employment and income information during mandatory certifications. Prior to the issuance of the HUD notice advising agencies of the revision, utilizing the EIV income report for interim certifications was not required by HUD, only during annual reexaminations. The reinterpreted regulations concerning the use of EIV changed the requirement such that review of the EIV income report is now a required component of all certification processes, including interim reexaminations.

The requirement to now use the EIV income report for both annual and interim reexaminations translates to additional staff time expended when processing interim reexaminations, which also renders an increase in costs, linked to the staff time for accessing and reviewing the EIV income report. In an effort to reduce cost and administrative burden, HACSM is proposing to modify the EIV review schedule by requesting exemption from generating the EIV income report during interim reexaminations and only generating the EIV income report during annual or triennial reexaminations.

HACSM's current interim policy allows for certain actions to be processed without having to meet with the family in person. For example, if a family reports a decrease in income, not associated with a family composition change, HACSM requires the family to submit the necessary documents to reflect the change. Based on the family's documentation, HACSM recalculates the tenant and HAP portions accordingly. The necessity to access and review the EIV income report only adds to what is supposed to be a more efficient process for HACSM staff.

The proposed activity is not prohibitive to staff's ability to identify unreported income when comparing the EIV report with the household income reported by the family during the annual or biennial reexamination process, or at any time where such verification is necessary. The earned income information contained in EIV at the time of the interim reexamination is not up-to-date (the earnings information included on the EIV income report is generally delayed by two quarters), therefore, unreported income and patterns of undisclosed income are most likely to be identified during the regular reexamination process.

It is important to note that HACSM regularly reviews and monitors the many reports contained in the EIV system (Deceased Tenants, Multiple Subsidy, and Identity Verification reports) to assure compliance with Federal requirements. Through this activity, HACSM is not requesting modification for the use of EIV reports; rather the request is centered on requiring the use of the EIV income report only during the annual or triennial reexamination process and waiving the requirement to use the report during interim reexaminations.

### **B. Relationship to Statutory Objectives**

HACSM anticipates this activity will reduce administrative burden by decreasing the amount of time spent generating and reviewing the EIV reports.

**C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

HACSM anticipates this activity will reduce administrative costs by streamlining the EIV process for staff, without impacting staff's ability to monitor a family's pattern of undisclosed income during the reexamination processes.

**D. Proposed anticipated schedules for achieving the stated objective**

HACSM anticipates that within 18 months of implementation, HACSM will have reached its proposed benchmark of 49 hours saved in this administrative process for residents of the Housing Choice Voucher and Public Housing programs.

| <b>E. The Metric</b>     | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|--------------------------|--|--------------------------------------|---|--|
| CE#2: Staff Time Savings | 244 Hours  | 49 Hours                             | 49 Hours (20% reduction, annually)  | PHA Time Study   |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

The proposed activity is authorized in the MTW Agreement, Attachment C, Section C(4) containing waivers of Section 3(a)(1) and 3(A)(2) of the 1937 Act and 24 CFR 966.4 and 960.257 and the MTW Agreement, Attachment C, Section D(3)(b) containing waivers of 24 CFR 982.516 and 982 Subpart E.

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

The cited authorizations from Attachment C are needed due to the fact that without them, HACSM would be required to review of the EIV income report for all certification processes, including interim reexaminations.

**L. Rent Reform Activities**

This proposed revision is not a rent reform activity.

**Activity #2015-33: Local PBV Inspection Process**

**A. Description of the Proposed Activity**

Current HUD regulation allows PHAs to inspect a random 20% sample of PBV contract units in a building annually. If 20% of the inspected units fail HQS, PHAs then are required to inspect 100% of the units. Building on the success of the other HQS-related MTW activities, its close working relationship with PBV unit owners, and the quality of its PBV units, HACSM is proposing the following Local PBV Inspection Process to ensure PBV-owner's compliance with HQS for all units under contract:

Although HACSM follows a biennial inspection schedule for its PBV units, HACSM may choose to inspect 20% of its PBV units in a building annually. If the inspected unit failed HQS and the deficiencies are not corrected within 30 days upon notification to the project owner or the HACSM-approved extension period, HACSM will abate HAP for the unit. If the deficiencies are not corrected within 90 days after the abatement notice, HACSM will remove the unit from the PBV contract. No retroactive HAP will be made during the abatement period.

