

CAMBRIDGE  
HOUSING  
AUTHORITY

ANNUAL  
REPORT

FISCAL YEAR 2014

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**MOVING TO WORK**

MOVING TO WORK

APRIL 1, 2013 TO MARCH 31, 2014

JUNE  
2014





*Web of Inclusion is Stronger than Separation*

Jonathan Backstrom

Oil on canvas – digital color inversion

Annual Art Contest Winner

# MOVING TO WORK (MTW)

The Moving to Work program was created and signed into law as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996. CHA has been a member of the program since inception. Of the nation's 3,400 public housing agencies, only 38 participate in MTW at the time of this writing.

MTW grants agencies the regulatory flexibility necessary to develop, implement, and evaluate programs and policies that target the unique needs of their communities. The program's three statutory objectives are stated below.

- *To reduce cost and achieve greater efficiency.*
- *To give incentives for education and employment – particularly for families with children whose heads of households are either working, seeking work, or participating in job training, education or other programs that assist in obtaining employment and becoming economically self-sufficient.*
- *To increase housing choice for low-income families.*

CHA has used its MTW flexibility as a platform for progressive regulatory reform and fungibility of capital, voucher, and operating funds to accomplish development and programming goals. The agency continues to develop, implement, and evaluate new and innovative policies and programs.

The following diagram is a visual representation of CHA initiatives under the MTW program and based on the statutory objectives.

**GIVE INCENTIVES FOR EMPLOYMENT AND EDUCATION**

Career Family Opportunity  
– Cambridge (CFOC)

Financial Savings and  
Stability (FSS+)

Family Opportunity  
Subsidy (FOS)

Work Force College Savings  
Account (CSA)

Rent  
Simplification

Biennial Recertifications  
for Elderly / Disabled  
Households in the HCV  
Program

Minimum Rent

Massachusetts Rental  
Voucher Program (MRVP)  
Preservation

Over 40% of  
Income for Rent

Vacancy and  
Damage  
Payments

Sponsor-Based  
Program

Use Fungibility  
to Create Single  
Block Grant

MTW Transfer  
Category

Lower Elderly  
Eligibility Age

**INCREASE HOUSING CHOICE**

Locally-Determined  
Payment Standards and  
Annual Adjustment Factor  
(AAF) in the HCV Program

Pathways to Permanent  
Housing

Local Project-Based  
Assistance Program

Expiring Use  
Preservation Program

Housing Preservation  
Fund

Mixed  
Finance

Liberating  
Assets

**REDUCE COST + INCREASE ADMINISTRATIVE EFFICIENCY**

Mixed Family  
Rent

Modified Inspection  
Protocol

Ceiling  
Rent



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# INTRODUCTION

## ANNUAL REPORT APRIL 1, 2013 TO MARCH 31, 2014

This Annual Report describes Cambridge Housing Authority (CHA) activities, as an Moving to Work (MTW) participant during fiscal year 2014 (April 1, 2013 to March 31, 2014). This section discusses CHA accomplishments under the framework of MTW's three core objectives: Housing Choice, Self Sufficiency and Cost Effectiveness. All activities described under the three MTW statutory objectives constitute short-term goals that CHA achieved during the fiscal year. In addition, they represent distinct stepping stones toward meeting MTW objectives in the long-term.

### HOUSING CHOICE

#### PRESERVATION OF PUBLIC HOUSING

##### RAD PHASE I AWARDED

CHA made considerable headway in advancing its public housing preservation. During the fiscal year CHA received award of RAD Phase I, involving 1,151 units of public housing. This huge accomplishment frames CHA's capital improvement plan for the next 5 years while also ensuring that CHA's hard units are preserved in the long term. RAD, in combination with MTW, allows CHA to leverage projected operating income for substantial capital improvements thereby updating living conditions for its residents.

##### JEFFERSON PARK STATE - ADDITIONAL \$16 MILLION SECURED

To advance the complete reconstruction of Jefferson Park State, CHA submitted a funding application for \$10 million to the Commonwealth's new High Leverage Asset Preservation Program (HILAPP) in June. The application was approved in December after CHA secured a crucial commitment of \$6.37 million from the Cambridge Affordable Housing Trust earlier in the year. Jefferson Park State is the sole state public housing building in CHA's portfolio. The additional funds secured in the fiscal year allows for a complete reconstruction of the site that will include 98 units and an estimated construction cost of \$31.8 million. Current households are actively being relocated and it is anticipated that construction will begin in Fall/Winter 2014.

#### EXPANDED SPONSOR-BASED VOUCHER PROGRAM

##### FAMILY OPPORTUNITY SUBSIDY (FOS) PROGRAM RECAST AS PATHWAYS TO PERMANENT HOUSING - HEADING HOME

In FY13, the Family Opportunity Subsidy (FOS) program underwent a comprehensive review process in collaboration with Heading Home, Inc. and support from Crittenton Women's Union (CWU). Drawing from a site visit, feedback from participants and administrators, and the State's increasing demand for transitional housing, the FOS program was recast in FY14 as part of CHA's Sponsor-based voucher program and relabeled Pathways to Permanent Housing - Heading Home. The program has become a two-year

**1,151  
UNITS**  
of public housing  
received

**RAD  
APPROVAL**  
and paves the way for an  
estimated

**\$178  
MILLION**  
in Phase I capital improvements.

**63%  
REDUCTION**

in electricity usage over term of the  
MTW Agreement

**10%  
ON-SITE**

electricity is now generated in CHA  
public housing.

**146 UNITS  
PRESERVED**

through the Expiring Use  
Preservation Program.

**\$200,000  
COST  
SAVINGS**

in the operations of Leased Housing  
and Property Management.

stabilization program that allows families to rebuild their credit and other skills so that they may be eligible for permanent housing following program completion.

#### PATHWAYS TO PERMANENT HOUSING - TRANSITION HOUSE

This fiscal year marks the first year of implementation of the Pathways to Permanent Housing - Transition House program. Two families were successfully placed in CHA public housing and a Community Liaison was established to provide outreach and support to CHA staff and residents. The Liaison carried out extensive outreach to staff and established weekly walk-in hours at the CHA central office and dedicated space at the YMCA nearby to provide consistent availability and, at the same time, maintain client privacy.

#### CONSTRUCTION OF TEMPLE PLACE

After seven years in the making, construction of 40 new units of deeply affordable housing commenced during the fiscal year. The project is located at the former site of the YWCA Pool on Temple Street (Central Square) and involves the development of a new 43,000 square foot five-story apartment building containing 25 two-bedroom units and 15 one-bedroom units. These hard units will be project-based Section 8 to maintain affordability in the long-term.

#### PRESERVATION OF EXPIRING USE UNITS

CHA closed on two expiring use developments that included a total of 146 affordable units. Harwell Homes is located in Cambridge and involves 14 units. Smith House is located in Roxbury, MA and involves 132 units.

#### SELF-SUFFICIENCY

#### FINANCIAL STABILITY AND SAVINGS (FSS+) PROGRAM - EXPANSION FEASIBILITY

CHA in collaboration with COMPASS Working Capital (CWC) received a planning grant to evaluate the feasibility of expanding the current FSS+ program to automatically enroll all CHA HCV participants and Public Housing residents. The proposal was premised on the development of establishing Rental Assistance Asset Accounts (RAAA) and other programmatic options. During the fiscal year, two intensive planning sessions took place and included Abt Associates, Edgemere Consulting, and other collaborators identified in the planning grant. Additional planning sessions have and will occur in FY15. The P+T Lab retained an intern to assist in further developing an implementation plan.

#### COST EFFECTIVENESS

#### MIXED FAMILY RENT

The Mixed Family Rent formula for the Housing Choice Voucher program was proposed in the FY14

Plan and implemented shortly thereafter. CHA applied a 10% surcharge to the initial family total tenant payment (TTP) for households with mixed immigration status. In the fiscal year, four (4) families maintained this status.

## ADDITIONAL ACCOMPLISHMENTS

### WORK FORCE COLLEGE MATCHED SAVINGS

The Work Force College Matched Savings Program was officially launched in late Fall 2013. The savings component was instituted in the 2014 spring semester for the 10<sup>th</sup> grade class of 45 students, with support from Cambridge Savings Bank and the Midas Collaborative.

### THIS WAY AHEAD PROGRAM (TWA) - GAP, INC.

In early FY14, CHA was selected by Gap, Inc. to operate their This Way Ahead (TWA) program in the greater Boston area. The spring and summer marked CHA's first year of TWA operation. In total, 39 students were initially selected and 33 successfully completed the intensive 8-week training. Afterwards, 18 participants were selected for Gap/Old Navy internships. Eighty percent (80%) successfully completed their three-month internships and 10 of 18 interns were selected by Gap managers to continue in part-time seasonal positions.

### HEALTHY AIR INITIATIVE

In September 2013, the CHA Board of Commissioners voted to approve the Smoke-Free policy for all CHA public housing properties. This policy will go into effect on August 1, 2014.

### POLICY AND TECHNOLOGY LAB

In FY14, the PT Lab hosted four interns, including a Rappaport Fellow who completed a Report and recommendations of Rent Collection Alternatives. In addition, the PT Lab formalized a partnership with Keene Housing (NH) to establish an East and West Lab. The Lab will allow interns and fellows the opportunity to work from either a rural or urban setting and share resources, as needed.

### POLICY

The Annual MTW Conference was held in February 2014. Following up on the Chicago Conference, MTW agencies developed recommendations to inform HUD of more effective MTW reporting tools in four distinct areas, Portfolio management, Demographics, MTW Activities and Finance. At the conference, HUD indicated that a 10-Year MTW Extension is likely to occur.

**30 YEARS**

of The Work Force program in operation at CHA.

**45  
WORK  
FORCE  
STUDENTS**

banked as part of the College Matched Savings Program.

**OVER  
\$600,000**

new funding sources secured for Resident Services programs.

**2 FAMILIES**

were placed in public housing through Pathways to Permanent Housing - Transition House, a new program addressing families of domestic violence.

## VOLUNTARY COMPLIANCE AGREEMENT

CHA continues to work towards the completion of its Voluntary Compliance Agreement with HUD's Office of Fair Housing and Equal Opportunity. In FY14 the remaining three (3) out of the four (4) units at Lincoln Way were completed. The first unit at Lincoln Way was completed in March 2012. In addition, CHA received approval of its RAD Phase I application. As a result, the construction schedule for the remaining 17 planned units have been folded into plans for RAD, Disposition (Millers River), and HILAPP (Jefferson Park State). Construction completion is anticipated to be 12/31/2014.

| VCA COMPLIANCE – SUMMARY |                 |              |                |   |
|--------------------------|-----------------|--------------|----------------|---|
| PLANNED UNITS            | COMPLETED UNITS | PLANNED DATE | COMPLETED DATE | STATUS  |
| 2                        | 2               |              | 03 / 2008      | Units completed at Lyndon B. Johnson Apartments         |
| 5                        | 5               |              | 12 / 2008      | Units completed at Frank J. Manning Apartments          |
| 5                        | 5               |              | 05 / 2010      | Units completed at Frank J. Manning Apartments          |
| 1                        | 1               |              | 03 / 2010      | Unit completed at Willow Street Homes                   |
| 3                        | 3               |              | 11 / 2011      | Units completed at Jackson Gardens                      |
| 1                        | 1               |              | 02 / 2012      | Unit completed at Lyndon B. Johnson Apartments          |
| 4                        | 4               |              | 03 / 2012      | Units completed at Lyndon B. Johnson Apartments         |
| 4                        | 4               |              | 08 / 2013      | Units completed at Lincoln Way                          |
| 17                       |                 | 12 / 2014    |                | Units in design as part of RAD, Disposition, and HILAPP |
| <b>42</b>                | <b>25</b>       |              |                | <b>TOTAL</b>  |

# GENERAL HOUSING AUTHORITY OPERATING INFORMATION

## DEPARTMENT HIGHLIGHTS

### PROPERTY MANAGEMENT/PUBLIC HOUSING

#### GENERAL HIGHLIGHTS

*Site-based waiting lists were restructured to better balance wait list time across CHA's portfolio.*

*A smoke-free policy for all CHA public housing was approved by the CHA Board of Commissioners in September.*

*Revisions to the Admissions and Continued Occupancy Policy (ACOP) and Lease commenced.*

*Transition to Market Rent added as part of ACOP revisions and a first step in implementation.*

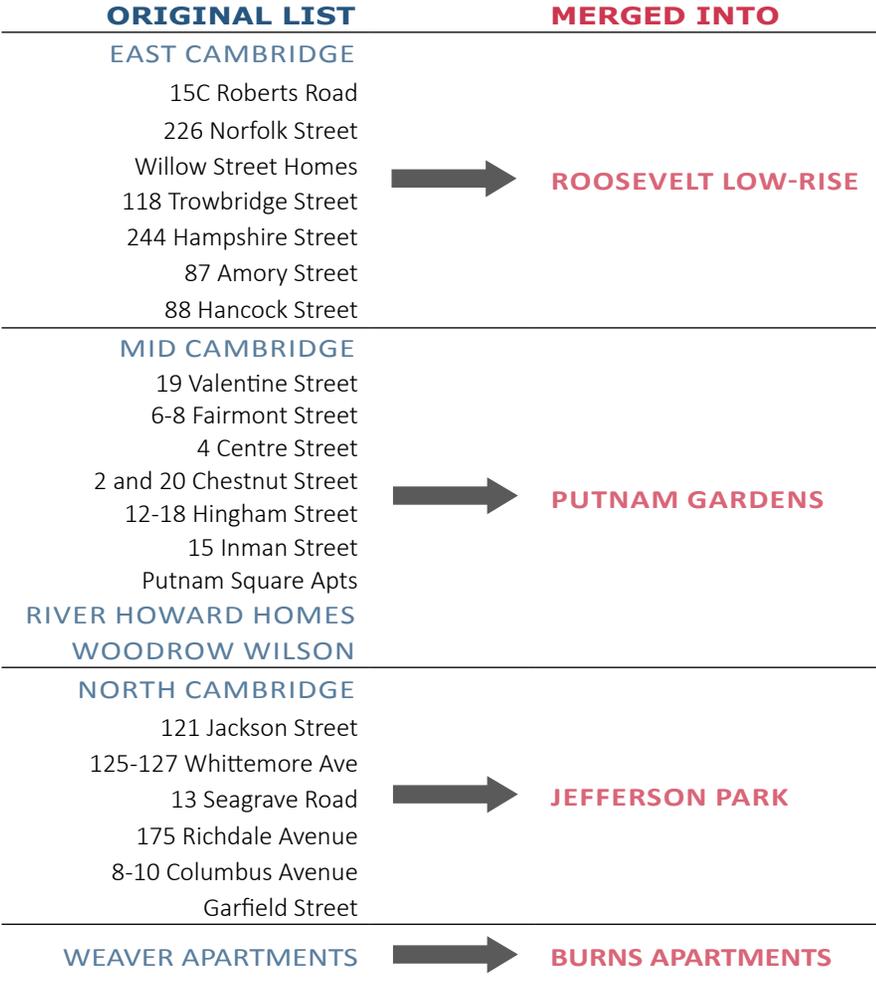
# PROPERTY MANAGEMENT/PUBLIC HOUSING

## WAITING LIST CONSOLIDATION

As of April 8<sup>th</sup>, 2013, CHA restructured its site-based waiting lists in order to better accommodate public housing applicants. CHA had long observed a significant imbalance in wait time between its various lists. Certain smaller developments accumulated long lines of applicants, many of whom were unaware of the extended wait time, while leasing officers struggled to fill vacancies for larger developments with short lists of applicants. Procedural changes required applicants to select a final development choice at an earlier stage in the process and exacerbated the problem.

To address the imbalance, CHA merged the smaller, slower waiting lists into existing lists for larger developments (see diagram). Although this fundamental change in the waiting list structure caused some temporary challenges as applicants were integrated into larger lists and smaller lists were eliminated, overall, the transition went smoothly and has resulted in greater balance between lists, increased fairness and opportunity for applicants, and decreased vacancy times.

In sum, 1,469 applicants were directly affected by the merge while others were tangentially affected because they were already on the larger lists (see column two) which absorbed the smaller ones. Applicants who lost a development choice or choices as a result of the merge were offered the opportunity to select supplementary lists.



## HEALTHY AIR INITIATIVE

Between October and November 2012, the Healthy Air Initiative, a group of CHA building managers and operations staff interested in developing a smoke-free policy researched non-smoking policies at 20 different housing authorities across the United States, including nine in Massachusetts. The goal of this research was to compile a database of successful implementation, enforcement and accommodation strategies. Through conversations with these housing authorities, the Healthy Air Initiative developed a survey for residents to assess how much support existed for a non-smoking policy and what percentage of CHA residents currently smoked and would be affected by a non-smoking policy. In November, the Healthy Air Initiative met with a small resident working group to review survey questions and the survey format. Surveys were mailed out to residents during the second week of January and surveys were collected by February 1st. The Healthy Air Initiative compiled all resident responses, including all additional comments that were included in the survey. The survey results were made available online and presented to interested residents at a meeting held at CHA on March 7, 2013. After recruiting four residents and two managers, the Healthy Air Initiative convened a Healthy Air Steering Committee to review policy examples and craft a policy for CHA. Over the course of six weeks, the steering committee examined different smoke-free policies and outlined the elements that they thought would work best in Cambridge. The steering committee developed a consequence system for violations, discussed the fast-track policy, and met with members of the Cambridge Health Alliance to create a plan for connecting CHA residents to smoking cessation programs and resources. In September of 2013, the Board of Commissioners voted to approve the Smoke-Free policy for all CHA public housing properties. This policy will go into effect on August 1, 2014.

## RENT REPORTING FOR CREDIT BUILDING

After numerous interdepartmental discussions and conversations with the Credit Builders Alliance and other potential partners, CHA decided to put the project on hold due to lack of on-time rent reporting that would be represented in residents' credit reports.

## ACOP AND LEASE REVISIONS

CHA began the process of revising its Admissions and Continued Occupancy Policy (ACOP) and Lease during FY14. CHA first formed an internal committee to update and amend both documents. Once the draft changes were completed, a public comment period was initiated. CHA then held a series of working sessions with resident leaders and local legal-aid and advocate groups to listen to and account for concerns relating to these changes. In FY15, CHA expects to finalize these changes and implement the new documents.

## TURNOVER DATA

CHA began holding public housing units in FY14 to accommodate relocation at Jefferson Park State. CHA is attempting to relocate 109 families to other public housing units in its portfolio. Vacancies were held during the negotiation of the relocation agreement and as a result, skewed turnover and vacancy data for the fiscal year.

## TRANSITION TO MARKET RENT

The Transition to Market Rent program provides financial support to households at or above 100% AMI (as established by HUD) interested in entering the private rental market. Transition to Market Rent assists these households in finding a unit in Cambridge by paying for the first and last month's rent, and security deposit. The payout calculation is based on CHA's Cambridge Payment Standards by bedroom size. Eligible households that remain at or over 100% of AMI and decide to stay in public housing can retrieve their cash incentive at any time within four years. Each year the initial cash offer is reduced by 25% and their rents will continue to be adjusted by the Consumer Price Index (CPI) for the Boston area starting FY14. Households at or above 100% AMI that choose to stay beyond their fourth year will be charged a rent equal to CHA's Cambridge Payment Standard. All cash payments will be made directly to a Cambridge landlord or as part of a unit purchase transaction. In FY14, CHA incorporated Transition to Market Rent into the revision process of the ACOP.

## **SAFETY + SECURITY**

CHA's Public Safety Administrator continued to coordinate monthly meetings with the Cambridge Police Department (CPD) and property management staff to provide timely information regarding crime and safety. It is the goal of the Public Safety Administrator to enter into partnership not only with the police and residents of all CHA developments, but also city agencies, public service providers and the business community to promote a better quality of life for all CHA residents. In FY14, the Public Safety Administrator completed the following:

- Conducted 9 lighting surveys throughout various developments
- Developed a new incident report for security monitors at Manning Apartments and provided training on its proper use.
- Attended quarterly meetings with the Local Emergency Planning Committee (LEPC) and a domestic violence support network (CABHART)
- Conducted 10 resident neighborhood meetings regarding phone and internet fraud.

## **AFFILIATES - SMALL CAPITAL IMPROVEMENTS CAMBRIDGE AFFORDABLE HOUSING CORPORATION (CAHC) ESSEX STREET MANAGEMENT, INC. KENNEDY MANAGEMENT, INC.**

### **PORTER RD HEAT PLANT**

In late 2012, CHA was approached by New Ecology, Inc. with a new utility funded program wherein they could offer free energy efficiency design and administration services to nonprofit and public service entities. The conversion of 78-80 Porter Road's oil fired boiler plant to a new high-efficiency natural gas system was determined to be an ideal project. Oil is the most expensive heating fuel and the delivery process and energy tracking is cumbersome compared to a utility supplied meter in the building. Conversion of the boiler plant was already a planned activity for future modernization work in the building and the conversion could be completed without negatively impacting the future scope of work. Furthermore, as an incentive, installation of the utility gas meter to the property was offered at no cost. In the end, the project obtained leverage funding in the amount of \$67,485 from the LEAN program as an energy efficient project. The funding covered a sizeable portion of the total project cost of \$207,000. The work was completed prior to the 2014 heating season and resulted in an immediate and significant energy cost savings for the property.

# LEASED HOUSING/HOUSING VOUCHER PROGRAM (HCV)

## MTW HIGHLIGHTS

*Two expiring use preservation projects (Smith House and Harwell Homes) were closed.*

## GENERAL HIGHLIGHTS

*The Leased Housing Department was restructured to a caseload basis to more effectively serve HCV participants.*

*New quality control measures have been instituted to improve service and decrease error rates.*

## **LEASED HOUSING/HOUSING VOUCHER PROGRAM (HCV)**

### **QUALITY CONTROL**

In an effort to increase quality control, additional layers of review have been implemented in the department. A designated leasing officer meets with individual leasing officers on a weekly basis to review two participant files completed by that leasing officer. Systemic issues have been identified during the reviews and appropriate staff training has been created to improve performance.

In addition to the individual QC, CHA has retained services from a neutral third party to review at least 3 files per leasing officer on a quarterly basis. Approximately 95 files have been reviewed and a report was distributed to each leasing officer for coaching and training purpose.

The overall error rate decreased from 29% in March 2013 to 27% in the fiscal year. A resource guidance was created to better support the staff.

### **MIXED FAMILY RENT**

CHA continued to apply a 10% surcharge to the initial family total tenant payment (TTP) for households with mixed immigration status. In FY14 four (4) families maintained this status.

### **CLIENT BASED SERVICES**

Effective November 1, 2013, the Leased Housing department restructured its services from a task-based to a client-based system wherein each leasing officer is assigned HCV participants and works with them from lease-up to end-of-program. With this caseload focus, each leasing officer is responsible for all tasks pertaining to his/her clients as required by HCV regulations, with the exception of inspection. CHA contracts a third party company to complete the initial and additional inspections in accordance with the Administrative Plan.

## PLANNING + DEVELOPMENT

### MTW HIGHLIGHTS

*American Recovery and Reinvestment Act (ARRA)-funded projects under CHA's Public Housing Preservation Program were completed.*

*CHA's RAD Phase I was awarded and involves 1,151 public housing units with an associated construction cost of \$178 million.*

*CHA secured over \$16 million from the Commonwealth of MA (10 million) and the Cambridge Affordable Housing Trust (\$6.37 million) to complete the \$31.8 million reconstruction project at Jefferson Park State.*

*Construction of 40 new units on Temple Street broke ground.*

### GENERAL HIGHLIGHTS

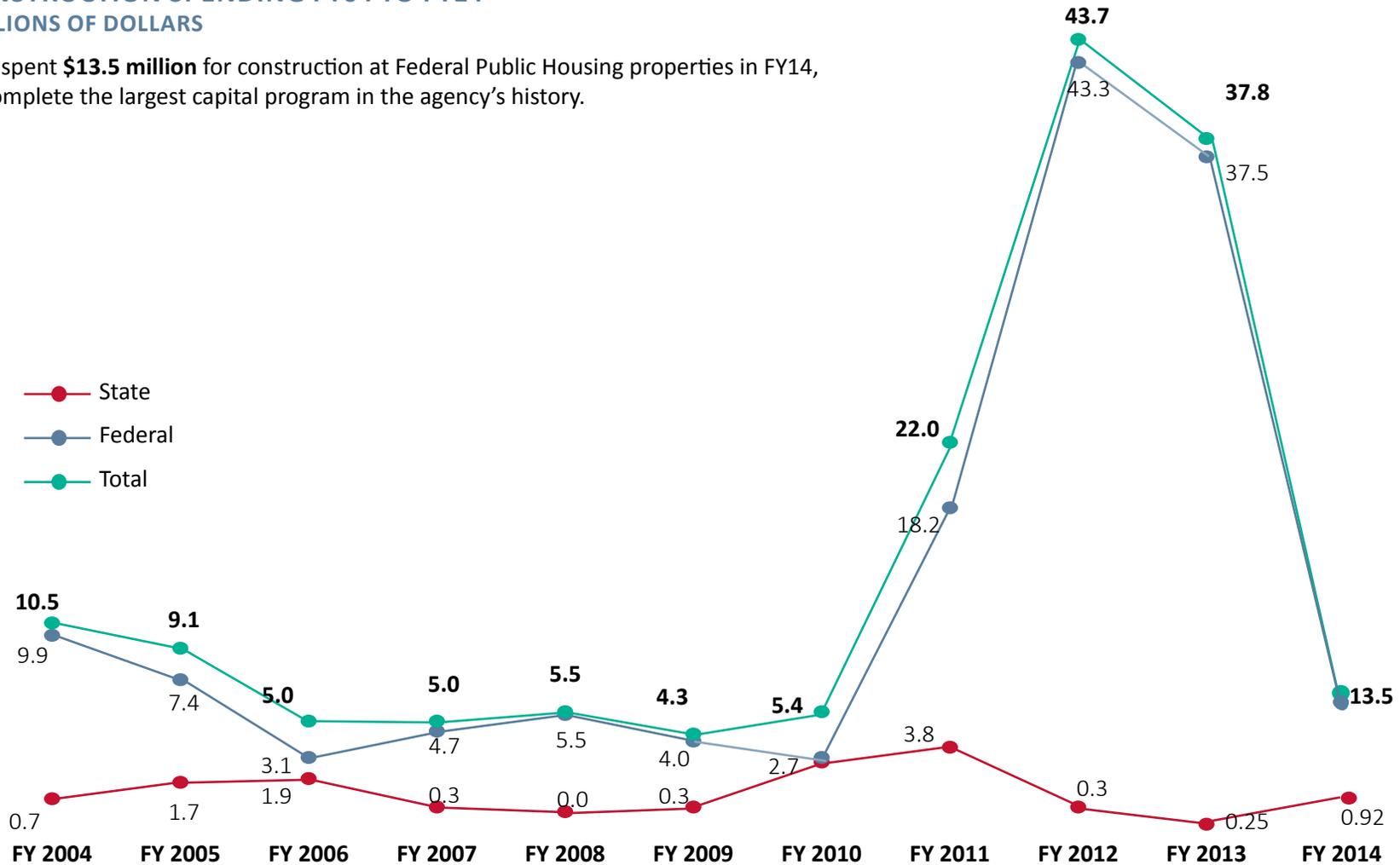
*All remaining construction under ARRA were completed and averaged \$63 million in the local economy per year over 4 years.*

## PLANNING + DEVELOPMENT

During FY14, approximately **\$13.5 million** was spent on construction-related modernization and redevelopment work. CHA completed its mixed finance redevelopment at Lincoln Way and the rehabilitation of new offices at 362 Green Street. In addition, significant effort was devoted to planning and securing financing for Phase 2 of the Cambridge Public Housing Preservation Program (CPHPP). Award of RAD is a key component to converting public housing assets to a project-based subsidy model. Construction spending in FY14 relative to the previous nine fiscal years is shown in the following chart:

### CONSTRUCTION SPENDING FY04 TO FY14 MILLIONS OF DOLLARS

CHA spent **\$13.5 million** for construction at Federal Public Housing properties in FY14, to complete the largest capital program in the agency's history.



## COMPLETION OF ALL ARRA-FUNDED ACTIVITIES

In FY14, CHA completed the remaining construction activities associated with its five ARRA grants (four competitive grants and one formula funded). This resulted in the largest capital infusion into CHA's housing stock in its 79-year history. **ARRA funding totaled \$28.3 million** and leveraged \$66.9 million in non-federal funds. **Every ARRA dollar leveraged \$2.39 in additional funding.** Based on a regional economic multiplier for the Boston area<sup>1</sup>, the ARRA funding plus leveraged funds resulted in the addition of \$189 million in the local economy over three years or \$63 million per year. In terms of jobs, this equates to 419 full time jobs per year. The ARRA program was extremely successful in Cambridge and surpassed the projections established by Congress when the bill was passed in 2009. Construction completed in FY14 is detailed accordingly.

### LINCOLN WAY AND JACKSON GARDENS REVITALIZATION

\$40.6 million construction contract

\$5.9 million expended in FY14

Using a \$10 million award received through ARRA, CHA leveraged over \$40 million in state, local, and private funding to drive the revitalization of Lincoln Way and Jackson Gardens.

Construction at Jackson Gardens started in June 2010 and was completed in November 2011. This project required gut rehabilitation of all building systems and finishes. Exterior building additions were added to expand the square footage in undersized units, especially kitchen and dining spaces. Significant interior refurbishment took place, including the installation of new plumbing, heating and electrical systems. New windows are heavy-duty, energy efficient fiberglass framed with low-E insulated glazing. Energy star appliances, efficient lighting, degree limiting thermostats, and low-flow faucets, showers, and toilets were installed. The Jackson Gardens rehabilitation complies with the "Green Communities" and Energy Star efficiency standards.

At Lincoln Way, CHA replaced sixty existing units with seventy new units. The final construction phase was completed in August 2013.

1. Assessing the Economic Benefits of Public Housing – Final Report, prepared by Econsult Corporation, January 2007, page 19.

The design features a contemporary appearance with large upper-floor windows and extremely durable exterior materials, including glass-fiber reinforced pre-cast concrete panels at the ground floor and insulated steel siding above. A new community center/management office was also constructed. As with Jackson Gardens, the new development was completed in accordance with "Green Communities" and Energy Star efficiency standards, and includes sustainable design features such as photovoltaic panels (120kw).

### LYNDON B. JOHNSON APARTMENTS

\$32.4 million construction contract

\$3.5 million expended in FY14

The substantial rehabilitation of this property resulted in a transformative change to the building's energy consumption and cost profile. Extensive rehabilitation was completed to correct serious building system and envelope deficiencies as a precursor to other modernization and related energy improvements. The project was substantially completed in FY13.

The construction contract was closed out and retainage was released in FY14. In addition, a claim due to dust contamination in the penthouse was successfully settled with the contractor, subcontractors and insurance companies.

## NON-ARRA FUNDED ACTIVITIES

### ELEVATOR UPGRADES AT DANIEL F. BURNS APARTMENTS, HARRY S. TRUMAN APARTMENTS, AND ROOSEVELT TOWERS

\$1.5 million construction budget

\$92,000 expended in FY14

CHA is in construction on two new traction elevators at Roosevelt Towers and planning elevator work at Truman Apartments and Burns Apartments. This work began in FY14 and will primarily be financed through the energy cost savings from the new elevator equipment. Work will include replacing old motors and associated drives with new systems that reduce energy by using less electricity during operations and generating less heat (which reduces HVAC demand for the hoistway machine room). Regenerative drives will

also be installed allowing the breaking force of the elevators to create electricity that will help to power other systems in the buildings. Lastly, the controllers, selectors, door operators and cab interiors will be completely renovated.

#### **ENERGY EFFICIENCY IMPROVEMENTS AT VARIOUS LOCATIONS**

\$5 million construction budget

\$525,000 in expected expenditures from FY 2014 through FY 2018

In FY15 CHA completed the interconnection of rooftop solar arrays at two developments, Lincoln Way and Jefferson Park. Lincoln Way is now host to a 115 KW rooftop installation which is estimated to provide 100% of the common electrical use at the site. An 89 KW rooftop solar array was installed at Jefferson Park. The generation from the panels is estimated to provide 40% of the common electrical load. These installations continue to bolster CHA's portfolio of onsite generation, which in turn benefits CHA financially as well as the local community in reducing both Greenhouse Gas emissions and ancillary health pollutants such as Sulfur Dioxide, Nitrogen Oxide and Mercury. Both of these projects were installed as part of a Power Purchase Program (PPA) with Boston Community Capital. CHA expended funds to assure solar ready rooftops, some additional tree trimming and overall coordination.

CHA continued to partner with the local Weatherization Assistance Program (WAP) to achieve electrical conservation measures at various locations. Together with our funding partners, CHA achieved complete LED lighting retrofits at five properties with the fixtures and electrical work fully funded via the WAP program. The value of this work was over \$500,000 with an estimated annual kWh reduction of 550,000 an operating savings of \$70,000 annually. CHA provided coordination necessary to complete the work, which involved exterior, site lighting, common areas and replacement of fixtures in the units. In addition to lighting fixtures, over 600 energy efficient light bulbs were replaced in residential units.

As of this writing, two heating related projects are underway. Weatherization funding has been provided for the replacement of an aging and inefficient hot water plant at Putnam Gardens as well as the conversion of an existing electric resistance heating system with Air

Source Heat Pumps at Weaver Apartments. Water saving and lighting retrofits are also moving concurrently with the heating conversion. These projects total \$550,000 of funding provided through WAP and additional MTW funds to fund clerking and project coordination.

#### **HANDICAPPED ACCESSIBLE IMPROVEMENTS – VARIOUS LOCATIONS**

\$750,000 construction budget

Based on a Voluntary Compliance Agreement (VCA) with HUD's Office of Fair Housing and Equal Opportunity, CHA was required to create 42 additional wheelchair accessible units. By March 2014, 25 units have been completed. Due to funding constraints, construction of the remaining 17 units will be achieved under RAD and the disposition of Millers River Apartments. For additional details see the VCA Overview chart on **page 12** of this Report.

#### **NEW CENTRAL OFFICE, RECONSTRUCTION OF 5 WESTERN AVENUE**

\$18.8 million total construction (\$21 million total development)

\$1.5 million CHA contribution

\$4.04 million expended in FY14

CHA was appointed by the City of Cambridge to oversee the redevelopment of the historic Police Station in Central Square. The new building houses CHA's Central Office, along with the Cambridge Multi-Service Center and the Community Learning Center. Preliminary construction, including hazardous material abatement and demolition, started in October 2011 and construction was completed in April 2013. Relocation of CHA operations was completed in June 2013. CHA contributed approximately \$1.5 million in capital funds (all to soft costs) to support the \$21 million redevelopment effort. The remaining balance was supported by City-issued general revenue bonds.

#### **AFFILIATES**

**CAMBRIDGE AFFORDABLE HOUSING CORPORATION (CAHC)**

**ESSEX STREET MANAGEMENT, INC.**

**KENNEDY MANAGEMENT, INC.**

### **195 PROSPECT STREET**

Cambridge Affordable Housing Corporation (CAHC) completed the refinancing of a twenty unit apartment building at 195 Prospect Street in December 2012. In addition, improvements to the building envelope were completed with included a new roof, soffit repairs and painting.

### **TEMPLE PLACE**

After years of challenges, CAHC started the construction phase of 40 new units of deeply affordable housing located at the former site of the YWCA Pool on Temple Street in the heart of Central Square. This new, five-story apartment building will be completed by the end of FY15 and will contain 25 two-bedroom units and 15 one-bedroom units in a 43,000 square foot development that was first envisioned over seven years ago. Temple Place is being financed with funds generated through the Low Income Housing Tax Credit (LIHTC), funds from the City of Cambridge and the Cambridge Affordable Housing Trust, the Massachusetts Department of Housing and Community Development (DHCD), as well as private construction and permanent financing from the East Cambridge Savings Bank. Deep affordability will be achieved at the property through a long-term Project-Based Section 8 Housing Assistance Payment.

### **PORTER ROAD**

Porter Road, a 26 unit building in the heart of Porter Square, was not approved for 9% low income housing tax credits by the Commonwealth due to the priorities established in the Qualified Allocation Plan. As such, it will not be eligible to utilize 4% tax credits until 2019. CAHC therefore refinanced the mortgage on the property in December 2013 and will implement a five year capital program from reserves, while the building is slowly converted to affordable housing using mobile Section 8 vouchers.

## **FY14 MODERNIZATION AND REDEVELOPMENT GOALS**

### **CAMBRIDGE PUBLIC HOUSING PRESERVATION PROGRAM (CPHPP) PHASE 1 - ARRA-FUNDED**

**STATUS: COMPLETED**

All CPHPP Phase I construction projects were completed by the end FY14. Construction work primarily involved the \$26 million in construction at Lincoln Way which was completed in FY14. Phase 1 also included \$46 million in construction at Jackson Gardens and Lyndon B. Johnson Apartments, which were substantially completed in November 2011 and December 2012 respectively.

### **AGENCY-WIDE PLANNING PROCESS FOR CPHPP AND FUTURE PHASES**

**STATUS: UNDERWAY**

CHA's city-wide planning process was completed in FY14 and culminated in eleven meetings around the City and a public meeting. Applications for a portfolio-wide conversion to project-based assistance under HUD's Rental Assistance Demonstration (RAD) were submitted in October and received HUD approval in December. The first phase of RAD consists of 1,151 units with an associated construction cost of \$178 million (\$83,500 per unit). The second round of RAD applications is planned for late 2014 and will include the remaining 979 units in CHA's federal public housing portfolio with an associated construction cost of \$39 million. CHA anticipates that approximately 34 vouchers will be allocated for this initiative.

### **RAD IMPLEMENTATION**

**STATUS: UNDERWAY**

RAD includes the revitalization of Frank J. Manning Apartments and the modernization of Washington Elms, Newtowne Court, Putnam Gardens and Woodrow Wilson Court. In addition to completing the preliminary design work for each project, CHA developed a preliminary financing plan specific to Phase 2 that includes transforming the properties to a project-based rental assistance

model. Such a transformation is essential to ensuring adequate and reliable funding, and providing access to private financing in order to meet the properties' renovation needs.

#### **MILLERS RIVER REVITALIZATION**

**STATUS: DISPOSITION APPLICATION TO BE RESUBMITTED IN FY15**

Due to overall obsolescence and major capital needs, Millers River was not financially feasible under RAD. The building was originally proposed for disposition under Section 18 of the U.S. Housing Act of 1937 (as amended) and included in a "dispo" application to HUD's Special Applications Center (SAC). Unfortunately, this application was not approved and CHA is revising the application for resubmission to the SAC. If approved, Low Income Housing Tax Credits (LIHTCs), private debt and state and local resources would be used for intensive capital improvements, including the upgrade of all obsolete building systems. Like RAD, Millers River will be converted to project-based assistance. It is anticipated that construction will occur in parallel with RAD in FY16.

#### **JEFFERSON PARK STATE**

**STATUS: FUNDING SECURED AND CONSTRUCTION TO BEGIN**

During FY14 CHA advanced its plans to redevelop Jefferson Park, the sole remaining state-funded family public housing development in CHA's portfolio. In June 2013, CHA submitted a funding application for \$10 million to the Commonwealth's new High Leverage Asset Preservation Program (HILAPP). The State approved the application in December 2013 after a crucial commitment of \$6.37 million from the Cambridge Affordable Housing Trust earlier in the year. Construction costs at Jefferson Park are estimated at \$31.8 million for reconstruction of 98 units. CHA will provide 98 project-based vouchers to cover a portion of the operating costs and debt service for the new units. It is anticipated that construction will start in Fall/Winter 2014.

#### **ADMINISTRATIVE OFFICES**

**STATUS: COMPLETED**

The \$21 million reconstruction of the historic Cambridge Police Station on behalf of the City of Cambridge was completed in April 2013 and occupied in May 2013. The building houses CHA's new administrative offices, as well as offices for the Cambridge Multi-

Service Center and the Community Learning Center. The Central Office relocation affords CHA with a long-term presence in the City of Cambridge for at least another 50 years. The reconstruction of the building was substantially funded by a City Bond issue.