**B. Relationship to Statutory Objectives**

This activity would correspond with the HUD goal of increasing administrative efficiencies.

**C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

HACSM anticipates that the proposed activity will streamline the corrective action process for HQS violations and create administrative time savings for HACSM and clear direction for PBV owners.

**D. Proposed anticipated schedules for achieving the stated objective**

Upon implementation, HACSM expects that the staff time savings would be realized within 18 months.

| <b>E. The Metric</b>     | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|--------------------------|--|--------------------------------------|---|--|
| CE#2: Staff Time Savings | 298 Hours  | 119 Hours                            | 119 Hours   | HACSM Staff Time Study                                       |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

This MTW activity is authorized in HACSM's MTW Standard Agreement, Attachment C, Section D (5) and waives certain provisions of Sections 8(o)(8) of the 1937 Act and 24 C.F.R. 982 Subpart I.

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

The authorizations from Attachment C are required to provide HACSM with the flexibility to work with owners in the correction of HQS violations in a more consistent manner across the HCV/MTW program.

**L. Rent Reform Activities**

This proposed revision is not a rent reform activity.

**Activity #2015-34: Local Collections Process**

**A. Description of the Proposed Activity**

Where the PHA is the principal party initiating or sustaining an action to recover amounts from tenants or owners that are due as result of fraud and abuse, the PHA may retain a portion of the amount of HAP funds it recovers. HACSM is proposing to retain 100% of the amount it actually collected from a judgment, litigation, or an administrative repayment agreement. Currently, HUD allows PHAs to retain 50% of such amount and the other 50% is returned to HUD.

HACSM will use the recovery proceeds to support the Housing Choice Voucher program as well as programs that have been approved by HACSM's MTW Plans.

**B. Relationship to Statutory Objectives**

This activity would correspond with the HUD goal of increasing administrative efficiencies.

**C. Identify and discuss the anticipated impact of the proposed activity on the stated objective(s)**

The HACSM collections department has been able to collect approximately \$43,000 fraud recovery funds in the last 12 months. Having the ability to retain 100% of those funds, would give HACSM the ability to develop further relationships with affordable housing developers and support service providers in San Mateo County, ultimately providing further benefits for the participants and their increasing self-sufficiency.

**D. Proposed anticipated schedules for achieving the stated objective**

HACSM plans to implement this proposed activity upon HUD approval. On an annual basis, HACSM would review cost savings and funds allocated to other MTW activities, such as leveraging of monies in the development and/or preservation of affordable housing and/or expansion of the PBA program as a result of this activity.

| <b>E. The Metric</b>         | <b>F. Baseline performance level (numeric) prior to implementation of the MTW activity</b> | <b>G. Yearly benchmark (numeric)</b> | <b>H. Description of the final projected outcome(s) of the MTW activity</b> | <b>I. Data source from which the metric will be compiled</b> |
|------------------------------|--|--------------------------------------|---|--|
| CE#1:<br>Agency Cost Savings | \$21,000   | \$42,000                             | \$ 42,000   | HACSM Financial software                                     |

**J. Authorization(s) detailed in Attachment C or D of the Standard Agreement that gives HACSM the flexibility to conduct the activity**

The proposed activity is authorized in HACSM's Amended and Restated Moving to Work Agreement, Section VI (B) (2) (b) and Attachment C, Section (B) (1) (a) and (b)

**K. Explanation as to why the cited authorization from Attachment C or D is needed to engage in this activity**

The above cited authorization from Attachment C is required, as according to HUD regulations HACSM would be required to return 50% of funds collected to HUD.

**L. Rent Reform Activities**

This proposed revision is not a rent reform activity.





## **SECTION IV**

### ***Ongoing MTW Activities: HUD approval previously granted***

HACSM does not plan to change any of the current MTW authorizations from Attachment C and/or Attachment D for the activities previously implemented, nor does HACSM plan to use any outside evaluators.

HACSM has utilized the flexibilities of the TMW program since 2000 to significantly reform its Voucher and Public Housing programs. All 29 of the on-going activities, approved by HUD previously, and implemented by HACSM are summarized in the table below. The activities below illustrate how HACSM has proactively instituted a range of complementary MTW Activities that have strengthened administration of the program and effectively responded to the needs of San Mateo County.