## ENERGY

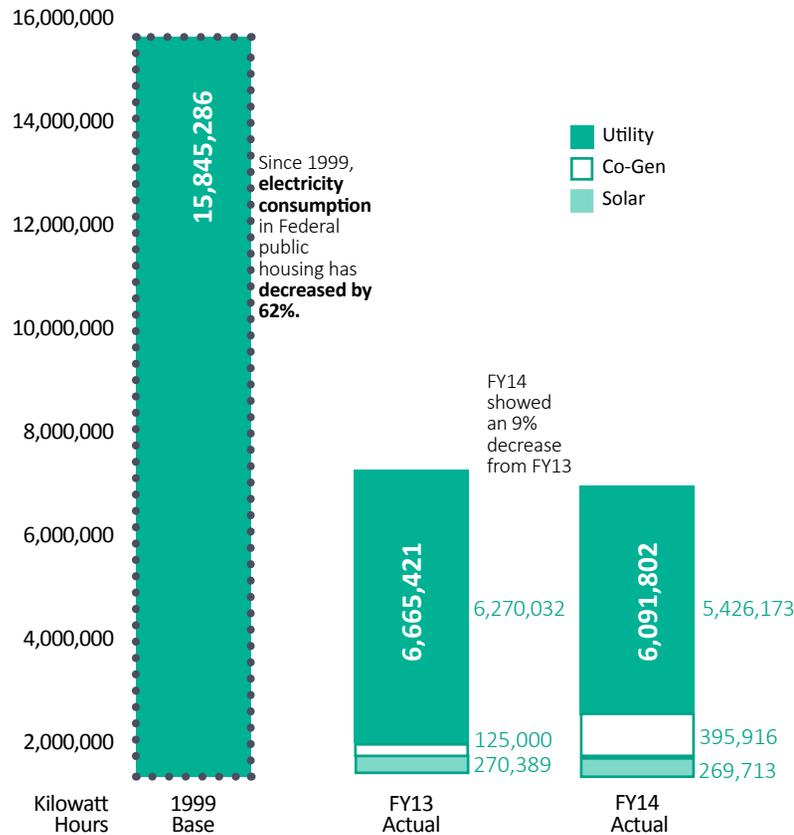
Since the initiation of the MTW program CHA has made substantial change in our energy profile. **Electricity consumption has been reduced by 63% over the term of the MTW Agreement**, with consistent annual reductions in electricity use. Additionally, in concert with our community partners **CHA now generates over 10% of our electricity at the property**, resulting in significant cost savings and emissions reductions.

The reduction in electricity consumption has been partially offset by increased gas use, as three of CHA’s high rise developments have been converted from electricity to gas fuel as a heating source. As a result, gas consumption has increased by 30% over the term of the MTW Agreement. However, the transition has resulted in over \$1 million in cost savings over the term of the agreement as well as substantial reductions in greenhouse gas emissions. **The reduction in carbon dioxide alone is the equivalent of removing 900 cars from area roadways.**

### ELECTRICITY

#### KILOWATT HOURS (KWH)

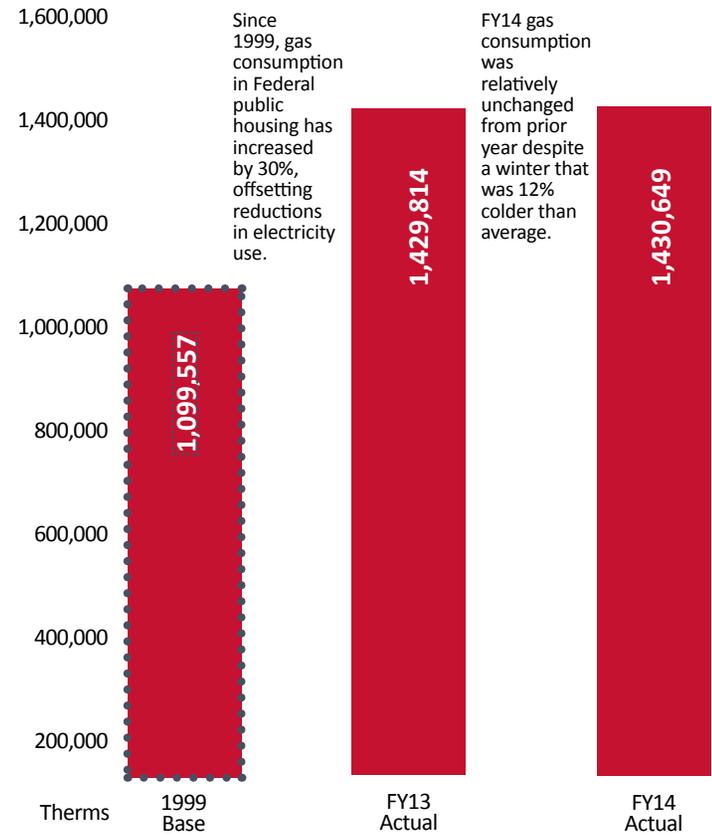
The decrease in electricity consumption has resulted in an **annual savings of \$1,332,814** assuming a rate of \$0.13665/kWh.



### GAS

#### THERMS

The increase in natural gas consumption has resulted in an annual cost of \$481,242 assuming a rate of \$1.45/Therm.

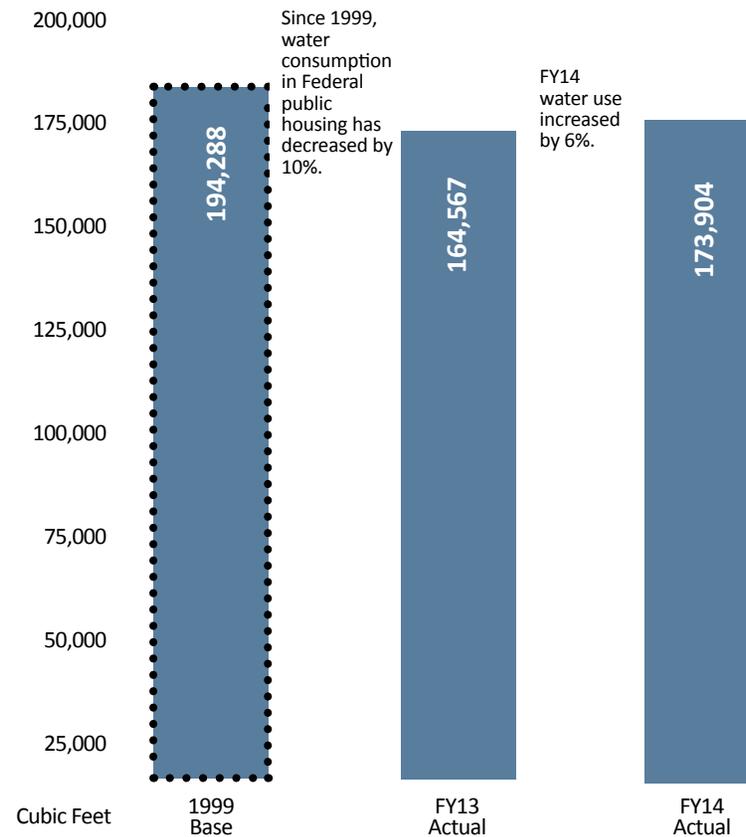


CHA has been more challenged making steady gains in overall water reduction. Water consumption has decreased by over 10% since the initiation of the MTW agreement, however in FY14 water consumption increased by 6% from the year prior. This increase has more to do with ageing infrastructure than a failure to implement water savings goals. CHA has great success with water reduction when combined with a larger modernization, achieving significant savings. With two recent modernizations, infrastructure improvements were paired with standard water savings measures such as reduced flow aerators, showerheads and toilets resulting in over 50% reduction. Absent modernization the high rise buildings in particular have suffered from inadequate water pressure, which when paired with water conservation measures has resulted in insufficient delivery of hot water through the building.

CHA is working to address the degradation of water savings by regular water reporting, investigation of high reads, and the addition of a water conservation checklist to the unit turnover and annual inspection checklist. In addition to adopting decreased flow rates for water fixtures, CHA is also investigating providing high efficiency washers upon rehabilitation of the family developments. Currently residents provide their own washers which can result in water use upwards of 40 gallons per load versus high efficiency machines which now commonly use 15 gallons per load. CHA looks forward to achieving significant water savings with our next round of modernization work under the RAD program.

## WATER CUBIC FEET (CCF)

The decrease in water consumption has resulted in an annual savings of \$340,008 assuming a rate of \$11.44 / CCF.



## RESIDENT SERVICES

### MTW HIGHLIGHTS

*Work Force Alumni Survey (2003-2013 graduates) completed.*

- *95% college matriculation for Class of 2013*
- *Over 85% college matriculation average in past 10 years.*
- *Over 60% of alumni surveyed since 1999 have not lived in public or Section 8 housing 6 or more years after Work Force graduation*

*The Work Force - 30 years of service.*

*Pathways to Permanent Housing - Transition House implemented with placement of 2 families in public housing.*

### GENERAL HIGHLIGHTS

*Between youth enrolled in the Work Force and the This Way Ahead, Resident Services department served 30% of its teen residents, ages 13 to 18.*

*The first cohort of 45 Work Force students banked for College Matched Savings program.*

*CHA received a three-year grant of \$170,000 from the Maxine S. Jacobs Foundation for the College Matched Savings.*

*CHA selected as the third This Way Ahead (funded by Gap, Inc.) site in the US and successfully completed its first year of operation beginning with 39 students.*

*CHA played pivotal role in formulating an Office of College Success funded by the City of Cambridge to support low-income students who reside in the City and attend college.*

## PROGRAMS + SERVICES

|  |   | PROGRAM NAME  | FY14 NO. SERVED   | MTW BLOCK GRANT <sup>1</sup> | TOTAL FUNDS   | FY14 HIGHLIGHTS AND UPDATES   | OPTIMAL CAPACITY (ANNUAL BASIS)  |
|--|---|---|---|------------------------------|---|---|--|
| EARLY CHILDHOOD  | Pre- and Postnatal                                      | <b>Baby U</b>   | 45 Families   |                              |   | 80% completion rate.  | 40 Families  |
|  |   | <b>Baby U Alumni Association</b>  | 142 Families  |                              |   | 40 families graduated into the alumni association.  | 142 Families and growing   |
|  | Pre-school  | <b>Parents ROCK / Pathways</b>  | 30 Families<br>52 Kids  |                              |   |   | 12 Families<br>12+ Kids  |
|  | Elementary  | <b>DREAM Mentoring</b>  | 16 Youths   | \$2,237                      | \$28,915  |   | 20 Youths academic yr<br>30 Youths summer                              |
| YOUTH  | Upper School  | <b>Work Force</b>   | 185 Youths  | \$177,684                    | \$610,322   | 30 years of service.<br>4th Site at High School became fully operational.   | 185 - 200 Youths   |
|  | High School   | <b>Work Force - College Savings Accounts</b>                                  | 45 Youths   |                              |   | Program officially launched in the Fall.  | 185 - 200 Youths starting in FY16                                      |
|  |   | <b>This Way Ahead - Gap, Inc.</b>   | 33 Youths   |                              |   | CHA selected as 3rd site nationally.<br>Completed first year.   | 100 Youths   |
|  |   | <b>Big Brother Big Sister Program</b>   | 106 Youths  |                              |   | A 25% increase in participation in the last year.   | 110+ Youths  |
|  | Post-Secondary  | <b>Bridge-to-College Program</b>  | 9 Adults  | \$361                        | \$17,154  | Several will be attending community college.  | 10 Adults  |
| ADULT  | All Adults  | <b>Community Computer Centers</b>   | 200 Youths<br>180 Adults  | \$2,453                      | \$19,695  |   | 200 Youths<br>180 Adults   |
|  |   | <b>Cambridge Employment Program</b>   | 92 Adults   | \$8,010                      | \$122,969   | 92 CHA residents served from July 2013 - April 2014.<br>There were 31 job placements during the same time.  | 95 Adults  |
|  |   | <b>Innovations in ESOL</b>  | 24 Adults   |                              |   | New program started in FY14.  | 30 Adults  |
|  |   | <b>Gateways Adult Literacy</b>  | 180 Adults  |                              |   |   | 150 Adults   |
|  |   | <b>Supporting Opportunity, Achieving Results (SOAR)</b>                       | 71 Adults   |                              |   |   | 225 Adults   |
|  |   | <b>Career Family Opportunity (CFO)</b>  | 16 Adults   |                              | 327,227   | Program discontinued in March due to budgetary constraints.   | 40 Adults  |
|  |   | <b>Family Opportunity Subsidy (FOS)</b>                                       | 15 Adults   |                              |   | Program modified with focus on family stabilization.  | 45 Adults  |
|  |   | <b>Family Stability and Savings (FSS+)</b>                                    | 101 Adults  | \$56,250                     | 56,250  | Received a planning grant to explore feasibility of expanding the program to all CHA residents.   | 200+ Adults  |
|  | <b>Pathways to Permanent Housing - Transition House</b> | 2 Families  | \$48,774  |                              | Forty-six (46) additional individuals received direct service from the community liaison. Eight (8) were CHA residents. | 2 Families  |  |
|  | Aging in Place  | <b>Elder Service Coordinators</b><br>Services contracted through CASCAP, Inc. | 640 Elderly Adults  |                              |   | Maintained 5 full-time coordinators. A part-time coordinator position has been vacant for over 6 months. Activities included Farmer's Market, healthy eating group, emotional support group, a short story group, informational sessions, coffee hours, birthday parties, lunch and shopping trips. | 1,035 Elderly Adults<br>(non-PACE residents in elderly public housing) |
|  | <b>PACE Elder Service Plan</b>                          | 38 Elderly Adults   |   |                              | For eligible CHA residents and community members.   | 45 Elderly Adults   |  |
| <b>TOTAL</b><br>(The total does not remove duplicates. Household members may be counted more than once if they participated in more than one program.) |   |   | 637 Youth + Kids<br>904 Families (Adults)<br>678 Elderly Adults | \$295,769                    | \$1,182,532   |   | 854 Youth + Kids<br>1,171 Families (Adults)<br>1,080 Elderly Adults    |

1. MTW Block Grant amounts are inclusive of block grant commitments from previous years.

## RESIDENT SERVICES

The following includes FY14 highlights of the department.

### THIS WAY AHEAD PROGRAM - GAP, INC.

In early FY14, CHA was selected by Gap, Inc. to operate their This Way Ahead (TWA) program in the greater Boston area. With sites already established in San Francisco and New York City, TWA is a job training and retail internship program that targets low-income youth, ages 16 to 21. Participants selected for the program receive 8 weeks of paid job training and career-readiness workshops (16 total weeks). Roughly 50% of each cohort is selected for summer positions, and all students receive several months of follow up support after completion of the program.

In CHA's first year of operation, 39 students were selected for the program and 33 successfully completed the intensive 8-week training. Upon training completion, 18 participants were selected for Gap/Old Navy internships and 13 were received other summer job placements. Eighty percent (80%) successfully completed their three-month internships and 10 of 18 interns were selected by Gap managers to continue in part-time seasonal positions.

A questionnaire was distributed to the first cohort of participants pre and post internship. Outcomes from the questionnaire indicate gains in designated areas.

- **79%** experienced an increase in **understanding how to access resources and information.**
- **60%** experienced an increase in **confidence and belief in future attainment of career success.**
- **68%** experienced improved skills in **conflict resolution.**
- **43%** experienced improved skills in **personal and professional networking.**
- **49%** experienced improved skills in **financial management.**

## COLLEGE SUCCESS INITIATIVE – CAMBRIDGE

In the fiscal year CHA played a pivotal leadership role working with the City's Department of Human Services to develop the College Success Initiative. The Initiative involved a consortium of youth development agencies working to support success of low-income students in post-secondary education. The initiative culminated into the creation of a city-wide *Office of College Success*. The Office will be subsidized by the City and formalize, coordinate, and expand the service system city-wide to better prepare Cambridge students for college as well as organize follow up support for students who have already matriculated to college.

## THE WORK FORCE

In FY14, the Work Force celebrated its 30th year of service. One measure of its success is the addition of a 4th Work Force site that began in FY12, with the goal of better serving Section 8 households. This site located at the public high school and subsidized by the Cambridge Public Schools became fully operational in FY14, serving all five program levels for a total of 45 students. In addition, Work Force staff served as hosts to 40 program families during both the fall and spring Parent/Teacher Conference Nights, and hosted a College Financial Aid and Selection event for parents of program seniors. Program staff have been recipients of more in-service training at the high school, participating in teacher workshops on topics such as curriculum development, special education, and the creation and use of individualized education plans.

## THE WORK FORCE COLLEGE MATCHED SAVINGS PROGRAM

The Work Force College Matched Savings Program was officially launched in late fall 2013. The program focuses on developing strong financial habits and increasing personal savings for college. Like a number of CHA initiatives, the Matched Savings component incentivizes and supports asset building of assets as a vehicle to enhance long-term financial stability and economic mobility among

residents. Working with Cambridge Savings Bank and the Midas Collaborative, the savings component was instituted in the 2014 spring semester for the 10<sup>th</sup> grade class of 45 students.

### **PATHWAYS TO PERMANENT HOUSING – TRANSITION HOUSE**

The Pathways to Permanent Housing program, in partnership with Transition House, was initiated in August 2013 to address homelessness resulting from domestic violence. In FY14, two families were placed in public housing under the Pathways program. The program includes funding to support a community liaison to provide direct service to affected CHA residents and outreach and support to CHA staff and community. During the fiscal year 46 individuals were provided direct service, of which 8 were CHA residents. Core services included but were not limited to domestic violence counseling, safety planning, legal support, and housing-related assistance. The Community Liaison also provided weekly walk-in hours at CHA.

### **MENTORSHIP FOR MIDDLE-SCHOOL STUDENTS (DREAM)**

DREAM (Directing through Recreation, Education, Adventure, and Mentoring) is a non-profit mentoring program that pairs freshmen college students with middle-school aged youth living in subsidized housing developments. In 2010, Resident Services formalized a partnership with DREAM and, after careful consideration, based the program at Putnam Gardens family development because of its proximity to the Harvard campus and the relative lack of services for pre-adolescents.

In the first two years, DREAM maintained 9 mentoring matches, and worked with 30 to 35 teens during the summers. In FY 2014, the program established 16 matches.

### **BABY UNIVERSITY**

Baby U is an intensive sixteen-week parent education and child development program primarily targeting public housing parents.

Upon program graduation, parents can participate in the Alumni Association, which provides monthly educational and social activities designed to foster a climate of continued learning and create a network of ongoing support.

In FY14, Baby U attained an 80% program completion rate, graduating 45 parents (including 35 families and 12 fathers), and completing home visits and playgroups for 47 children. In addition, CHA continued to serve as a key member of the City's Baby University steering committee. Central to the steering committee was the completion of a long-term strategic plan. The committee adopted a plan that focused on securing increased funding to deepen the services of the current program. The committee also chose to serve predominantly low-income parents, and to provide extended follow up services to families until the child enters kindergarten. In order to preserve parent proximity and serve areas of greatest need, the core program draws families from specific regions of the city on a rotating basis.

### **GATEWAYS ADULT LITERACY AND INNOVATIONS IN ESOL PROGRAMS**

In FY14, CHA continued its collaboration with the City's Community Learning Center in offering English classes for speakers of other languages (ESOL) and language-enhanced computer classes to CHA residents. The program served 158 individuals.

In FY14 CHA and Community Learning Center were awarded a grant to test an innovative and collaborative approach to teaching English to immigrants through distance learning and a network of supports at computer center sites. The program was designed to serve adults whose work and childcare schedules prevented them from taking full academic-year classes provided by the Gateways program. The program maintained a class of 24 during the fiscal year. Additional funds will be sought in FY15 to further test and refine the program's unique combination of on-line classes and site-based language groups.

## BRIDGE-TO-COLLEGE

The Bridge program provides individual counseling and classroom instruction to high school graduates and GED holders who are not academically prepared for college level coursework. In FY14, CHA continued to subsidize the Bridge-to-College Program in collaboration with the City's Community Learning Center and nine residents completed the program. Several will be matriculating to the local community college in the fall.

## NEW FUNDING SOURCES PURSUED

### MAXINE S. JACOBS FOUNDATION -- \$170,000

CHA received a three-year grant totaling \$170,000 from the Maxine S. Jacobs Foundation. These funds were directed to the Work Force College Success Initiative in support of the College Match Savings Program. The funding covers the monetized incentives, one-to-one match dollars, account custodial costs, and other incidental costs over a three-year pilot period.

### GAP, INC. -- \$396,353

In light of CHA's successful program launch in April 2013 and the impressive performance results achieved with the first cohort, CHA renegotiated a long-term contract with Gap, Inc. (philanthropic wing of Gap international clothing chain) to include more financial support for the final two years of a three-year contract for This Way Ahead (TWA).

### CAMBRIDGE PUBLIC SCHOOLS (CPS) - \$50,000

In FY14, Resident Services laid the groundwork to secure additional funding in the coming year from the Cambridge Public Schools for the Work Force program site located at the high school. In the fiscal year CPS covered half of the site's operating costs. Through the creation of new partnership outcomes, CHA hopes to procure an additional \$50,000 for new initiatives that further expand the relationship between the Work Force and high school personnel. If successful, CPS's contribution to CHA academic and summer youth development programming would be slightly over \$200,000 annually.