#### ***Implemented Activities***

| <b>MTW Activity</b>                          | <b>1<sup>st</sup> Year<br/>Approved/<br/>Implemented</b> | <b>Description and Update</b>   | <b>Statutory<br/>Objective</b> | <b>Non-Significant<br/>Changes or Updates</b> |
|--|--|---|--------------------------------|---|
| <b>MTW Self-Sufficiency Program (2000.1)</b> | 2000   | <p>The MTW Self-Sufficiency program was first implemented in May 2000. The core design of the original MTW program consisted of limiting the term of HCV assistance, while at the same time offering self-sufficiency services through the Family Self-Sufficiency (FSS) Program.</p> <p>In FY2014, HACSM expanded the number of vouchers allocated to the 5-year time limited program to up to 800 vouchers and all new program participants from the HACSM waiting list will automatically be enrolled in the MTW Self-Sufficiency program.</p> | Self-Sufficiency               | N/A   |

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update  | Statutory Objective                            | Non-Significant Changes or Updates  |
|---|--|---|--|---|
| <b>Housing Readiness Program (2009.2)</b>   | 2008                                       | Through partnerships with San Mateo County's Center on Homelessness and other providers of homeless services, HACSM is able to serve up to 100 homeless families. Program participants receive rental subsidy for up to three years while at the same time having continued access to various supportive services programs, provided by the homeless services partners.   | Self-Sufficiency                               | N/A   |
| <b>Eliminate 40% affordability cap at initial move in/lease up (2000.3)</b>       | 2000                                       | Eliminates 40% cap on the proportion of household income that could be spent on housing costs for new lease-ups   | Housing choice and Administrative Efficiencies | N/A   |
| <b>Escrow Accounts (2000.4)</b>   | 2000                                       | <p>HACSM designed a local method by which escrow is calculated for the FSS program participants at the time of graduation.</p> <p>The HACSM considers several activities that support a families increasing self-sufficiency, which are often necessary for an individual to be job-ready and positioned for higher paying positions, instead of only recognizing increases in earned income. The maximum escrow credit and pay out at graduation is \$3,500 per family. Because escrows are only calculated and credited at the end of the FSS Contract term, interim withdrawals were eliminated.</p> | Self-Sufficiency                               | N/A   |
| <b>Expand usage of PBV at HACSM developments undergoing disposition (2009.5)</b>  | 2008                                       | HACSM received approval to project-base up to 100% of the public housing units undergoing the disposition process   | Housing Choice and Administrative Efficiencies | N/A   |
| <b>Biennial recertification schedule for elderly/disabled households (2010.6)</b> | 2009                                       | HACSM conducts recertifications for HCV households designated as elderly or disabled on a biennial basis  | Administrative Efficiencies                    | NOTE: HACSM is proposing a significant change/update to this activity, and thus has a further description in Section III. |

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update   | Statutory Objective                            | Non-Significant Changes or Updates   |
|---|--|--|--|--|
| <b>Simplify Rent Calculation Process (2010.7)</b>         | 2009                                       | <ul style="list-style-type: none"> <li>Eliminate the imputed asset rate – use actual interest income on assets</li> <li>Eliminate the Earned Income Disallowance (EID)</li> </ul>  | Administrative Efficiencies                    | HACSM is eliminating the (EID) portion of this activity, as discussed in the FY13 Report. Families are experiences greater financial benefit due to the rent reform and alternative recertification schedules. |
| <b>Simplify Third Party Verification Process (2010.8)</b> | 2009                                       | <ul style="list-style-type: none"> <li>Increase asset values requiring 3<sup>rd</sup> party verification to \$50,000</li> <li>Streamline verification of eligible medical and child care expenses</li> <li>Extend the verification timeline to 120 days</li> </ul>   | Administrative Efficiencies                    | N/A  |
| <b>Tiered Subsidy Tables (TST) (2010.9)</b>               | 2009                                       | <p>The TST is HACSM's rent reform program.</p> <p>Based on a schedule of income bands, HACSM is able to inform a family at voucher issuance, the maximum subsidy that HACSM will contribute to their housing costs.</p> <p>The maximum subsidy amounts are fixed amounts determined by the family's annual adjusted income and voucher size. For mixed families, the subsidy is prorated based on the number of eligible and ineligible family members</p> | Housing Choice and Administrative Efficiencies | N/A  |
| <b>Simplify HQS Process (2010.10)</b>                     | 2009/2010                                  | <ul style="list-style-type: none"> <li>HACSM is allowed to inspect HACSM-owned properties to determine HQS compliance</li> <li>HACSM not required to submit inspection reports for HACSM-owned or affiliated properties to the HUD Field Office</li> </ul>   | Administrative Efficiencies                    | N/A  |

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update   | Statutory Objective         | Non-Significant Changes or Updates   |
|---|--|--|-----------------------------|--|
| <b>Eliminate competitive process for allocation of PBV to former Public Housing (2010.11)</b>   | 2011                                       | Allocation of project-based vouchers to former HACSM public housing units without the use of a competitive process.<br><br>In FY14, HACSM received HUD approval to expand the scope of this activity to include other housing units owned by HACSM or HACSM affiliates such as the redeveloped Half Moon Village.    | Administrative Efficiencies | The dispo application for the 30 units at El Camino Village has been postponed and HACSM submitted an application to the HUD Rental Assistance Demonstration (RAD) program in FY2014 for the property. |
| <b>Waive 12 month stay requirement for residents in formerly public housing units converted to PBV (2010.12)</b>  | 2011                                       | Offers residents of public housing units undergoing disposition from public housing status, and who will receive PBV assistance, the option to relocate immediately or any time thereafter, using a tenant transfer voucher  | Housing Choice              | HACSM is proposing to expand this activity to also include residents of properties owned and/or affiliated with HACSM. An example of which would be the Half Moon Village redevelopment project.       |
| <b>Accept lower HAP by modifying PBV rules for in-place residents at former Public Housing developments (2010.13)</b>                                       | 2011                                       | At the time of disposition, if a public housing resident is residing in an oversized unit and HACSM does not have the proper size unit available for the resident to relocate, HACSM will accept a lower HAP based on the unit size the resident qualifies for and not the actual unit size occupied.                | Administrative Efficiencies | N/A  |
| <b>Establish flat or market rate policy for over-income Public Housing residents at conversion of Public Housing units to Project-Based units (2010.14)</b> | 2011                                       | Permits residents of public housing undergoing the disposition process that are not eligible to receive a voucher due their exceeding the income limitations of the voucher program to have the option to remain in the unit (for a maximum of 12 months) at the higher of the flat rate or market rate for the unit | Economic Self-Sufficiency   | N/A  |
| <b>Institute biennial inspection schedule for units under contract (2011.15)</b>  | 2010                                       | All HCV units are inspected on a biennial schedule. HACSM continues to conduct any complaint inspections. The units must at all times meet Housing Quality Standards while under contract  | Administrative Efficiencies | N/A  |

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update  | Statutory Objective         | Non-Significant Changes or Updates   |
|---|--|---|-----------------------------|--|
| <b>Expand the Section 8 Project-Based Voucher program (2011.16)</b>   | 2011                                       | <ul style="list-style-type: none"> <li>Adopt policies that allow up to 100% of the units in a multifamily building to be project-based.</li> <li>Increase project-based funding up to 30% of the HACSM HCV budget authority</li> <li>Adopt policies that may require participating families to stay more than 12 months before they move with continued assistance; propose that any continued assistance would be a part of the MTW/FSS program, the five year, time-limited program.</li> </ul> | Housing Choice              | HACSM is in the process of clarifying policy language when family chooses to transfer from the PBV program to the “voucher” program. HACSM is clarifying that there are no exemptions for participation in the MTW/FSS time limited program. If there is a need for additional housing assistance at the end of the term of participation, the family could apply for a “hardship” at that time. |
| <b>Revise Eligibility Standards (2011.17)</b>   | 2010                                       | Apply asset value limit for all new applicants and participants. Applicants with assets valuing more than \$100,000, or ownership interest in a suitable home in which they can reside, are ineligible for the program. Participants who experience an increase in assets valuing more than \$100,000, or who gain ownership interest in property in which they have the right to reside, are no longer eligible for continued participation.   | Housing Choice              | N/A  |
| <b>Eliminate 100% excluded income from the income calculation process (2011.18)</b>                         | 2010                                       | HACSM no longer verifies, includes, or reports income that HUD specifies as 100% excluded from the income calculation process.  | Administrative Efficiencies | N/A  |
| <b>Eliminate the requirement to complete new HAP contract with utility responsibility changes (2011.19)</b> | 2010                                       | HACSM no longer executes a new HAP contract with the owner if there are any changes in lease requirements governing tenant or owner utility responsibilities  | Administrative Efficiencies | N/A  |