### THE HOGAN FOUNDATION - \$35,000

In December 2013, CHA in partnership with Compass Working Capital received a planning grant of \$35,000 to explore the feasibility of expanding the Financial Savings and Stability Plus (FSS+) program to include automatic rental assistance asset accounts for HCV participants and public housing residents. Additional partners include Abt Associates and Edgemere Consulting.

## SECTION 3

In FY14, CHA revised and augmented the Section 3 Plan to include the following:

- a new partnership with Just-A-Start Youthbuild program, a
- policy that channels Equal Employment Opportunity penalty fees into the Work Force Scholarship Fund,
- updated information and data on the full range of Resident Services programs that support Section 3 mandates and goals.

CHA senior staff are in the process of reviewing the revised document, and hope to produce a plan for public comment in early FY15.

## TENANT SERVICES

During the fiscal year, CHA's tenant liaison worked intensively with CHA residents and HCV participants on the Healthy Air Initiative, supporting the elections process for eight (8) Tenant Councils, facilitating communication between the Alliance of Cambridge Tenants (ACT), Tenant Councils and CHA as well as following up on requests for information from ACT and/or Tenant Councils. Furthermore, various types of training were made available to resident leaders such as one (1) Conference/Grievance Panel Training and nine (9) training sessions on Reasonable Accommodation. Furthermore, Boston Resident Training Institute (BRTI) was retained to provide a series of four (4) workshops.

## CENTRAL OFFICE

### MTW HIGHLIGHTS

*Formal partnership established with Keene Housing to expand the Policy and Technology Lab.*

*RAD award has allowed accelerated capital planning efforts which will include free internet access at specific sites.*

### GENERAL HIGHLIGHTS

*New Directors in Property Management/Public Housing, Leasing/HCV, and Fiscal Departments.*

*New Central Office is fully operational.*

## CENTRAL OFFICE

### CUSTOMER SERVICE + COMMUNICATIONS

In January 2014, CHA adopted a new logo, which is being incorporated into revisions of agency fact sheets, and CHA's website. The website redesign continues with plans to meet with resident and advocacy groups to test features of the site. Beta launch of the website is scheduled for late May 2014. The new website will include a completely refreshed visual design, service-oriented navigation and greater ease-of-use across CHA's public stakeholders.

In FY14, CHA continued to make efforts to improve response to Customer Service inquiries and requests. Additionally, plans to review and potentially revise its Language Accessibility Plan (LAP) were discussed. The Plan currently requires language assistance to individuals and families whose preferred languages are Haitian Creole, Spanish, and Portuguese. Review of the plan will include an assessment of translation needs and determine if the current languages are representative of CHA residents' needs as well as reestablish protocol for translation and interpreting requirements agency-wide.

### REPORTING

The addition of new Directors in the Fiscal, Leased Housing/HCV, and Property Management/Public Housing, CHA re-engaged consultants from Emphasys to work with the Directors to more fully utilize Elite, refine setups, simplify transactions through Elite, and develop functional monthly reports that more effectively tracks departmental operations. The process began during FY14 and will continue into FY15 as reporting needs evolve with the inclusion of RAD.

### DATA USE PRIVACY POLICY

On February 13, 2013, the Board of Commissioners agreed to adopt a CHA Data Use Privacy Policy. The Policy outlines the parameters in which CHA may and may not share both Identifiable and Non-

Identifiable data collected from applicants, residents and voucher holders. In addition, there is a section that sets forth the Rights of Data Providers regarding personal data collected by CHA. To further ensure data privacy protections of CHA's population, CHA has had two meetings with Boston Area Research Initiative (BARI) to discuss additional measures that CHA can institute to ensure that aggregate data used for policy and research purposes are thoroughly de-identified. BARI has worked with public agencies on similar initiatives and maintains a strong collaboration with the Director of the Data Privacy Lab in the Institute of Qualitative Social Science at Harvard University.

### POLICY + TECHNOLOGY LAB

The Lab received numerous inquiries from individuals and graduate students interested in a range of CHA activities during FY14. CHA hosted four fellows. One fellow was a graduate student at Northeastern University and delivered two visual data tools. First, an interactive map of CHA public housing sites was created on incorporated in the CHA website. The map complements the development directory, identifies the type of housing at a site, and allows applicants to access census and neighborhood information for each site. Second, the fellow created a set flow charts depicting CHA's block grant structure and the flow of funds throughout the agency. A Rappaport fellow developed recommendations of Alternative Rent Collection methods, portions of which the Fiscal Department plan to implement. Third, a former CHA summer Rappaport Fellow returned to the PT Lab during the summer to update his research on the geo-spatial distribution of CHA HCV households with three new years of data. Lastly, an intern helped support reporting and administrative needs for Special Programs at the beginning of the fiscal year.

In FY14, the PT Lab extended its reach by formalizing a partnership with Keene Housing (NH) to establish an East and West Lab. The Lab will allow interns and fellows the opportunity to work from either a rural or urban setting and share resources, as needed.

## INTERNET ACCESSIBILITY

CHA's Internet Survey (650 resident responses across CHA's public housing portfolio) findings in conjunction with HUD's award of RAD Phase I in FY14 facilitated CHA's commitment to providing free internet access at specific buildings.

- Capital planning work at Newtowne Court, Washington Elms, Putnam Gardens, Woodrow Wilson Court, and Manning Apartments will include infrastructure for data wiring either into the units or to Wifi Access Points in the corridors. CHA is actively pursuing partnerships with the City of Cambridge and/or private companies to provide the "head-in" highspeed internet connection to the sites for residents to use at those sites.
- There are plans to retrofit Lyndon B. Johnson and Jackson Gardens with some wireless connectivity to the residents at those sites. These buildings underwent massive renovation through ARRA and mixed-finance funding and were completed in FY14.

## BANKING

In summer 2013, a Rappaport Fellow produced a report with recommendations of rent collection alternatives for public housing residents. CHA is considering the recommendation and has contacted two outside vendors to explore the possibility of outsourcing rent payment alternatives. However, the additional fees initially proved to be cost-prohibitive, thus we are reviewing the proposals and also working with our bank to make online banking more cost-effective with our tenants. CHA is reviewing these options as we move forward with the RAD conversion and associated capital improvements.

## GENERAL STAFF MANAGEMENT

At the end of FY14, CHA retained a staff of 208 employees, of which 158 are full-time. CHA continued to offer courses to all full-time CHA employees through Housing TeleVideo Network (HVTN), a web-based training portal maintained through the Housing Authority Insurance Group (HAIG). The course are offered free of cost or at reduced

rates through CHA's membership. On October 23, 2013, CHA held its first Health Fair at the Pisani Center. The Health Fair will become an annual event that focuses on improved health and wellness for staff. In addition, a Safety Training Program was mandated through the CHA Board of Commissioners and the Executive Director as a major way to prevent injuries. Participation in this program is mandatory for all employees and the expectation is that every staff member will be expected to adhere to the policies and work as a team to prevent injuries. Safety manuals were completed on April 24, 2013 and presented to the safety committee the following day. In September two meetings on the safety manuals were presented to Managers. CHA continues to make the manual more user-friendly. Furthermore, an array of training and educational opportunities continued to be available for all agency staff.

# HUD REQUIREMENTS

## HOUSING STOCK

### A. MTW Report: Housing Stock Information

#### New Housing Choice Vouchers that were Project-Based During the Fiscal Year

| Property Name | Anticipated Number of New Vouchers to be Project-Based * | Actual Number of New Vouchers that were Project-Based | Description of Project  |
|---------------|--|---|---|
| Smith House   | n/a  | 132   | Smith House is a 132-unit elderly apartment building located in the Lower Roxbury section of the South End at 757 Shawmut Ave. (Boston) |
| Harwell Homes | n/a  | 14  | Harwell Homes is a 56-unit limited equity cooperative located at 1 Citizen's Place, Cambridge.  |

| Anticipated Total Number of New Vouchers to be Project-Based * | Actual Total Number of New Vouchers that were Project-Based | Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year * | Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year * |
|--|---|--|--|
| n/a  | 146   | n/a  | n/a  |
|  |   | Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year        | Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year        |
|  |   | 146  | 133  |

\* From the Plan

## Other Changes to the Housing Stock that Occurred During the Fiscal Year

In FY 2014, CHA began construction of 40 new units at 7 Temple Street in Cambridge, MA.

Also in FY 2014, CHA began the process of relocating tenants from Jefferson Park (state public housing) in anticipation of the redevelopment of the property. After construction, CHA will provide 98 project-based vouchers to cover a portion of the operating costs and debt service for the new units

In August of 2013, 33 units at Lincoln Way (PH) were completed and subsequently occupied.

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 Actual Capital Fund Expenditures During the Plan Year

| Location                       | Total Spent in FY14 | Description   |
|--------------------------------|---------------------|---|
| Lincoln Way                    | \$5,960,946         | Sewer work completed.   |
| L.B. Johnson                   | \$3,460,529         | Continuation of modernization and rehabilitation of site.                               |
| Central Office (5 Western Ave) | \$3,908,970         | Construction completed.   |
| D.F. Burns                     | \$16,438            | New intercoms.  |
| Roosevelt Towers               | \$137,906           | New stair tread for (\$45,566). Replacement and repair of existing elevator (\$92,340). |
| H.S. Truman                    | \$21,521            | New carpets installed in hallways. Water tanks replaced. Kitchen remodel.               |
| Washington Elms                | \$58,948            | New trash enclosures and concrete pavers.   |
| Corcoran Park                  | \$61,244            | Water tanks replaced and new thresholds.  |
| D.F. Burns                     | \$16,438            | New intercoms.  |
| Millers River                  | \$26,797            | New intercoms and doors. Continued waterproofing of building envelope.                  |
| F.J. Manning                   | \$16,438            | New intercoms.  |
| L.J. Russell                   | \$16,438            | New intercoms.  |

## Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End

| Housing Program *                               | Total Units | Overview of the Program  |
|---|-------------|--|
| Other   | 11          | 26-unit residential building located at 78-80 Porter Road in Porter Square, Cambridge.   |
| Other   | 4           | 65-unit apartment complex located at 8-10 Lancaster Street. Primary funding for the rehab of the building was provided by LIHTC, the Cambridge Affordable Housing Trust and through CHA's MTW funds. |
| Other   | 1           | 21-unit residential building located in mid-Cambridge at 195 Prospect Street.  |
| Other   | 1           | Scattered condo units throughout Cambridge. One condo units is an inclusionary unit through the City of Cambridge.   |
| <b>Total Other Housing Owned and/or Managed</b> | <b>17</b>   |  |

\* **Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

If Other, please describe:

Mixed-finance development made up of Tax Credit, PBV, TBV and mod./market rate units.

# LEASING INFORMATION

## B. MTW Report: Leasing Information

### Actual Number of Households Served at the End of the Fiscal Year

| Housing Program:  | Number of Households Served* |           |
|---|------------------------------|-----------|
|   | Planned                      | Actual    |
| Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **            | n/a                          | 0         |
| Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ** <sup>1</sup> | n/a                          | 87        |
| Port-In Vouchers (not absorbed)   | n/a                          | 0         |
| <b>Total Projected and Actual Households Served</b>   | <b>n/a</b>                   | <b>87</b> |

\* Calculated by dividing the planned/actual 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 Served, the PHA should estimate the number of Households served.

1. Actual Households consist of 64 sponsor-based, 15 FOS, and 8 MRVP.

| Housing Program:  | Unit Months Occupied/Leased**** |              |
|---|---------------------------------|--------------|
|   | Planned                         | Actual       |
| Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs *** | n/a                             | 0            |
| Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***   | n/a                             | 1,044        |
| Port-In Vouchers (not absorbed)   | n/a                             | 0            |
| <b>Total Projected and Annual Unit Months Occupied/Leased</b>   | <b>n/a</b>                      | <b>1,044</b> |

\*\*\* In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of households served.

\*\*\*\* Unit Months Occupied/Leased is the total number of months the housing PHA has occupied/leased units, according to unit category during the year.

|   | <b>Average<br/>Number of<br/>Households<br/>Served Per<br/>Month</b> | <b>Total Number<br/>of Households<br/>Served During<br/>the Year</b> |
|---|--|--|
| Households Served through Local Non-Traditional Services Only | 0  | 0  |

## Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency’s fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

| <b>Fiscal Year:</b>  | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Number of Local, Non-Traditional MTW Households Assisted                                   | n/a         | n/a         | n/a         | <b>87</b>   | n/a         | n/a         | n/a         | n/a         |
| Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income     | n/a         | n/a         | n/a         | <b>87</b>   | n/a         | n/a         | n/a         | n/a         |
| Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income | n/a         | n/a         | n/a         | <b>100%</b> | n/a         | n/a         | n/a         | n/a         |

## Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the PHA will provide information in the following formats:

**CHA NOTE:** Pursuant to the revised HUD 50900 implemented by HUD in May 2013, MTW agencies are required to provide data on the number of person in each household served as of the date of entry to the MTW program and as of the current fiscal year. While CHA has this data available for the current fiscal year, it does not have data and is unable to report on household size as of April 1999, which is the effective date of the MTW Agreement. Note that CHA provided bedroom size data as of its initial MTW submissions, but did not provide household size data. CHA’s current information technology systems do not have 1999 data available. Therefore, CHA is not currently able to complete the information below in the Baseline for the Mix of Family Sizes Served. CHA will work with HUD’s MTW Office to identify potential solutions to this issue.

### Baseline for the Mix of Family Sizes Served - 1999

| Family Size: | Occupied Number of Public Housing units by Household Size when PHA Entered MTW | Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW | Non-MTW Adjustments to the Distribution of Household Sizes * | Baseline Number of Household Sizes to be Maintained | Baseline Percentages of Family Sizes to be Maintained |
|--------------|--|--|--|---|---|
| 1 Person     | n/a  | n/a  | n/a  | n/a   | n/a   |
| 2 Person     | n/a  | n/a  | n/a  | n/a   | n/a   |
| 3 Person     | n/a  | n/a  | n/a  | n/a   | n/a   |
| 4 Person     | n/a  | n/a  | n/a  | n/a   | n/a   |
| 5 Person     | n/a  | n/a  | n/a  | n/a   | n/a   |
| 6+ Person    | n/a  | n/a  | n/a  | n/a   | n/a   |
| Totals       | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>  | <b>0</b>  |

Explanation for  
Baseline Adjustments  
to the Distribution  
of Household Sizes  
Utilized

Provide narrative with explanation

**Mix of Family Sizes Served**

|  | 1 Person   | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person | Totals |
|--|--|----------|----------|----------|----------|-----------|--------|
| Baseline Percentages of Household Sizes to be Maintained**               | Unavailable at the time of this writing.   |          |          |          |          |           |        |
| Number of Households Served by Family Size this Fiscal Year 2014         | 2,270  | 999      | 609      | 372      | 194      | 94        | 4538   |
| Percentages of Households Served by Household Size this Fiscal Year 2014 | 50.0%  | 22.0%    | 13.4%    | 8.2%     | 4.3%     | 2.1%      | 100%   |
| Percentage Change  | To be tracked on an annual basis. Percentage change will be compared to the previous year, beginning with the FY15 Report. |          |          |          |          |           |        |

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages

Provide narrative with explanation

| Mix of Family Size By Bedroom |                |     |       |                            |       |       |
|-------------------------------|----------------|-----|-------|----------------------------|-------|-------|
| Bedroom Size in April 1998    |                |     |       | Bedroom Size in March 2014 |       |       |
|                               | Public Housing | HCV | Total | Public Housing             | HCV   | Total |
| 1 Bedroom/SRO                 | 890            | 398 | 1,288 | 1,281                      | 1,004 | 2,285 |
| 2 Bedroom                     | 447            | 537 | 984   | 540                        | 668   | 1,208 |
| 3 Bedroom                     | 363            | 342 | 705   | 443                        | 437   | 880   |
| 4 Bedroom +                   | 101            | 51  | 152   | 105                        | 60    | 165   |

**Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End**

| Housing Program | Description of Leasing Issues and Solutions |
|-----------------|---|
| n/a             | n/a   |

**Number of Households Transitioned To Self-Sufficiency by Fiscal Year End**

| Activity Name/# | Number of Households Transitioned * | Agency Definition of Self Sufficiency |
|-----------------|-------------------------------------|---------------------------------------|
| FSS+/SS.2013.01 | 31                                  | Reduction in Subsidy                  |
|                 | 0                                   | End of Subsidy                        |

|   |     |
|---|-----|
| Households Duplicated Across Activities/Definitions | n/a |
|---|-----|

|   |          |
|---|----------|
| <b>ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY</b> | <b>0</b> |
|---|----------|

\* The number provided here should match the outcome reported where metric SS #8 is used.

## WAIT LIST INFORMATION

### C. MTW Report: Wait List Information

#### Wait List Information at Fiscal Year End

| Housing Program(s) *   | Wait List Type ** | Number of Households on Wait List | Wait List Open, Partially Open or Closed *** | Was the Wait List Opened During the Fiscal Year |
|--|-------------------|-----------------------------------|--|---|
| Family Public Housing (Includes MTW and non-MTW units)           | Site-Based        | 5,304                             | Partially Open                               | Yes   |
| Elderly/Disabled Public Housing (Includes MTW and Non-MTW units) | Site-Based        | 2,570                             | Open,  | Yes   |
| HCV Program (All MTW and non-MTW vouchers that are not SROs)     | Community-Wide    | 711                               | Closed                                       | No  |
| HCV Program (MTW and non-MTW SRO Only)                           | Community-Wide    | 3,102                             | Open   | Yes   |

More can be added if needed.

\* *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.

\*\* *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).

\*\*\* For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

The Family Public Housing wait list is open for all bedroom sizes except 1-bedroom units.

If Local, Non-Traditional Program, please describe:

n/a

If Other Wait List Type, please describe:

n/a

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.

As of April 2013, the following site-based waiting lists have been merged: River Howard, Woodrow Wilson, and the Mid-Cambridge scattered sites have merged into Putnam Gardens, the North Cambridge scattered sites have merged into Jefferson Park, the East Cambridge scattered sites have merged into Roosevelt Low-Rise, and Weaver Apts. have merged into Daniel Burns.

# PROPOSED MTW ACTIVITIES

All proposed activities that are granted approval by HUD are reported on in Section IV as “Approved Activities.”

# APPROVED MTW ACTIVITIES

## IMPLEMENTED ACTIVITIES

### MTW STATUTORY OBJECTIVE II: INCREASE SELF-SUFFICIENCY

#### SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

##### DESCRIPTION

The FSS+ program is a five-year program in which HCV participants focus on five core areas:

1. Financial Goal Setting
2. Budgeting
3. Credit and debt
4. Savings
5. Identifying resources

CHA has partnered with Compass Working Capital to provide financial education workshops for participants on a monthly basis. In addition, participants in the FSS+ program work with a financial coach to outline and work towards short- and long- term goals necessary to achieve their desired financial aspirations. Participants learn how to track, prioritize, and control their spending in order to create a plan that enables them to lower their debt, increase their credit score, and start saving. The coaches work with the participants to address negative item(s) on their credit reports, develop debt repayment plans, and rebuild their credit. The coaches also connect participants with resources and organizations that help participants achieve their goals. By the end of the program, participants are expected to have met goals in the five areas listed above.

A key component of the program is the establishment of an Escrow Savings Account for each participant. Participants who increase their wage income may save a portion of their rent increase in their escrow account. CHA maintains the account under the participant's name for up to five years. Occasional withdrawals from the account may be taken to advance goals related to financial security. Upon successful program completion, participants who remain in the MTW HCV program may use their escrow savings to meet further financial goals.

##### IMPACT

Since implementation of the FSS+ program in FY13:

- 87% of participants that completed a financial education workshop chose to enroll in FSS+.
- 61% of participants have increased their credit score.
- 53% of participants decreased or maintained zero debt.
- 56% of participants began to save in their FSS+ savings account.

To adequately capture the progress of the program in the areas of income, savings, per unit subsidy, debt and credit score, those specific metrics were drawn from the 86 participants had been the program for at least 6 months during FY14.

**IMPLEMENTATION YEAR**

This activity was approved in the FY13 MTW Plan and was implemented in FY13.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.B.1.b.iii, C.B.2 and C.E.