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update  | Statutory Objective         | Non-Significant Changes or Updates   |
|---|--|---|-----------------------------|--|
| <b>Apply current payment standards at interim reexamination (2011.20)</b>                                   | 2010                                       | To apply current payment standard at whatever time the action is being processed (i.e. interim or annual reexamination).  | Administrative Efficiencies | HACSM is proposing to eliminate this activity, as over 90% of program participants are now on the TST rendering the activity essentially obsolete. |
| <b>Change qualifications for Full-Time Student (FTS) status (2012.21)</b>                                   | 2011                                       | In order for a family member, other than the head, co-head, or spouse to qualify for the FTS status, dependent deduction and income exclusion, the family member must be less than 24 years old, a FTS at an accredited institution, and must provide a transcript of the full-time student status at all subsequent recertification appointments.  | Administrative Efficiencies | N/A  |
| <b>Include Foster Care, KinGap, and Adoption Assistance Payments in annual income calculation (2012.22)</b> | 2011                                       | HACSM includes foster care, Kin Gap, and adoption assistance payments in the determination of annual adjusted income. To help offset this inclusion of this income, HACSM provides a dependent allowance for foster children, disabled foster adults, and adopted children.   | Administrative Efficiencies | N/A  |
| <b>Modify head of household (HOH) changes policies (2012.23)</b>  | 2011                                       | HACSM implemented the following policies related to change of head of household (HOH) requests: <ul style="list-style-type: none"> <li>• The individual becoming the new HOH must reside in the assisted household for at least the previous 12 consecutive months, and</li> <li>• At the time of the HOH change, the household joins the MTW-Self Sufficiency program (unless already enrolled)</li> </ul> | Administrative Efficiencies | N/A  |
| <b>Change automatic termination of HAP contract from 180 to 90 days (2012.24)</b>                           | 2011                                       | HACSM reduced the number of days that a participant can remain on the program, while paying 100% of their rent, from 180 to 90 consecutive days.  | Administrative Efficiencies | N/A  |

| MTW Activity   | 1 <sup>st</sup> Year<br>Approved/<br>Implemented | Description and Update   | Statutory<br>Objective      | Non-Significant<br>Changes or Updates   |
|--|--|--|-----------------------------|---|
| <b>Exclude asset income from calculations for households with assets under \$50,000 (2012.25)</b>                            | 2011   | HACSM has eliminated calculating or including income received from family assets valued less than \$50,000. Additionally, HACSM no longer reports the asset income valued less than \$50,000 to HUD through the HUD-50058.   | Administrative Efficiencies | N/A   |
| <b>Commitment of MTW funds for leveraging in the creation of additional affordable housing in San Mateo County (2012.26)</b> | 2011   | HACSM committed up to \$4,000,000 of MTW funds for the development of additional affordable (low income, very low income and extremely low income) housing in San Mateo County. The re-programmed funds are to be used to leverage additional investment funds that will be substantially larger than HACSM commitments. Development activities may include site acquisition, substantial rehabilitation of existing stock, and development of new units.  | Housing Choice              | As a result of the success of this activity, HACSM is proposing to increase the commitment of funds to \$6,000,000. |
| <b>Provider-Based Programs (2011.27)</b>   | 2011   | HACSM implemented a provider-based assistance program, outside the scope of the voucher program. The Provider-Based program was designed with the intention to reach populations in San Mateo County who were under-served or not served by the voucher program or other special-funded programs. As of FY14, there are three provider-based assistance programs with program partners who work with, the following underserved populations: 1) Survivors of domestic violence, 2) Recently released, non-violent parolees, and 3) Self-Sufficiency families | Self-Sufficiency            | N/A   |
| <b>Apply MTW flexibilities to Public Housing (2013.28)</b>   | 2012   | HACSM applied some of the previously-approved MTW flexibilities for the HCV program to El Camino Village, its one remaining Public Housing complex.  | Administrative Efficiencies | N/A   |



| MTW Activity   | 1 <sup>st</sup> Year Approved/ Implemented | Description and Update  | Statutory Objective         | Non-Significant Changes or Updates  |
|--|--|---|-----------------------------|---|
| <b>Revise Child Care Expense Deduction (2014.29)</b> | 2013                                       | The amount deducted shall reflect reasonable charges for child care for employment, seeking employment and families who are enrolled in school. | Administrative Efficiencies | HACSM will be clarifying its policy related to child care expense allowed under “seeking employment.” HACSM may allow the <b>lesser</b> of \$5,000 or the actual expense paid per year per qualifying child for a parent or guardian who lost his/her employment and is seeking work. The eligible period for such deduction expires 12 months from the date of loss of employment. |