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

| <b>SS #1: Increase in Household Income</b>  |  |  |  |                            |
|---|--|--|--|----------------------------|
| <b>Unit of Measurement</b>  | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Average earned income of households affected by this policy in dollars (increase).            | <b>Average earned income of the first 80 program households:</b><br>\$24,534 | No benchmark set in FY14 MTW Annual Plan | <b>For participants that have been in the program for at least six months and experienced an increase in earnings:</b><br>\$29,734 |                            |
| <b>SS #2: Increase in Household Savings</b>   |  |  |  |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Average amount of savings/escrow of households affected by this policy in dollars (increase). | \$0  | No benchmark set in FY14 MTW Annual Plan | <b>For participants that have been in the program for at least six months and established an escrow account:</b><br>\$615          |                            |
| <b>SS #5: Households Assisted by Services that Increase Self Sufficiency</b>                  |  |  |  |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Number of households receiving services aimed to increase self sufficiency (increase).        | 0  | No benchmark set in FY14 MTW Annual Plan | 109 households   |                            |

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

| <b>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</b>   |  |  |  |                            |
|--|--|--|--|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).                            | Participants that have been in the program for at least six months: 86<br><br>Total months of participation completed by participants that have been in the program for at least 6 months: 827<br><br><b>Avg HAP at FSS+ enrollment for participants that have been in the program for at least 6 months: \$1008</b> | No benchmark set in FY14 MTW Annual Plan | Participants that have been in the program for at least six months: 86<br><br>Total months of participation completed by participants that have been in the program for at least 6 months: 827<br><br><b>Avg HAP of participants that have been in the program for at least 6 month: \$933</b> |                            |
| <b>CHA: Decrease in Household Debt</b>   |  |  |  |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Percent of participants that decreased total debt and have been in the program for six months.                                       | 0  | No benchmark set in FY14 MTW Annual Plan | 53%  |                            |
| Average decrease in debt for participants who have been in the program for six months and experienced a decrease.                    | 0  | No benchmark set in FY14 MTW Annual Plan | \$3,846  |                            |
| <b>CHA: Increase in Credit Score</b>   |  |  |  |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Percent who increase credit score for participants who have been in the program for six months.                                      | 0  | No benchmark set in FY14 MTW Annual Plan | 61%  |                            |
| Average increase in credit score for participants who have been in the program for one year and experienced an increase (in points). | 0  | No benchmark set in FY14 MTW Annual Plan | 38 Points  |                            |

SS.2013.01 - FINANCIAL STABILITY AND SAVINGS PLUS (FSS+)

| <b>CHA: Increase in Household Income</b>   |                 |  |                |                            |
|--|-----------------|--|----------------|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Median earned income of households affected by this policy in dollars (increase). For those who have been in the program for six months and experienced an increase in earnings. | \$20,800        | No benchmark set in FY14 MTW Annual Plan | \$31,637       |                            |
| Percent who increase annual earned income for participants who have been in the program for six months.  | 0               | No benchmark set in FY14 MTW Annual Plan | 56%            |                            |

## **FAMILY OPPORTUNITY SUBSIDY (FOS) PROGRAM (FORMERLY 2010.01 EM)**

In FY14, CHA modified the FOS activity and it was renamed: Pathways to Permanent Housing - Heading Home. The activity was then reorganized under the Sponsor-Based Voucher Program. Pathways to Permanent Housing - Heading Home, Pathways to Permanent Housing -Transition House and the Hard to House Program are now distinct components of the “Sponsor-Based Voucher Program” and indexed as “HC.2008.03, HC.2008.03A, and HC.2008.03.B.” Please see the Sponsor-Based Voucher Program activity for metrics.

## MTW STATUTORY OBJECTIVE I: INCREASE HOUSING CHOICE FOR LOW-INCOME FAMILIES

### HC.2011.01 - EXPIRING USE PRESERVATION PROGRAM

#### DESCRIPTION

CHA converts Enhanced Vouchers to Project-Based Vouchers for private affordable properties with maturing mortgages, thereby ensuring affordability of hard units in Cambridge for at least an additional fifteen years. Many of these private expiring use units were made affordable through HUD subsidies that have limited terms of between 5 and 30 years. Upon expiration of the subsidies, property owners may charge market rate rents for those units. HUD then provides Enhanced Vouchers to eligible residents who are unable to pay the market rate rent. If the resident leaves the original unit the enhanced voucher converts to a mobile voucher and the original unit becomes unsubsidized and likely converted to a market-rate. By converting Enhanced Vouchers to Project-Based Vouchers this program allows residents living in these private expiring use units to stay in their home and, at the same time, maintain affordability. Outcome numbers are presented in the aggregate.

#### IMPACT

In January of 2014, Smith House in Roxbury, MA was the first expiring use property outside of Cambridge where CHA converted Enhanced Vouchers to Project-Based Vouchers. It is anticipated that Madison Park III (119 units) and 402 Rindge (218 units) will be on line in summer 2014. Since implementation of this activity, 392 units have been preserved:

| PROJECT               | CITY      | UNITS PRESERVED |
|-----------------------|-----------|-----------------|
| 1221 Cambridge Street | Cambridge | 116             |
| 411 Franklin Street   | Cambridge | 98              |
| Bishop Allen          | Cambridge | 32              |
| Harwell Homes         | Cambridge | 14              |
| Smith House           | Roxbury   | 132             |
| <b>TOTAL</b>          |           | <b>392</b>      |

#### IMPLEMENTATION YEAR

This activity was approved in the FY11 MTW Plan and was implemented in FY12.

#### PREVIOUSLY APPROVED AUTHORIZATIONS

2009 Agreement, Attachment C.B.1.b.i, ii and vii; 2009 Agreement, Attachment C.D.2.a and D.3.a and b

#### CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2011.01 - EXPIRING USE PRESERVATION PROGRAM

| <b>HC #2: Units of Housing Preserved</b>   |                 |  |                                     |                            |
|--|-----------------|--|-------------------------------------|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>                      | <b>Benchmark Achieved?</b> |
| Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). | 0               | No benchmark set in FY14 MTW Annual Plan | <b>Units preserved to date: 392</b> |                            |

**HC.2010.01 - PUBLIC HOUSING PRESERVATION FUND**

**DESCRIPTION**

The goal of this program is to ensure the long-term physical and financial viability of the public housing stock in Cambridge. CHA is working toward accomplishing this goal by focusing on the three following activities:

1. Rental Assistance Demonstration (RAD) - Applications for a portfolio-wide conversion to project-based assistance under RAD were submitted in October of 2013 and HUD approval was secured in December of 2013. RAD Phase I consists of 1,151 units with an associated construction cost of \$178 million. The second round of RAD applications is planned for late 2014 and will include the remaining 979 units in CHA’s federal public housing portfolio with an associated cost of \$39 million.
2. Disposition - Miller’s River Revitalization - Due to overall obsolescence and high capital needs, Millers River was not financially feasible under RAD. The building was therefore proposed for disposition under Section 18 of the U.S. Housing Act of 1937 (as amended) and included in a “dispo” application to the Special Application Center. If approved, LIHTCs, private debt and state and local resources would be used for intensive capital improvements. Miller’s River will then be converted to Project-Based assistance.
3. High Leverage Asset Preservation Program (HILAPP) - Jefferson Park State - During FY14, CHA advanced its plans to redevelop Jefferson Park State, its only state-funded family public housing development. Construction costs at Jefferson Park State are estimated at \$31.8 million. CHA will provide 98 project-based vouchers to cover a portion of the operating costs and debt service for new units.

The activity previously called “Project-Based Vouchers in Public Housing” has been collapsed into this activity because it was one of several components of the Public Housing Preservation Fund.

**IMPACT**

In support of this goal, CHA revitalized and maintained financial stability for 283 units at Jackson Gardens, Lincoln Way and LB Johnson Apartments. This was an American Recovery and Reinvestment Act (ARRA) driven mixed finance package that included the use of 17 PBA subsidies, approximately \$62.8 million in resources leveraged from private and other non-federal sources and \$9.8 million in MTW funds.

**IMPLEMENTATION YEAR**

This initiative was approved in the FY11 MTW Annual Plan and implemented in FY11. Modifications were made and approved in FY13.

**PREVIOUSLY APPROVED AUTHORIZATIONS**

2009 MTW Agreement, Attachment C.B.1.bi, ii, and vii  
2009 MTW Agreement, Attachment C.D.2.a and C.D.3.a and b  
HUD’s 2012 Appropriations Act authorizing the Rental Assistance Demonstration Program

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2010.01 - PUBLIC HOUSING PRESERVATION FUND

| <i>HC #2: Units of Housing Preserved</i>   |          |  |                                     |                     |
|--|----------|--|-------------------------------------|---------------------|
| Unit of Measurement  | Baseline | Benchmark                                | Outcome                             | Benchmark Achieved? |
| Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). | 0        | No benchmark set in FY14 MTW Annual Plan | <b>Units preserved to date: 283</b> |                     |

**HC.2008.03, HC.2008.03A, HC.2008.03.B - SPONSOR-BASED VOUCHER PROGRAM**

**DESCRIPTION**

CHA’s Sponsor-Based Program is composed of three programs (**HARD TO HOUSE**, **PATHWAYS TO PERMANENT HOUSING - TRANSITION HOUSE**, and **PATHWAYS TO PERMANENT HOUSING - HEADING HOME**) that include either the provision of housing only or a combination of housing and supportive services. The majority of housing is established through non-profit partners receiving sponsor-based vouchers. **PATHWAYS TO PERMANENT HOUSING - TRANSITION HOUSE** is the only program that provides housing in CHA’s Public Housing. Outlined below are Description/Updates of CHA’s current sponsor-based programs.

**HARD TO HOUSE PROGRAMS (HC.2008.03):** CHA partners with local service providers that work directly with the hard-to-house population including households consisting of individuals with psychiatric, developmental and behavioral disabilities. These hard-to-house households receive housing assistance only from CHA while the local service provider provides intensive support services and case management. While CHA allocates a specific number of vouchers for this program, service providers may serve more than one household or individual per voucher in the fiscal year. During FY14, CHA worked with eight (8) local service providers:

| SERVICE PROVIDER          | NO. OF VOUCHERS |
|---------------------------|-----------------|
| CASCAP, Inc.              | 2               |
| Heading Home, Inc.        | 30              |
| YWCA                      | 15              |
| Just A Start Corp.        | 1               |
| North Charles, Inc.       | 5               |
| Transition House          | 8               |
| Specialized Housing, Inc. | 2               |
| Vinfen                    | 1               |
| <b>TOTAL</b>              | <b>64</b>       |

**IMPLEMENTATION YEAR**

This program was approved in the FY08 MTW Plan and implemented in FY08.

**PATHWAYS TO PERMANENT HOUSING – TRANSITION HOUSE (HC.2008.03A):** This initiative includes both provision of hard units in public housing and a services component. In a continued effort to improve the availability of housing resources for victims of domestic violence, CHA has partnered with Transition House to provide public housing units to Transition House families who have shown that they are ready to move into permanent housing. CHA makes two units of public housing available to Transition House, who in turn assumes all tenant responsibilities for those two units. Transition House then selects and, with assistance from CHA, pre-screens two families to live in the units for one-year. The families must have been on the CHA waiting list for at least one year and be a participant in Transition House’s program for at least 90 days. During the year, the families are expected to occupy the units in accordance with the CHA ACOP. There is an Entity Lease between Transition House and CHA (modeled after the CHA Public Housing Lease), and a Participant Agreement between Transition House and the family. The families pay a program fee based on 30% of the family income and the fee is collected by Transition House and provided to CHA. At the end of the one year period, families in full compliance may gain full CHA public housing resident status and lease the unit directly from CHA.

In addition, four subsidies have been allocated to fund a liaison to provide supportive services concerning domestic violence-related issues to families in the program, other CHA residents, CHA staff, voucher holders, applicants, and voucher landlords. At the end of Year 3 of this program, the four subsidies will be converted to mobile vouchers to Transition House families, with the expectation that Transition House will have secured outside funding to support the liaison position. This program is intended as a 3 year pilot program with the option to extend, expand, and or redesign the program following evaluation of the pilot period.

### **IMPLEMENTATION YEAR**

This program was approved in the FY14 Plan and implemented in FY14.

### **PATHWAYS TO PERMANENT HOUSING - HEADING HOME (FORMERLY KNOWN AS FAMILY OPPORTUNITY SUBSIDY (FOS) PROGRAM) (HC.2008.03.B)**

- Based on current needs for transitional housing in MA and an evaluation of CHA and Heading Home's experience to date, CHA modified this program to more adequately address the needs of this hard-to-house population. The program was re-designed as a two year program that supports families in building their credit, financial management, and other skills so that they may be eligible for permanent housing with CHA after program completion. In this arrangement, Heading Home serves as "CHA tenants," when applicable, by assuming all tenant responsibilities attached to CHA vouchers. Heading Home selects clients based on their readiness to move into permanent or transitional housing. They then provide the units to these clients for a set amount of time. This program makes it possible for households in difficult circumstances to live in safe and secure transitional housing with the potential to move into permanent housing.

The participant family will also be provided an escrow account in which they can build assets through an incentivized savings program. For families that successfully complete the two-year program and are able to come off their subsidy, Heading Home will offer the Plus One Payout modeled after the FSS+ program. CHA may also provide payout funds if family goals are met. A minimum of at least 30 and maximum of 45 MTW HCV subsidies have been allocated for the entire duration of this program (more than one year).

### **IMPLEMENTATION YEAR**

This program was approved in FY10 MTW Plan and implemented in FY11. Modifications were made to this program in FY13 and FY14.

### **IMPACT**

Without the Sponsor-Based Voucher Program, participants in the program would be homeless living on the streets or in a shelter. The program makes it possible for households in difficult circumstances to live in safe and secure transitional housing with the potential to move into permanent housing.

### **PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.D.2

### **CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2008.03, HC.2008.03A, HC.2008.03.B - SPONSOR-BASED VOUCHER PROGRAM

| <b>HC #5: Increase in Resident Mobility</b>   |                 |  |                |                            |
|---|-----------------|--|----------------|----------------------------|
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase). | 0 households    | No benchmark set in FY14 MTW Annual Plan | 81 households  |                            |
| <b>HC #7: Households Assisted by Services that Increase Housing Choice</b>  |                 |  |                |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Number of households receiving services aimed to increase housing choice (increase).  | 0 households    | No benchmark set in FY14 MTW Annual Plan | 81 households  |                            |
| <b>SS #5: Households Assisted by Services that Increase Self Sufficiency</b>  |                 |  |                |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Number of households receiving services aimed to increase self sufficiency (increase).  | 0 households    | No benchmark set in FY14 MTW Annual Plan | 17 households  |                            |

## HC.2001.01 - USE MTW RESOURCES TO AUGMENT STATE MRVP LEASING PROGRAM

### DESCRIPTION

This program allows CHA to preserve its Massachusetts Rental Voucher Program (MRVP) state rental assistance subsidies. As a stand-alone program, MRVP provides exceptionally low payment standards. MTW allows CHA to supplement these vouchers with funds from the MTW Block Grant to continue the viability of these subsidies and expand the total number of rental vouchers that CHA administers in the Cambridge market. CHA originally allocated \$21,600 for this program in FY13 but expended \$44,607 due to the increased payment standards for voucher holders renting in Cambridge.

### IMPACT

Eight families received supplemented MRVP vouchers which allowed them to rent units in Cambridge that would otherwise have been unaffordable.

### IMPLEMENTATION YEAR

This activity was approved in the FY01 MTW Plan and was implemented in FY01.

### PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment D.A.1

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

**HC.2001.01 - USE MTW RESOURCES TO AUGMENT STATE MRVP LEASING PROGRAM**

| <b>HC #4: Displacement Prevention</b>   |                 |  |   |                            |
|---|-----------------|--|---|----------------------------|
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Number of households at or below 80% AMI that would lose assistance or need to move (decrease). | 8               | No benchmark set in FY14 MTW Annual Plan | 0   |                            |
| <b>CE #4: Increase in Resources Leveraged</b>   |                 |  |   |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Amount of funds leveraged in dollars (increase)   | 0               | No benchmark set in FY14 MTW Annual Plan | Amount of MTW funds spent: \$44,607<br>MRVP subsidy amount: \$48,936<br>Total households served: 8<br><b>Total Amount Leveraged: \$48,936</b> |                            |

**HC.2000.04 - EXPAND SUPPLY OF PERMANENTLY AFFORDABLE HARD UNITS OF HOUSING**

**DESCRIPTION**

This initiative focuses on increasing and retaining the supply of hard units in CHA’s housing portfolio through an increase in project-based vouchers. This activity furthers housing choice in Cambridge for low-income households who would otherwise be excluded from living in the City due to the very high cost of housing. During CHA’s participation in MTW, 399 hard units were acquired or built using \$97.7 million (\$18.6 million in MTW funds and \$79.1 million in non-MTW funds). Currently, an additional 40 units are under construction at Temple Place in Central Square and will be completed in mid-2015.

New development is sporadic and difficult to benchmark on an annual basis. For this reason, this activity is dependent on market conditions and available development opportunities in any given year. At the time of this writing, no additional development opportunities, aside from Temple Place, have been identified. Benchmarks and Outcomes are set on an aggregate basis.

**IMPACT**

The goal of this activity is to preserve or build hard units resulting in a shift in the subsidy type from tenant-based to unit-based. This is essential to retain housing choice for low-income families in the difficult and expensive Cambridge housing market.

**IMPLEMENTATION YEAR**

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.B.1.ii, C.C.12, C.C.13

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2000.04 - EXPAND SUPPLY OF PERMANENTLY AFFORDABLE HARD UNITS OF HOUSING

| <i>HC #1: Additional Units of Housing Made Available</i>  |          |  |           |                     |
|---|----------|--|-----------|---------------------|
| Unit of Measurement   | Baseline | Benchmark                                | Outcome   | Benchmark Achieved? |
| Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). | 0        | No benchmark set in FY14 MTW Annual Plan | 322 units |                     |

## **HC.2008.02 - CREATE MTW TRANSFER CATEGORY IN ADMIN PLAN (HCV) AND ACOP (PUBLIC HOUSING)**

**DESCRIPTION**

This activity increases housing options for households in crisis. CHA allows voucher holders to transfer between the Public Housing and Housing Choice Voucher programs on a case-by-case basis. In FY13, there were three transfers from the Housing Choice Voucher program to the Public Housing program. In late FY13, CHA clarified that inter-program transfers related to reasonable accommodation requests will not be considered MTW transfers, given that they could happen without CHA’s MTW status. This activity allows CHA to move families from public housing to the HCV program and vice-versa. The number of MTW transfers is capped at 24 transfers in a fiscal year.

The following number of transfers have occurred since 2010:

| FISCAL YEAR | HCV to PH | PH to HCV |
|-------------|-----------|-----------|
| 2014        | 0         | 0         |
| 2013*       | 3         | 6         |
| 2012*       | 2         | 8         |
| 2011*       | 1         | 4         |
| 2010*       | 3         | 9         |

\*Includes reasonable accommodation transfers

**IMPACT**

This program provides increased housing choice and simplifies the process of moving from one housing program to another for CHA households in crisis. In FY14, transfers did not include transfers under reasonable accomodation and the results indicate that ho useholds in crisis are more likely to execute housing transfers within the same housing program that between the two programs. CHA is committed to offering this option should it ever need to be exercised in future years.

**IMPLEMENTATION YEAR**

This program was approved in the FY08 MTW Plan and implemented in FY08. Modifications were made to this program in FY13.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachement C.D.1.b

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

**HC.2008.02 - CREATE MTW TRANSFER CATEGORY IN ADMIN PLAN (HCV) AND ACOP (PUBLIC HOUSING)**

| <b>HC #5: Increase in Resident Mobility</b>   |          |  |  |                     |
|---|----------|--|--|---------------------|
| Unit of Measurement   | Baseline | Benchmark                                | Outcome  | Benchmark Achieved? |
| Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase). | 0        | No benchmark set in FY14 MTW Annual Plan | There were no inter-program transfers in FY14. Households may have transferred to different units within the same housing program as a result of various claims, such as VAWA. |                     |

## HOUSING CHOICE VOUCHER (HCV) PROGRAM ADMINISTRATIVE PLAN<sup>1</sup>

CHA's ongoing MTW initiatives for the Housing Choice Voucher program are categorized below according to the applicable MTW statutory objective:

### 1. INCREASE HOUSING CHOICE FOR LOW INCOME FAMILIES:

- Create MTW Transfer Category in Admin Plan and ACOP - HC.2008.02 (page 58)
- Rent Reasonableness Policy & 120% Exception Rents - HC.2002.01
- Implement Local Project-Based Assistance Leasing Program - HC.2001.02
- Allowing Households to Pay over 40% of Income Toward Rent at Move-in - HC.2000.03
- Implement Vacancy and Damage Payments - HC.2000.02

### 2. REDUCE COST AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES:

- Implement New Inspection Protocol - CE.2008.05
- Rent Simplification Program - CE.2006.01

Where an MTW initiative applies to both the Housing Choice Voucher and Public Housing Programs, the initiative will be listed under each program (except for CREATE NEW MTW TRANSFER CATEGORY). Descriptions, impact, implementation year, and previously approved authorizations are identified for each MTW policy initiative. Metrics for the HCV MTW initiatives may reflect a group of MTW policies or a single MTW policy, where applicable.

## HC.2002.01 - RENT REASONABLENESS POLICY & 120% EXCEPTION RENTS/HCV

### DESCRIPTION

This is a rent reasonableness policy to address the high cost of housing in the City of Cambridge. To retain landlords in the private housing market, CHA pays rent increases over the amount determined by HUD based on local rental market estimates. CHA already set payment standards above 120% of HUD's Fair Market Rent (FMR) for larger bedroom units. This policy extends the payment standard to any size unit. Currently, most landlords are receiving the maximum amount permissible under CHA's payment standard. This initiative is also used to assist disabled households. On a case-by-case basis, disabled households that find a unit in the private rental market may receive an even greater exception rent. In FY13, CHA did not apply a portfolio-wide increase to payment standards and landlords did not receive the default Annual Adjustment Factor (AFF) increase. In FY13, 150 new admissions leased in Cambridge at over 110% of the FMR.

In FY14 CHA modified its Rent Reasonableness policy to better reflect market conditions and streamline the process for determining reasonable rent. CHA will determine rent reasonableness at initial move-in, before any increase in rent and before the contract anniversary

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<sup>1</sup> As authorized under CHA's Amended and Restated MTW Agreement, Attachment C, Statement of Authorizations, CHA is authorized to develop operational policies and procedures for all Section 8 assistance that CHA is providing under section 8(o) of the 1937 Act. CHA has revised and updated its Administrative Plan to implement changes in the Housing Choice Voucher program as a result of the MTW program.

date or at any other time at the discretion of CHA. CHA will not automatically redetermine rent reasonableness based on a decrease in the published FMR. In establishing that rents are reasonable, CHA standards are based on an updated market analysis provided by an independent consultant every two years. Based on data in each market area, CHA will identify a low rent and high rent within that area. Rents must be within the range of the low and high rent to be considered reasonable. CHA reserves the right, at any time, to declare a rent unreasonable or establish an alternate reasonable rent determination methodology.

**IMPACT**

In FY14, (as of March 31, 2014), 104 new admissions leased in Cambridge at over 110% of the FMR. These families would not have been able to rent units in the expensive Cambridge market without this initiative.

**IMPLEMENTATION YEAR**

This policy was approved and implemented in FY09. It was further modified in FY10 and FY14.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.2.a.b.c

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2002.01 - RENT REASONABLENESS POLICY & 120% EXCEPTION RENTS/HCV

| <b>HC #4: Displacement Prevention</b>  |                 |  |  |                            |
|--|-----------------|--|--|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box. | 0               | No benchmark set in FY14 MTW Annual Plan | Households with leased units in Cambridge at over 110% FMR: 104<br><br><b>Households with leased units in Cambridge at over 110% FMR: 26</b> |                            |

## **HC.2001.02 - IMPLEMENT LOCAL PROJECT-BASED ASSISTANCE LEASING PROGRAM/HCV**

### **DESCRIPTION**

This program underlies CHA's project-based efforts to increase and preserve low-income housing and involves multiple waivers on policy and process (depending on the activity) in order for a unit to be project-based. This program complements four core activities:

1. Conversion of Public Housing units to project-based voucher units (a component of HC.2010.01 - Public Housing Preservation Fund). CHA envisioned using between 250 and 375 project-based subsidies to support its own at-risk public housing stock through the Preservation Fund.
2. Issuance of project-based vouchers to new CHA developments and acquisitions (HC.2000.04 - Expand Supply of Permanently Affordable Hard Units of Housing)
3. Issuance of project-based vouchers to private affordable housing units in Cambridge. These units are generally owned by nonprofit housing developers.
4. Project-base enhanced vouchers through Expiring Use Preservation (HC.2011.01).

This program also allows CHA to expand its Project-Based portfolio beyond the 20% HUD threshold and allows property owners to project-base a building beyond the 25% HUD threshold. Property owners may coordinate with CHA to project-base up to 100% of a property. Outcomes are set on an aggregate basis and may include units already counted in the above referenced activities..

Program revisions which took effect in FY14 include:

- Preference categories for occupancy of accessible units at project-based properties.
- Absolute preference for current residents of project-based properties.
- Fee for over-housed participants that choose to remain in their unit.
- Extended timeframe for requesting mobile vouchers, from one year to two years.

### **IMPACT**

This initiative secures a greater number of long-term affordable rental options than would be allowed under the current Project-Based Voucher program regulations.

### **IMPLEMENTATION YEAR**

This program was approved and implemented in FY01. Modifications were made to this program in FY14.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.D.7

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

**HC.2001.02 - IMPLEMENT LOCAL PROJECT-BASED ASSISTANCE LEASING PROGRAM/HCV**

| <b>HC #1: Additional Units of Housing Made Available</b>  |                 |  |   |                            |
|---|-----------------|--|---|----------------------------|
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.  | 0               | No benchmark set in FY14 MTW Annual Plan | <b>Total:</b><br>See Units of Housing Preserved   |                            |
| <b>HC #2: Units of Housing Preserved</b>  |                 |  |   |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box. | 0               | No benchmark set in FY14 MTW Annual Plan | Units project based through expanding supply of hard units: 197 units<br><br>Units project-based through Expiring Use: 392 units<br><br>Units project-based through private nonprofit developers: 394 units<br><br><b>Total:</b> 983 units. |                            |
| <b>CHA Metric: Percentage of PBAs Relative to Total MTW Vouchers</b>  |                 |  |   |                            |
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| PBAs as percent of total MTW vouchers   | 26%             | No benchmark set in FY14 MTW Annual Plan | 41%   |                            |

## HC.2000.03 - ALLOWING HOUSEHOLDS TO PAY OVER 40% OF INCOME TOWARD RENT AT MOVE-IN/HCV

### DESCRIPTION

This program provides households more choices when renting. New voucher participants may pay over 40% of their income towards rent at initial lease up, exceeding the first-year threshold set by HUD. This program allows participants to rent units that fit their individual needs, provided that they can demonstrate the ability to commit to a higher income contribution toward rent.

### IMPACT

In FY13 twenty-seven (27) households paid over 40% of their income for rent. Among those households, the average percentage of income going to rental payments was 51%, up slightly from 49.8% in FY12. In FY14, no participants paid more than 40% of their income for rent at initial lease-up.

### IMPLEMENTATION YEAR

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

### PREVIOUSLY APPROVED AUTHORIZATION

MTW 2009 Agreement, Attachment C.D.2.a

### CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

HC.2000.03 - ALLOWING HOUSEHOLDS TO PAY OVER 40% OF INCOME TOWARD RENT AT MOVE-IN/HCV

| <b>HC #5: Increase in Resident Mobility</b>   |                 |  |                |                            |
|---|-----------------|--|----------------|----------------------------|
| <b>Unit of Measurement</b>  | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase). | 0               | No benchmark set in FY14 MTW Annual Plan | 0              |                            |

## **HC.2000.02 - IMPLEMENT VACANCY AND DAMAGE PAYMENTS/HCV**

### **DESCRIPTION**

This policy serves as an incentive for landlords to continue providing housing units to voucher holders, thus maintaining or increasing housing choice for low-income households in Cambridge. CHA offers vacancy and damage payments to landlords in the Tenant-Based voucher program who agree to re-lease to a voucher family. Payments are also offered to landlords under a Project-Based Contract in cases where the contract already includes a clause for financial compensation for vacant units and damage reimbursements. In FY13, three landlords in the Tenant-Based program sought and received vacancy or damage payments (one unit per landlord). Payments for these units totaled \$3,327 and the median payment was \$1,167. Under the Project-Based program, landlords sought payments for eighteen (18) units. Payments for the 21 units in both programs totaled \$24,736 and ensured continued availability of these units.

The following changes took effect in FY14 under the Administrative Plan:

1. **Compensation in Cases of Vacancy Without Notice:** In the event that a household vacates without notice, landlords may receive up to 80% of one month's contract rent if they do not require last month's rent at initial lease.
2. **Guaranteed Damage Compensation:** Landlords who accept a reduced security deposit are guaranteed compensation for all damages in excess of the security deposit in the event that a household fails to pay.
3. **Incentive to Rent to CHA Voucher Holders:** Landlords (including those who require last month's rent at initial lease) may be compensated up to 80% of contract rent to cover vacancy, provided the new tenant is a CHA voucher holder.

### **IMPACT**

In FY13, three landlords in the Tenant-Based program sought and received vacancy or damage payments (one unit per landlord). Payments for these units totaled \$3,327 and the median payment was \$1,167. In FY14, 33 payments were made to landlords either in the Project-Based or Tenant-Based programs. The 33 payments totaled \$46,879, with an average payment amount of \$1,420 .

### **IMPLEMENTATION YEAR**

This activity was approved in the FY00 MTW Plan and was implemented in FY00.

### **PREVIOUSLY APPROVED AUTHORIZATION**

MTW Agreement, Attachement C.D.1.d

### CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

#### HC.2000.02 - IMPLEMENT VACANCY AND DAMAGE PAYMENTS/HCV

| <b>HC #2: Units of Housing Preserved</b>   |                 |  |                |                            |
|--|-----------------|--|----------------|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b> | <b>Benchmark</b>                         | <b>Outcome</b> | <b>Benchmark Achieved?</b> |
| Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). | 0               | No benchmark set in FY14 MTW Annual Plan | 33             |                            |

## MTW STATUTORY OBJECTIVE III: REDUCE COSTS AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES

### CE.2008.05 - IMPLEMENT NEW INSPECTION PROTOCOL/HCV

#### DESCRIPTION

Biennial inspections are conducted on Tenant-Based units and randomly selected for Project-Based units. Voucher holders may request a special inspection outside of their biennial schedule. This policy streamlines inspection schedules and reduces administrative costs.

In FY14 this initiative was modified to include policies to further streamline the inspection process and to implement accountability measures for participants as they relate to scheduling, conducting inspections and correcting tenant-caused HQS violations. CHA will suppress HAP payments when HQS inspections are overdue as a result of participant delays. The participant will be responsible for the abated subsidy through the last day of the month in which the subsidy was abated. If a household is responsible for an emergency HQS violation, CHA will require that the household either make repairs or corrections within 48-hours or make arrangements with the owner to have the repairs or corrections completed within 48 hours. The participant will be held responsible for the abated HAP for any period of time after the 48 hours through the time the emergency violation is either repaired or corrected.

#### IMPACT

CHA conducted biennial inspections on 1,011 units in FY14 compared to 2,730 unit inspections performed in FY08. The cost of inspections has decreased further as CHA has used a neutral third party to conduct all initial and additional inspections in accordance with the Administrative Plan. Outcome numbers are based on the cost of services combined with staff time needed to schedule the inspections.

#### IMPLEMENTATION YEAR

This policy was approved and implemented in FY08 and further revised in FY10, FY12 and FY14.

#### PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.D.5

## CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

### CE.2008.05 - IMPLEMENT NEW INSPECTION PROTOCOL/HCV

| <b>CE #1: Agency Cost Savings</b>                          |  |  |   |                            |
|--|--|--|---|----------------------------|
| <b>Unit of Measurement</b>                                 | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Total cost of task in dollars (decrease).                  | Number of inspections performed in FY08: 2,730<br><br>Average time to perform inspection: 1.4 hours<br><br>Hourly cost for inspectors: \$40.02<br><br><b>Total cost: \$152,956</b> | No benchmark set in FY14 MTW Annual Plan | Number of inspections performed in FY14: 1,011*<br><br>Cost of services by contractor: \$27,350<br><br>Hourly staff rate: \$40.02<br><br>Staff cost: \$3,372<br><br>Net savings: \$122,234<br><br>Percent savings: 80%<br><br><b>Total cost: \$30,722</b> |                            |
| <b>CE #2: Staff Time Savings</b>                           |  |  |   |                            |
| <b>Unit of Measurement</b>                                 | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Total time to complete the task in staff hours (decrease). | Number of inspections performed in FY08: 2,730<br><br>Average time to schedule and perform inspection: 1.4 hours<br><br><b>Total time: 3,822 hours</b>                             | No benchmark set in FY14 MTW Annual Plan | Number of inspections performed in FY14: 1,011*<br><br>Average time to schedule an inspection: 1/12 hr<br><br><b>Total time: 84.25 hours</b>  |                            |

\*Due to a backlog of inspections from FY13 a larger number of inspections were performed FY14 than anticipated for each fiscal year moving forward.

## CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

### DESCRIPTION

CHA has implemented a series of initiatives in the HCV program designed to simplify rent calculation and the recertification process, streamline administrative processes, and reduce paperwork burdens on clients and staff. The following is a summary of ongoing program components including applicable modifications for each component. These initiatives are ongoing:

**Regular and Interim Recertification:** Elderly and disabled households undergo recertification on a biennial basis. Non-elderly, non-disabled households undergo recertification on an annual basis. Voluntary interim recertification may be requested by non-elderly, non-disabled households once between annual recertifications. The limit on interim recertifications does not apply to elderly or disabled households. In FY14, CHA modified this initiative to enforce greater participant accountability for the timely completion of the recertification process. Participants who fail to attend an originally-scheduled reexamination appointment without giving 48 hours prior notice will be charged a fee of \$60.

**Minimum Rent:** Minimum rent was increased from \$25 to \$50. Additionally, exception rent policies were established to provide greater flexibility for disabled households (see HC.2002.01 - RENT REASONABLENESS POLICY AND 120% EXCEPTION RENTS activity ). Exception rents for disabled households are evaluated on a case-by case basis. Zero income households will have a minimum rent of \$0 for the first three (3) months and will be eligible to receive a utility reimbursement. Starting on the fourth month, households that have not reported income will be responsible to pay a minimum rent of \$50.00 to the landlord and will not be eligible to receive a utility reimbursement.

**Utility Allowance:** CHA applies the smaller of the unit size and voucher size to calculate the utility allowance.

### Definition of Annual Income:

1. **Asset Income Calculation:** CHA modified the definition of income to exclude income from assets valued at \$50,000 or less. In cases where household assets are valued at more than \$50,000, CHA calculates and counts only the imputed income from assets by using the market value of the asset and multiplying it by the CHA established passbook savings rate. CHA's passbook savings rate is determined consistent with HUD guidelines.
2. Annual income does not include the 1st 12 months of net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.

In connection with this activity, CHA intends to track the aggregate earned income of households in the HCV program. The aggregate earned income for HCV participants was \$22,259,348 in FY13 and \$22,624,322 in FY14. This was an increase of \$364,974.

**Changes in Family Composition:** Households adding an adult member other than the spouse or partner of a household member, foster adult, live-in aide, or a guardian or caretaker for a minor child, will have their housing assistance payment reduced by 10% for each additional family member. The reduction will continue as long as the adult(s) is part of the household. The subsidy reduction is effective on the first of the month following the addition to the household.

**Restriction on Moves:** CHA may deny permission to move if the household was issued a voucher for a move and it expired without moving in the past twelve-month period.

**Mixed Family Rent:** Mixed families that include both members who are citizens/eligible immigrants as well as members who do not contend to have eligible immigration status are charged 110% of the rent they would pay if the household were not a mixed family.

**Households with Real Property and Significant Assets:** CHA implemented a series of policies related to eligibility to ensure that families who own real property and/or who have significant assets do not qualify for admission or continued occupancy with CHA. In this way, housing resources are provided to the population of individuals who do not have alternative resources for housing and who do not have significant assets. Elderly and disabled households are exempt from this policy.

Households who meet the following criteria will not be eligible for admission or continued occupancy :

Non-elderly/disabled households whose net assets exceed \$100,000.

Households who have a present ownership in, and a legal right to reside in, real property that is suitable for occupancy as a residence. This policy will not apply in the following circumstances:

A household member or members are unable to reside in the property because of domestic violence

The household is making a good faith effort to sell the property.

The property is owned in a country where there is verifiable evidence that the household would face retribution or repression were they to return to the country where the property is owned.

**Authorized Unit Size Due to Changes to the Household:** CHA implemented a policy to provide for changes in the authorized unit size the month following the approval of an additional household member. Further, for decreases in household composition, the authorized unit size will change at the first regular recertification after the decreases in household size. This policy provide families with more timely increases in subsidy standards when family size increases.

- Participants that have obtained written owner approval to add a household member may request that CHA add the household member as an authorized household member and re-determine the subsidy size based on the occupancy guidelines above. If the subsidy size for the family changes during the term of the HAP Contract, the “new” subsidy size is effective as follows:
- If the subsidy size is increased, the change is effective on the first of the month following the date that the new household member is approved by CHA.
- If the participant provided proper written notice of a decrease in household size, the change is effective at the first regular recertification following the change.
- If it is determined that the participant failed to provide the proper written notice of a decrease in family size, change is retroactive to the first of the month following the date that the household member left the household.

**IMPACT**

Rent Simplification in HCV has led to increased cost savings through a decrease in the average staff time needed to complete a recertification. This activity has been ongoing with the addition of various components since its approval in FY08. Please see **CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING** for a summary of hardship requests in both the Public Housing and HCV programs since FY07. The number of households that paid minimum rent in FY14 was 154 as of March 31, 2014.

**IMPLEMENTATION YEAR**

Biennial recertification for elderly and disabled households and the limit on interim recertifications was approved in the FY08 MTW Plan and implemented in FY11. This initiative was modified in FY14. Minimum rent was approved and implemented in FY06 and was modified in FY09 to reflect the three month minimum rent transition. The asset income policy was approved and implemented in FY06 and then modified in FY13 to reflect the imputed asset income calculation. The mixed family rent activity was approved in the FY09 MTW Plan and implemented in FY14 for the Housing Choice Voucher Program.

**PREVIOUSLY APPROVED AUTHORIZATION**

2009 MTW Agreement, Attachment C.D.1c and Attachment C.Z.a

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

| <b>CE #1: Agency Cost Savings</b>         |   |  |  |                            |
|---|---|--|--|----------------------------|
| <b>Unit of Measurement</b>                | <b>Baseline</b>   | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Total cost of task in dollars (decrease). | Recertifications performed in FY06: 2,120<br><br>Interims Performed in FY06: 1,033<br><br>Recertification Time: 1.25 hours<br><br>Interim Time: .75 hours<br><br>Hourly cost of recertification specialist: \$33.70<br><br><b>Total cost: \$115,415</b> | No benchmark set in FY14 MTW Annual Plan | Recertifications performed in FY14: 1,231<br><br>Interims Performed in FY14: 266<br><br>Recertification Time: 1.25 hours<br><br>Interim Time: .75 hours<br><br>Hourly cost of recertification specialist: \$40.02<br><br>Cost Savings: \$45,850<br><br><b>Total cost: \$69,565</b> |                            |

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/HCV

| <b>CE #2: Staff Time Savings</b>   |   |  |   |                            |
|--|---|--|---|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b>   | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Total time to complete the task in staff hours (decrease).                         | Recerts performed in FY06: 2,120<br>Interims Performed in FY06: 1,033<br>Annual Recertification Time: 1.25 hours<br>Interim Time: .75 hours<br><b>Total time: 3,425 hours</b> | No benchmark set in FY14 MTW Annual Plan | Recerts performed in FY13: 1,231<br>Interims Performed in FY14: 266<br>Annual Recertification Time: 1.25 hours<br>Interim Time: .75 hours<br><b>Total Time: 1,739 hours</b> |                            |
| <b>SS #1: Increase in Household Income</b>   |   |  |   |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>   | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Average earned income of households affected by this policy in dollars (increase). | \$22,072  | No benchmark set in FY14 MTW Annual Plan | \$23,641  |                            |
| <b>CHA Metric: Increase in Household Median Income</b>                             |   |  |   |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>   | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Median earned income of households affected by this policy in dollars (increase).  | \$20,138  | No benchmark set in FY14 MTW Annual Plan | \$21,481  |                            |

## **PUBLIC HOUSING (PH) PROGRAM ADMISSIONS & CONTINUED OCCUPANCY POLICIES<sup>2</sup> (ACOP)**

CHA's ongoing MTW initiatives for the Public Housing Program, which have been incorporated in the ACOP, are categorized according to the following MTW statutory objective:

1. Increase housing choice for low-income families
  - Create MTW Transfer Category in Admin Plan and ACOP - HC.2008.02 (page 58)
2. Reduce costs and achieve greater cost effectiveness in federal expenditures
  - Implement Ceiling Rents - CE.2009.01
  - Rent Simplification Program - CE.2006.01

Where an MTW initiative applies to both the Public Housing and Housing Choice Voucher Programs, the initiative will be listed under each program (except for HC.2008.02 - CREATE NEW MTW TRANSFER CATEGORY). Descriptions, impact, implementation year, and previously approved authorizations are identified for each MTW policy initiative. Metrics for the Public Housing MTW initiatives may reflect a group of MTW policies or a single MTW policy, where applicable.