### ***Not Yet Implemented Activities***

HACSM does not have any MTW Activities that were approved by HUD, but not yet implemented.

### ***Activities On Hold***

Technically-speaking, HACSM does not have any HUD-approved MTW activities that HACSM implemented, but has since stopped implementing. The only activities that could fit this criteria include the following, due to the challenges in securing approval to complete a disposition of El Camino Village (HACSM’s only remaining Public Housing Complex).

| MTW Activity   | Year Approved | Year First Implemented and Placed on Hold | Rationale for Placing the Activity On Hold  | Timeline for Reimplementation | Non-Significant Changes Since Approved |
|--|---------------|---|---|-------------------------------|--|
| <b>Expand usage of PBV at HACSM developments undergoing disposition (2009.5)</b> | 2008          |   | These four MTW activities have been placed on hold until such time as El Camino Village, HACSM’s only remaining Public Housing complex has been approved for either |                               | N/A                                    |



| MTW Activity  | Year Approved | Year First Implemented and Placed on Hold | Rationale for Placing the Activity On Hold                               | Timeline for Reimplementation         | Non-Significant Changes Since Approved   |
|---|---------------|---|--|---------------------------------------|--|
| <b>Eliminate competitive process for allocation of PBV to former Public Housing (2010.11)</b>   | 2011          |   | disposition or conversion to the RAD program.                            |                                       | N/A<br>Note: HACSM did expand this activity to include HACSM-owned and/or affiliated properties. |
| <b>Accept lower HAP by modifying PBV rules for in-place residents at former Public Housing developments (2010.13)</b>                                       | 2011          |   |  |                                       | N/A  |
| <b>Establish flat or market rate policy for over-income Public Housing residents at conversion of Public Housing units to Project-Based units (2010.14)</b> | 2011          |   |  |                                       | N/A  |
| <b>Waive 12 month stay requirement for residents in formerly public housing units converted (2010.12)</b>   | 2011          |   | This activity has been placed on-hold, in relation to El Camino Village. | This will be determined by the above. | HACSM is proposing to expand this activity to include HACSM-owned and/or affiliated properties.  |

### *Closed Out Activities*

| MTW Activity  | 1 <sup>st</sup> Year Approved/ Implemented | Rationale for Closing Out the Activity   | Year the Activity Was Closed Out |
|---|--|--|----------------------------------|
| <b>Apply current payment standards at interim reexamination (2011.20)</b> | 2010                                       | HACSM is proposing to eliminate this activity, as over 90% of program participants are now on the TST rendering the activity essentially obsolete. | FY2014                           |



***SECTION V***

***Sources and Uses of Funds***

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|---|
| <p><b><i>This information will be provided on, or before the Public Hearing, March 6, 2014.</i></b></p> |
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To review the most recent financial information, see the HACSM 2013 MTW Annual Report, which is located on our website, [www.smchousing.org](http://www.smchousing.org).



## **SECTION VI**

### ***Administrative***

**A. Board Resolution adopting 50077-MTW and Certification of Compliance**

See Appendix Two

(This section to be completed following the completion of the Public Process)

**B. Documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and documentation that the Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan**

See Appendix Two for documentation of the following public processes for this Annual Plan:

(This section to be completed following the completion of the Public Process)

**C. Description of any planned or on-going PHA-directed evaluations of the demonstration for the overall MTW program or any specific MTW activities, if applicable**

HACSM has not, and is not planning on completing additional agency-directed evaluations of the demonstration at this time.

**D. The Annual Statement/Performance and Evaluation Report (HUD 50075.1) or subsequent form required by HUD for MTW and non-MTW Capital Fund grants for each grant that has unexpended amounts, including estimates for the Plan Year and all three parts of the report**

Not applicable