### **MTW STATUTORY OBJECTIVE III: REDUCE COSTS AND ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES.**

#### **CE.2009.01 - IMPLEMENT CEILING RENTS/PUBLIC HOUSING**

##### **DESCRIPTION**

This policy simplifies ceiling rent calculations so that it is reflective of annual cost increases through the use of market-related indices. On an annual basis, CHA will review market-related indices applicable to ceiling rents and make a determination on the index to be applied in the given year. Prior to securing MTW status, CHA used the original ceiling rent methodology derived from the old Performance Funding System (PFS) which was discontinued when HUD adopted the Asset Management approach after the Harvard Cost Study. PFS proved to be cumbersome, time consuming, and did not factor in the actual maintenance and operation cost of public housing. Whereas an annual ceiling rent adjustment under PFS would have required at least one full day to formulate, this activity reduces the annual ceiling rent adjustment to approximately 1 hour, once a year. This initiative was implemented in FY06 and modified in FY09 to replace HUD's Annual Adjustment Factor (AAF) for the OCAF. In FY13 CHA did not implement an OCAF increase. In FY14 CHA discontinued the use of the OCAF.

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<sup>2</sup> As authorized under CHA's Amended and Restated MTW Agreement, Attachment C, Statement of Authorizations, CHA is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act. Additionally, under the Restated MTW Agreement, CHA is required to revise the Admissions and Continued Occupancy Policy (ACOP) to implement changes in Public Housing Occupancy policies as a result of the MTW program.

### IMPLEMENTATION YEAR

This program was approved and implemented in FY06 and modified in FY09 and FY14.

### IMPACT

This policy sets ceiling rent with a more appropriate indicator of the increased cost of operating and managing low-income housing year to year while also reducing staff time. The staff time should remain minimal and consistent every year as this is an activity that occurs only once a year and performed by one staff member. As of March 31, 2014, there were 144 households in public housing paying ceiling rent.

### PREVIOUSLY APPROVED AUTHORIZATION

2009 MTW Agreement, Attachment C.C.11

### CHANGES TO BENCHMARKS, BASELINE, METRICS

Under HUD's revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

#### CE.2009.01 - IMPLEMENT CEILING RENTS/PUBLIC HOUSING

| <b>CE #1: Agency Cost Savings</b>         |  |  |  |                            |
|---|--|--|--|----------------------------|
| <b>Unit of Measurement</b>                | <b>Baseline</b>                                      | <b>Benchmark</b>                         | <b>Outcome</b>                                       | <b>Benchmark Achieved?</b> |
| Total cost of task in dollars (decrease). | Hourly cost of staff that sets ceiling rent: \$66.68 | No benchmark set in FY14 MTW Annual Plan | Hourly cost of staff that sets ceiling rent: \$66.68 |                            |
|   | Number of hours to complete task: 8                  |  | Number of hours to complete task: 1                  |                            |
|   | <b>Total cost of task:</b><br>\$533                  |  | <b>Total cost of task:</b><br>\$66.68                |                            |

#### CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

##### DESCRIPTION

CHA has implemented a series of initiatives in the Public Housing and HCV programs designed to simplify rent calculation and the recertification process, streamline administrative processes, and reduce paperwork burdens on clients and staff. Revenue from rent, increased approximately \$90,000 between FY12 and FY13 while administrative savings were in excess of \$10,000 for the same time period. The following is a summary of ongoing program components including applicable modifications for each component. These initiatives are ongoing:

**Regular and Interim Recertification:** Public Housing residents are required to recertify income on a biennial basis. This initiative allows residents to increase their income without feeling the effect of an immediate increase in rent. For non-elderly, non-disabled households, up to two voluntary requests for interim rent reductions may be made between regular recertifications. The limit on interim recertifications does not apply to elderly or disabled households.

**Tiered Rent Schedule and Streamlined Deductions:** Under RSP, CHA implemented a tiered rent schedule. Residents' incomes fall into \$2,500 ranges and rent is set at 30% of the low end of each range (minus a utility allowance). RSP also streamlines the deductions allowing deductions for unreimbursed medical and child care expenses only. Unreimbursed child care and/or medical expenses must meet a minimum threshold for eligibility as a deduction. Medical and child care deductions are provided at either the \$2,500 or \$5,000 level according to the amount of unreimbursed expenses.

**Minimum Rent:** Households with income in the lowest tier of the rent schedule are charged a minimum rent of \$50 for a twelve month period. After twelve months at the \$50 minimum rent, households are charged the rate of the second tier of the rent schedule if there is no change in income. Fifty two households transitioned out of minimum rent in FY13. As of March 31, 2014, there were 71 households in federal public housing paying the \$50 minimum rent.

**Definition of Annual Income:**

1. Asset Income Calculation: CHA modified the definition of income to exclude income from assets valued at \$50,000 or less. In cases where household assets are valued at more than \$50,000, CHA calculates and counts only the imputed income from assets by using the market value of the asset and multiplying it by the CHA established passbook savings rate. CHA's passbook savings rate is determined consistent with HUD guidelines.
2. Annual income does not include the 1st 12 months of net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.

**Mixed Family Rent:** Mixed families that include both members who are citizens/eligible immigrants as well as members who do not contend to have eligible immigration status are charged 110% of the rent they would pay if the household were not a mixed family.

**Households with Real Property and Significant Assets:** CHA implemented a series of policies related to eligibility to ensure that families who own real property and/or who have significant assets do not qualify for admission or continued occupancy with CHA. In this way, housing resources are provided to the population of individuals who do not have alternative resources for housing and who do not have significant assets. Elderly and disabled households are exempt from this policy.

Households who meet the following criteria will not be eligible for admission or continued occupancy :

- Non-elderly/disabled households whose net assets exceed \$100,000.
- Households who have a present ownership in, and a legal right to reside in, real property that is suitable for occupancy as a residence. This policy will not apply in the following circumstances:
- A household member or members are unable to reside in the property because of domestic violence.

- The household is making a good faith effort to sell the property.
- The property is owned in a country where there is verifiable evidence that the household would face retribution or repression were they to return to the country where the property is owned.

In connection with this activity, CHA intends to track the aggregate earned income of households in Public Housing. The aggregate earned income in FY2014 was \$25,384,099 which was an increase from the FY13 aggregate income of \$24,632,853 for Public Housing Residents.

### IMPACT

The error rate for rent calculation in CHA’s public housing program is on average 17% lower than in a non-rent simplification program. The time needed to perform an Annual Recertification and an Interim Appointment for a participant has also decreased. Annual Reexamination appointments decreased from 1.5 hours in FY06 to 1 hour in FY13 and Interim appointments decreased from .75 hours in FY06 to .5 hours in FY13.

The rent simplification hardship policy provides a safety net for households experiencing unanticipated, significant drops in income or increases in medical or childcare costs for which they are eligible for an income deduction. CHA collects data on the number of hardship applications received, applicants’ household type, reason for request and outcome. Below is a summary of hardship requests:

| APPLICATION YEAR<br>(BY FISCAL YEAR) | APPLICATIONS RECEIVED | PUBLIC HOUSING HOUSEHOLDS | HCV HOUSEHOLDS | HARDSHIP GRANTED | HARDSHIPS NOT GRANTED |
|--------------------------------------|-----------------------|---------------------------|----------------|------------------|-----------------------|
| 2007                                 | 3                     | 3                         | 0              | 1                | 3                     |
| 2008                                 | 1                     | 1                         | 0              | 0                | 1                     |
| 2009                                 | 7                     | 6                         | 1              | 2                | 5                     |
| 2010                                 | 10                    | 10                        | 0              | 8                | 2                     |
| 2011                                 | 2                     | 2                         | 0              | 2                | 0                     |
| 2012                                 | 1                     | 0                         | 1              | 0                | 1                     |
| 2013                                 | 4                     | 0                         | 4              | 4                | 0                     |
| 2014                                 | 2                     | 1                         | 1              | 1                | 1                     |
| <b>Total</b>                         | <b>31</b>             | <b>23</b>                 | <b>7</b>       | <b>18</b>        | <b>13</b>             |

### IMPLEMENTATION YEAR

Biennial recertifications, the tiered rent schedule and streamlined deductions were approved and implemented in FY06. Minimum rent was approved and implemented in the FY06 MTW Plan and was modified in FY09 to reflect the twelve month limit. The asset income policy was approved and implemented in FY06 and then modified in FY13 to reflect the imputed asset income calculation. The mixed family rent activity was approved in the FY09 MTW Plan and implemented in FY09 for Public Housing.

### PREVIOUSLY APPROVED AUTHORIZATIONS

2009 MTW Agreement, Attachment C.C.2, C.C.4, C.C.5, and C.C.11

**CHANGES TO BENCHMARKS, BASELINE, METRICS**

Under HUD’s revised MTW reporting requirements, CHA revised its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity. As the HUD Standard Metrics are a new requirement, benchmarks for FY14 were not set in the FY14 MTW Annual Plan.

**CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING**

| <b>CE #1: Agency Cost Savings</b>         |   |  |   |                            |
|---|---|--|---|----------------------------|
| <b>Unit of Measurement</b>                | <b>Baseline</b>                                     | <b>Benchmark</b>                         | <b>Outcome</b>  | <b>Benchmark Achieved?</b> |
| Total cost of task in dollars (decrease). | Number of Recertifications Performed in FY06: 1,699 | No benchmark set in FY14 MTW Annual Plan | Number of Recertifications Performed in FY14: 1,027           |                            |
|   | Number of Interims Performed in FY06: 563           |  | Number of Interims Performed in FY14: 1,655                   |                            |
|   | Recertification Time: 1.5 hours                     |  | Recertification time: 1 hour                                  |                            |
|   | Interim Time: .75 hours                             |  | Interim Time: .5 hours  |                            |
|   | Staff Cost/hr: \$33.70                              |  | Staff Cost/hr: \$40.02  |                            |
|   | <b>Total Cost of Task: \$100,122</b>                |  | Cost Savings: \$28,561<br><b>Total Cost of Task: \$71,561</b> |                            |

CE.2006.01 - RENT SIMPLIFICATION PROGRAM (RSP)/PUBLIC HOUSING

| <b>CE #2: Staff Time Savings</b>   |  |  |  |                            |
|--|--|--|--|----------------------------|
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Total time to complete the task in staff hours (decrease).                         | Number of Annual Recertifications Performed in FY06: 1,699<br><br>Number of Interims Performed in FY06: 563<br><br>Annual Recertification Time: 1.5 hours<br><br>Interim Time: .75 hours<br><br><b>Total Time Spent on Task: 2,971 hours</b> | No benchmark set in FY14 MTW Annual Plan | Number of Recertifications Performed in FY14: 1,027<br><br>Total Number of Interims Performed in FY14: 1,655<br><br>Number of nonelderly head of household in family housing: 1,001<br><br>Annual Recertification Time: 1 hour<br><br>Interim Time: .5 hours<br><br><b>Total Time Spent on Task: 1,788 hours</b> |                            |
| <b>CE #5: Increase in Agency Rental Revenue</b>                                    |  |  |  |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Rental revenue in dollars <sup>1</sup> (increase)                                  | <b>Rental revenue collected in FY05:</b><br>\$10,021,885   | No benchmark set in FY14 MTW Annual Plan | <b>Rental revenue collected in FY14:</b><br>\$11,585,668   |                            |
| <b>SS#1: Increase in Household Income</b>  |  |  |  |                            |
| <b>Unit of Measurement</b>   | <b>Baseline</b>  | <b>Benchmark</b>                         | <b>Outcome</b>   | <b>Benchmark Achieved?</b> |
| Average earned income of households affected by this policy in dollars (increase). | \$26,810   | No benchmark set in FY14 MTW Annual Plan | \$30,147   |                            |
| <b>CHA Metric: Increase in Household Median Income</b>                             |  |  |  |                            |
| Median earned income of households affected by this policy in dollars (increase).  | \$24,440   | No benchmark set in FY14 MTW Annual Plan | \$25,118   |                            |

1. Does not include deduction of insufficient funds. JP State, Putnam School, and Roosevelt Towers Mid-Rise are not included in the totals

## **NOT YET IMPLEMENTED ACTIVITIES**

### **EM.2014.02 - TRANSITION TO MARKET RENT/PUBLIC HOUSING**

#### **DESCRIPTION**

Transition to Market Rent is a program that would provide financial support to households interested in moving out of public housing and into the private market. While public housing residents must have an income below 80% of AMI at the time of their acceptance into the Public Housing Program, CHA does not enforce an income limit during the tenancy period. Households with incomes at or above 100% of the Area Median Income (AMI) –as established by HUD – may be ready to successfully transition to the private rental market. Transition to Market Rent assists these households who find a unit in Cambridge by paying for their first and last month's rent, and security deposit.

This initiative was approved in the FY14 Annual Plan.

#### **UPDATE**

In October 2013, CHA hired a new Director of Property Management. With RAD and the scale of capital improvements to take place in the near future, the Director is considering an implementation schedule that minimizes further disruption of resident relocation while also encourage the effectiveness of this activity.

#### **TIMELINE**

CHA anticipates implementing this initiative in FY15.

### **HC.2008.08 - IMPLEMENT RECERTIFICATIONS EVERY TWO YEARS FOR HOUSEHOLDS IN PROJECT BASED UNITS/HCV**

#### **DESCRIPTION**

Similar to the biennial recertification policy in Public Housing, a biennial recertification schedule would apply to households living in Project-Based units. This initiative would allow residents to retain any additional income that they experience between recertifications and provide them with an opportunity to build savings and, at the same time, ease the burden of administering annual recertifications. For non-elderly, non-disabled households, up to two voluntary requests for interim rent reductions may be made between regular recertifications. The limit on interim recertifications would not apply to elderly or disabled households.

This initiative was approved in the FY08 Annual Plan.

#### **UPDATE**

Implementation of this initiative was part of the Administrative Plan revision. CHA finalized the document without addressing rent or income calculation reform. Metrics will be used after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

#### **TIMELINE FOR IMPLEMENTATION**

No timeline has been set for this activity at the present time. This activity requires further consideration as it would affect the feasibility, effectiveness, and possible implementation of an expanded FSS+ program.

## **HC.2008.06 - CHANGE INCOME CALCULATION TO ALLOW USE OF PRIOR YEAR/HCV**

### **DESCRIPTION**

Prospective and past income may be used to calculate resident rents, especially for families with irregular or sporadic employment histories. For example, W-2s may be used as evidence of past family income when more detailed information is not available.

This initiative was approved in the FY08 Annual Plan.

### **UPDATE**

Implementation of this initiative was part of the Administrative Plan revision. CHA did not address rent or income calculation reform in the revised Administrative Plan. Metrics will be developed after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

### **TIMELINE FOR IMPLEMENTATION**

No timeline has been set for this activity at the present time. This activity requires further consideration as it would affect the feasibility, effectiveness, and possible implementation of an expanded FSS+ program.

## **HC.2008.04 - ALIGN INCOME DEDUCTIONS WITH FEDERAL PUBLIC HOUSING RENT SIMPLIFICATION DEDUCTIONS/HCV**

### **DESCRIPTION**

Similar to the medical and childcare deductions established in the Public Housing program, Housing Choice Voucher holders would adopt the same or similar deduction schedule in calculating annualized income for lease-up, interim recertification, and/or regular recertification. Currently, a household need to show applicable expenses above \$2,500 in one category (medical or childcare) to receive a deduction. Additional deductions may be applied depending on the expenses.

This initiative was approved in the FY08 Annual Plan.

### **UPDATE**

Implementation of this initiative was part of the Administrative Plan revision. CHA did not address rent or income calculation reform in the revised Administrative Plan. Metrics will be developed after policies are finalized and an impact analysis and public process have been completed in accordance with the MTW Agreement.

### **TIMELINE FOR IMPLEMENTATION**

No timeline has been set for this activity at the present time. The implementation of this activity would likely be aligned with other income calculation modification policies in the HCV program.

## **ACTIVITIES ON HOLD - Not applicable at this time.**

## **ACTIVITIES CLOSED OUT**

### **PH.2010.01 - INTEGRATE NEAR-ELDERLY (58-59 YEAR OLD) INTO ELDERLY SITES' WAIT LISTS.**

#### **REASON FOR CLOSING OUT INITIATIVE**

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Pursuant to CFR (Definitions) 945.105, this policy does not require MTW authority. Current regulations allows any PHA to implement the same policy.

This initiative was approved in the FY10 Annual Plan and implemented in FY10. This activity is ongoing but was closed out as an MTW activity in FY14.

#### **FINAL OUTCOME AND LESSONS LEARNED**

Not applicable.

### **HC.2008.01 - IMPLEMENT REVISED PROJECT-BASED VOUCHERS IN COOPERATIVE EFFORT WITH CITY'S HOUSING TRUST FUND**

#### **REASON FOR CLOSING OUT INITIATIVE**

This initiative was implemented for specific sites and with a finite number of PBAs (46) allocated. Both sites are completed.

This initiative was approved in the FY08 Annual Plan and implemented in FY08. This activity was closed out in FY14.

#### **FINAL OUTCOME AND LESSONS LEARNED**

The activity was successful. The site construction was completed and all 46 PBAs were issued for the site.

### **HC. 2007.01 - REVIEW OF ALTERNATIVE SUBSIDY APPROACHES**

#### **REASON FOR CLOSING OUT INITIATIVE**

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that the activity is composed of four distinct programs (see below), each with its own distinct metrics. It is not a stand-alone policy and therefore we have closed it out. The following four programs originally fall under this policy.

1. Sponsor-based Voucher Program.
2. Family Opportunity Subsidy, now known as Pathways to Permanent Housing - Heading Home.
3. Career Family Opportunity - CFO (closed out)
4. Family Stability and Savings Plus Program (renamed Financial Stability and Savings Plus)

This initiative was approved in the FY07 Annual Plan and implemented in FY07. This activity was closed out in FY14.

**FINAL OUTCOME AND LESSONS LEARNED**

Not applicable.

**PD.2000.01 - REQUEST FOR REGULATORY RELIEF FOR MIXED FINANCE**

**REASON FOR CLOSING OUT INITIATIVE**

A HUD notice on streamlining mixed finance activities (PIH 2004-5) was issued on 04/09/04 and rendered this activity moot.

This initiative was approved in the FY00 MTW Plan, never implemented, and closed out in FY14.

**FINAL OUTCOME AND LESSONS LEARNED**

Not applicable.

**PD.2008.01 - LIBERATING ASSETS**

**REASON FOR CLOSING OUT INITIATIVE**

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that this activity is a component of the Public Housing Preservation Fund and not a stand-alone MTW activity. As a result, this activity has been combined and collapsed into HC.2010.01 Public Housing Preservation Fund.

This initiative was approved in the FY08 Annual Plan and implemented in FY8. This activity is ongoing but was closed out as a stand-alone MTW activity in FY14.

**FINAL OUTCOME AND LESSONS LEARNED**

Not applicable.

**PH.2013.02 - PROJECT-BASED VOUCHER IN PUBLIC HOUSING**

**REASON FOR CLOSING OUT INITIATIVE**

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, CHA determined that this activity is a component of the Public Housing Preservation Fund and not a stand-alone MTW activity. As a result, this activity has been combined and collapsed into HC.2010.01 Public Housing Preservation Fund.

This initiative was approved in the FY13 Annual Plan and implemented in FY13. This activity is ongoing but was closed out as a stand-alone MTW activity in FY14.

**FINAL OUTCOME AND LESSONS LEARNED**

Not applicable.

## SS.2013.02 - WORK FORCE SUCCESS INITIATIVE - MATCHED SAVINGS COMPONENT

### REASON FOR CLOSING OUT INITIATIVE

Implementation of the present Form 50900 and the requisite standard metrics led to additional review of CHA's MTW activities. Upon further examination, this policy does not require MTW authority.

This initiative was approved in the FY13 Annual Plan and implemented in FY14. This activity is ongoing but was closed out as an MTW activity in FY14.

### FINAL OUTCOME AND LESSONS LEARNED

Not applicable.

## SS.2011.01 - CAREER FAMILY OPPORTUNITY PROGRAM (CFO)

### REASON FOR CLOSING OUT INITIATIVE

Given the reductions in federal funding, CHA could not continue to provide the administrative funding to cover the program staff and related administrative costs.

This initiative was approved in the FY11 Annual Plan and implemented in FY11. This activity was closed out in FY14.

### SUMMARY TABLE OF OUTCOMES

|                                      | BASELINE | FY11     | FY12        | FY13     |
|--------------------------------------|----------|----------|-------------|----------|
| NUMBER OF HOUSEHOLDS ADMITTED        | 0        | 10       | 17          | 3        |
| AVERAGE INCOME OF ENROLLEES          | \$19,849 | \$19,849 | \$19,595    | \$22,000 |
| MEDIAN INCOME OF ENROLLEES           | \$15,000 | \$15,000 | \$18,616    | \$12,100 |
| MEDIAN HOUSEHOLD ASSETS OF ENROLLEES | N/A      | N/A      | UNAVAILABLE | \$3,000  |

### FINAL OUTCOME AND LESSONS LEARNED

CHA and CWU (non profit partner) recognized that there is continued difficulty in recruitment and a different referral and intake process is required for CFO. The tough economy has also played a factor in the earning expectations for the families and it seems more likely that while overall participants can show improvement in many areas (including increases in income and savings) they are unlikely to achieve self-sufficiency (that is subsidy-free) within the five year timeline envisioned in the original program design.

# SOURCES + USES OF FUNDING

In FY14 CHA received approximately \$62 million in total funds. They include the Federal MTW Housing Choice Voucher Program (\$36.9 million), the Federal Low Income Public Housing Program (\$21.6 million) and the Federal Capital Fund (\$3 million). This amount also includes \$1.4 million of subsidy transfers to mixed-finance developments and \$4.2 million in Block Grant Transfers. A total of \$56 million was used to cover operating expenses.

## MOVING TO WORK FUNDS

|  | Federal Public Housing | MTW Housing Choice Vouchers | Capital Fund     | Total MTW Funds   | Total MTW Funds Budget* | Favorable (Unfavorable) Variance |
|--|------------------------|-----------------------------|------------------|-------------------|-------------------------|----------------------------------|
| <b>SOURCES</b>                           |                        |                             |                  |                   |                         |                                  |
| Tenant Revenue                           | 10,303,875             |                             |                  | 10,303,875        | 10,021,167              | 282,708                          |
| Subsidy Revenue                          | 11,089,737             | 36,854,910                  | 3,079,967        | 51,024,614        | 49,520,367              | 1,604,247                        |
| Other Operating Receipts                 | 190,654                | 28,738                      |                  | 219,392           | 82,784                  | 136,608                          |
| <b>TOTAL SOURCES</b>                     | <b>21,584,266</b>      | <b>36,883,648</b>           | <b>3,079,967</b> | <b>61,547,881</b> | <b>59,524,318</b>       | <b>2,023,563</b>                 |
| <b>USES</b>                              |                        |                             |                  |                   |                         |                                  |
| Administrative Expenses and Fees         | 4,617,227              | 2,743,938                   | 579,967          | 7,941,132         | 7,392,775               | (548,357)                        |
| Tenant Services                          | 773,694                | 223,246                     |                  | 956,940           | 1,048,417               | 91,477                           |
| Maintenance Labor                        | 2,276,501              |                             |                  | 2,276,501         | 2,202,006               | (74,495)                         |
| Materials & Supplies, Contract Costs     | 3,867,762              |                             |                  | 3,867,762         | 3,756,570               | (111,192)                        |
| General Expenses                         | 2,512,280              | 430,614                     |                  | 2,942,894         | 2,853,700               | (89,194)                         |
| Utilities                                | 4,640,733              |                             |                  | 4,640,733         | 4,872,761               | 232,028                          |
| Energy Debt Service Payments             | 611,489                |                             |                  | 611,489           | 506,437                 | (105,052)                        |
| Housing Assistance Payments (HAP)        |                        | 28,756,361                  |                  | 28,756,361        | 30,028,569              | 1,272,208                        |
| Mixed Financing Subsidy Transfers        | 1,392,987              |                             |                  | 1,392,987         | 1,328,658               | (64,329)                         |
| Capital Improvements                     | 363,404                |                             | 2,500,000        | 2,863,404         | 2,925,000               | 61,596                           |
| <b>TOTAL USES</b>                        | <b>21,016,077</b>      | <b>32,154,159</b>           | <b>3,079,967</b> | <b>56,250,203</b> | <b>56,914,893</b>       | <b>664,690</b>                   |
| <b>CASH BEFORE BLOCK GRANT TRANSFERS</b> | <b>568,189</b>         | <b>4,729,489</b>            | <b>0</b>         | <b>5,297,678</b>  | <b>2,609,425</b>        | <b>2,688,253</b>                 |
| Operating Transfers                      | 0                      | (4,205,000)                 | 0                | (4,205,000)       | (3,000,000)             | 1,205,000                        |
| <b>NET SURPLUS (DEFICIT)</b>             | <b>568,189</b>         | <b>524,489</b>              | <b>0</b>         | <b>1,092,678</b>  | <b>(390,575)</b>        | <b>1,483,253</b>                 |

## OTHER FEDERAL FUNDS

Other Federal Programs consists of Moderate Rehabilitation Programs, Designated Housing Voucher Programs (NED/DHVP), Mainstream Voucher, Veterans Affairs Supported Housing Program (VASH), Service Coordinator Programs and other new grants related to Preservation Programs. The fiscal year ended with an operating cash surplus of \$1.2 million, all of which is restricted for use in the Preservation, VASH, and NED Programs.

|                              | Non-MTW<br>Vouchers | Tenant<br>Services | Total Other<br>Federal Funds | Budget           | Favorable<br>(Unfavorable)<br>Variance |
|------------------------------|---------------------|--------------------|------------------------------|------------------|--|
| <b>SOURCES</b>               |                     |                    |                              |                  |  |
| HUD Grants                   | 7,529,556           | 90,391             | 7,619,947                    | 5,759,753        | 1,860,194                              |
| Other Receipts               | 170                 | 522,934            | 523,104                      | 270,845          | 252,259                                |
| <b>TOTAL SOURCES</b>         | <b>7,529,726</b>    | <b>613,325</b>     | <b>8,143,051</b>             | <b>6,030,598</b> | <b>2,112,453</b>                       |
| <b>USES</b>                  |                     |                    |                              |                  |  |
| Administrative               | 305,924             | 0                  | 305,924                      | 271,002          | (34,922)                               |
| Tenant Services              | 0                   | 576,008            | 576,008                      | 622,147          | 46,139                                 |
| General Expenses             | 82,110              | 0                  | 82,110                       | 59,468           | (22,642)                               |
| HAP Payments                 | 5,973,103           | 0                  | 5,973,103                    | 5,310,879        | (662,224)                              |
| <b>TOTAL USES</b>            | <b>6,361,137</b>    | <b>576,008</b>     | <b>6,937,145</b>             | <b>6,263,496</b> | <b>(673,649)</b>                       |
| <b>NET SURPLUS (DEFICIT)</b> | <b>1,168,589</b>    | <b>37,317</b>      | <b>1,205,906</b>             | <b>(232,898)</b> | <b>2,786,102</b>                       |

## STATE FUNDS

The State housing programs administered by CHA ended the fiscal year with a deficit of \$219,000. This deficit was covered by operating transfers from the MTW Block Grant.

|                                      | State Public Housing | State Leased Housing | Other State Public Housing Programs | Total State Funds | Budget Total State Funds | Favorable (Unfavorable) Variance |
|--------------------------------------|----------------------|----------------------|-------------------------------------|-------------------|--------------------------|----------------------------------|
| <b>SOURCES</b>                       |                      |                      |                                     |                   |                          |                                  |
| Operating Receipts                   | 503,638              |                      | 548,849                             | 1,052,127         | 1,054,895                | (2,768)                          |
| Operating Subsidy                    | 328,053              | 1,187,016            | 954,448                             | 2,469,517         | 2,607,094                | (137,577)                        |
| Operating Transfers In / Block Grant | 50,000               | 169,000              |                                     | 219,000           | 138,000                  | 81,000                           |
| Release of Reserves                  |                      |                      | 143,000                             | 143,000           | 0                        | 143,000                          |
| <b>TOTAL SOURCES</b>                 | <b>881,691</b>       | <b>1,356,016</b>     | <b>1,645,937</b>                    | <b>3,883,644</b>  | <b>3,799,989</b>         | <b>83,655</b>                    |
| <b>USES</b>                          |                      |                      |                                     |                   |                          |                                  |
| Administrative                       | 323,951              | 185,494              | 275,519                             | 784,964           | 773,715                  | (11,249)                         |
| Tenant Services                      | 0                    |                      | 5,249                               | 5,249             | 6,404                    | 1,155                            |
| Maintenance Labor                    | 118,057              |                      | 148,463                             | 266,520           | 233,953                  | (32,567)                         |
| Materials and Contract Costs         | 112,086              |                      | 342,706                             | 454,792           | 439,895                  | (14,897)                         |
| General Expenses                     | 125,670              | 37,605               | 151,804                             | 315,079           | 280,503                  | (34,576)                         |
| Rent Payments                        |                      | 1,125,408            | 0                                   | 1,125,408         | 1,414,000                | 288,592                          |
| Utilities                            | 197,749              |                      | 267,591                             | 464,340           | 507,701                  | 43,361                           |
| Capital Improvements                 | 0                    | 0                    | 299,352                             | 299,352           |                          | (299,352)                        |
| Debt Service                         |                      |                      | 147,009                             | 147,009           | 147,009                  | 0                                |
| <b>TOTAL USES</b>                    | <b>876,513</b>       | <b>1,348,507</b>     | <b>1,637,693</b>                    | <b>3,862,713</b>  | <b>3,803,180</b>         | <b>(59,533)</b>                  |
| <b>NET SURPLUS (DEFICIT)</b>         | <b>5,178</b>         | <b>7,509</b>         | <b>8,244</b>                        | <b>20,931</b>     | <b>(3,191)</b>           | <b>24,122</b>                    |

## CENTRAL OFFICE COST CENTER

Various fixed and fee-for-service fees support the Central Office Cost Center (COCC). Apart from management fees earned through the Federal and State LIPH programs, the COCC also earns fees from the mixed financed projects it administers. Reserves of \$ 150,000 that were set aside from prior two years were released in FY14 to fund the central office cost center.

|                               | FY14<br>Actual   | FY14<br>Budget   | Favorable<br>(Unfavorable)<br>Variance |
|-------------------------------|------------------|------------------|--|
| <b>SOURCES</b>                |                  |                  |  |
| Total Management Fees         | 4,047,509        | 3,997,997        | 49,512                                 |
| Fee-for-Service               | 1,380,836        | 1,246,549        | 134,287                                |
| Miscellaneous                 | 1,356            |                  | 1,356                                  |
| Reserve Release               | 150,000          |                  | 150,000                                |
| <b>TOTAL SOURCES</b>          | <b>5,579,701</b> | <b>5,244,546</b> | <b>335,155</b>                         |
| <b>USES</b>                   |                  |                  |  |
| Salaries                      | 2,206,832        | 2,237,597        | 30,765                                 |
| Benefits                      | 1,329,830        | 1,358,856        | 29,026                                 |
| Central Maintenance Labor     | 894,458          | 991,952          | 97,494                                 |
| Administrative Contracts      | 305,294          | 243,000          | (62,294)                               |
| Office Rent                   | 193,306          | 305,874          | 113,568                                |
| Other Administrative Overhead | 684,565          | 426,897          | (221,668)                              |
| <b>TOTAL USES</b>             | <b>5,578,285</b> | <b>5,564,176</b> | <b>(14,109)</b>                        |
| <b>NET SURPLUS (DEFICIT)</b>  | <b>1,416</b>     | <b>(319,630)</b> | <b>321,046</b>                         |

## MTW BLOCK GRANT

The MTW Block Grant allows the CHA to combine all funding sources (Operating Fund, Housing Choice Voucher Operating Fund, and Capital Fund) into one account, for redistribution depending on program needs. Special MTW initiatives and large construction projects are often funded in part by the Block Grant.

In FY14, the MTW Block Grant received \$4.2 million from the Housing Choice Voucher Program. The Block Grant funded various program deficits, funded working capital for planning and development activities and funded sponsor loans for one of its mixed-finance tax credit developments. A significant amount of funds (\$8.9 million) were used to close-out one of the mixed-finance tax-credit developments which required satisfying CHA's obligation in sponsor loans.

Most of the cash at the end of FY13 has been obligated to special projects, most notably to fund working capital needs for planning and development as CHA is embarking on transitioning its public housing stock to affordable housing through HUD's Rental Assistance Demonstration project (RAD).

|   | FY14<br>PLAN     | FY14<br>ACTUAL    |
|---|------------------|-------------------|
| <b>ESTIMATED BEGINNING CASH – APRIL 1, 2013</b> | <b>3,419,559</b> | <b>9,483,741</b>  |
| <b>SOURCES OF CASH</b>                          |                  |                   |
| MTW Transfer                                    | 3,000,000        | 4,205,000         |
| Development Fee                                 | 0                | 1,037,353         |
| Interest Income                                 | 0                | 8,532             |
| <b>TOTAL SOURCES</b>                            | <b>3,000,000</b> | <b>5,220,037</b>  |
| <b>TOTAL FUNDS AVAILABLE FOR USE</b>            | <b>6,419,559</b> | <b>14,734,626</b> |
| <b>USES OF CASH</b>                             |                  |                   |
| Operating Transfers                             |                  |                   |
| Transfers to State LIPH                         |                  | 50,000            |
| Transfers to MRVP                               | 138,000          | 169,000           |
| <b>SUBTOTAL</b>                                 | <b>138,000</b>   | <b>219,000</b>    |
| Planning + Development Activities               |                  |                   |
| Admin Costs and Working Capital                 | 1,600,738        | 1,576,832         |
| Major Capital Projects                          | 3,891,604        |                   |
| RAD Pre-Development Costs                       |                  | 687,666           |
| JP Escrow Funds                                 |                  | 2,118,256         |
| Mixed-Finance Projects                          |                  | 8,924,356         |
| <b>SUBTOTAL</b>                                 | <b>5,492,342</b> | <b>13,307,110</b> |
| Block Grant Projects                            |                  |                   |
| Policy + Technology Lab                         | 361,121          | 312,515           |
| Building Fund and Related Costs                 |                  | 365,214           |
| FSS+ Program                                    | 45,000           | 56,250            |
| Other Projects                                  |                  | 52,131            |
| ProCore Scanning                                |                  | 34,476            |
| <b>SUBTOTAL</b>                                 | <b>406,121</b>   | <b>820,586</b>    |
| <b>TOTAL USES</b>                               | <b>6,036,463</b> | <b>14,346,696</b> |
| <b>ENDING FUND BALANCE - MARCH 31, 2014)</b>    | <b>383,096</b>   | <b>387,930</b>    |

# HUD REQUIREMENTS

## A. MTW Report: Sources and Uses of MTW Funds

### Actual Sources and Uses of MTW Funding for the Fiscal Year

**PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system**

### Describe the Activities that Used Only MTW Single Fund Flexibility

Given the fungibility of work items under CFP and CHA's 5-year plan, CHA capital plan is extensive and comprehensive. In order to plan, develop private investment opportunities and address local issues such as planning and zoning, CHA believes that it is in its best interest to not budget capital soft costs by AMP in our FY 2014. Instead, CHA has created a pool of working capital funds based on all planned capital work for the fiscal year.

CHA's Planning and Development Department will draw against this pool to cover pre-rehabilitation and/or pre-development costs such as financial consulting, legal, architectural or engineering fees and viability assessments. As the need arises, CHA also intends to charge pre-development administrative costs to this pool. As work progresses, CHA will collapse costs into the capital budget for a specific project, and then track soft costs by AMP. However, not all costs may be AMP-based. In the event a project is deferred or infeasible, CHA at its discretion, can choose to leave those costs in the common pool and not charge them to a project. For projects that go forward, financial statements at year-end will reflect all capital expenses incurred by AMP. Costs charged to the working capital pool are a direct cost to the pool and once a project goes forward will be considered a direct cost to a specific project. In the event CHA receives a developer fee it will reserve the option to charge the fee back to the pool or the AMP where the capital project was completed.

Amendment 1, Section F. 2. b. and c., requires that costs be accorded consistent treatment. The model proposed above comports with Amendment 1 in that the working capital pool can be considered a direct cost for pre-development expenses. Once under-way, costs to the extent possible, can be shifted or considered a direct cost to a project.

## V.4.Report.Local Asset Management Plan

### B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?

Yes

Has the PHA implemented 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. It 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

In the body of the Report, PHAs should provide a narrative updating the progress of implementing and operating the Local Asset Management Plan during the fiscal year.

## C. MTW Report: Commitment of Unspent Funds

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

| Account                                    | Planned Expenditure                       | Obligated Funds  | Committed Funds     |
|--|---|------------------|---------------------|
| A&E  | Architect & Engineering - Newtowne Court  | \$ 230,710       | \$ 2,218,000        |
| A&E  | Architect & Engineering - Putnam Gardens  | \$ 85,775        | \$1,132,262         |
| A&E  | Architect & Engineering - Washington Elms | \$129,380        | \$1,218,000         |
| A&E  | Architect & Engineering - Manning         | \$141,900        | \$2,305,918         |
| A&E  | Modernization- Woodrow Wilson             | \$36,247         | \$316,000           |
| Legal                                      | Legal Costs - RAD Projects                | \$39,589         | \$250,000           |
|  | Resident Services                         | \$15,000         | \$500,000           |
|  | PT Lab                                    | \$15,000         | \$454,273           |
|  | Planning & Development Working Capital    | \$142,884        | \$2,464,195         |
| <b>Total Obligated or Committed Funds:</b> |   | <b>\$836,485</b> | <b>\$10,858,648</b> |

Committed Funds represents executed contract obligations approved by the Board. Obligated Funds represents services that have been incurred and billed to the Agency.

**Note:** Written notice of a definition of MTW reserves will be forthcoming. Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.

# ADMINISTRATIVE

## MTW REPORTING COMPLIANCE

1. CHA was not required to take additional actions as a result of HUD reviews, audits or physical inspection issues.
2. CHA did not have any Agency-directed evaluations of the MTW demonstration.
3. CHA has met the three statutory requirements:
  - a. At least 75% of the families assisted by CHA are very low-income families.
  - b. CHA assisted substantially the same total number of eligible low-income families as would have been served had the amounts not been combined.
  - c. A comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

### NUMBER OF LOW-INCOME FAMILIES SERVED

|   |       |
|---|-------|
| BASELINE NUMBER OF FAMILIES TO BE SERVED <sup>1</sup> | 4,642 |
| TOTAL FAMILIES SERVED IN FY14 <sup>2</sup>            | 4,602 |
| NUMERICAL DIFFERENCE                                  | -40   |
| PERCENTAGE DIFFERENCE                                 | -0.9% |

### MIX OF HOUSEHOLD SIZE SERVED<sup>3</sup>

|   | 0-1 BR | 2 BR  | 3 BR  | 4+ BR |
|---|--------|-------|-------|-------|
| BASELINE PERCENTAGE OF HOUSEHOLD SIZES (BASED ON NUMBERS REPORTED IN FY 2000) | 50%    | 23.9% | 19.7% | 5.5%  |
| NUMBER OF FAMILIES SERVED BY HOUSEHOLD SIZE IN FY14 <sup>3</sup>              | 2,349  | 1,208 | 880   | 165   |
| PERCENTAGE OF FAMILIES SERVED BY HOUSEHOLD SIZE                               | 50.0%  | 26.2% | 19%   | 3.5%  |
| PERCENTAGE DIFFERENCE   | 0%     | +2.3% | -0.7% | -2%   |

|   | 1 PERSON | 2 PERSON | 3 PERSON | 4 PERSON | 5 PERSON | 6+ PERSON |
|---|----------|----------|----------|----------|----------|-----------|
| NUMBER OF FAMILIES SERVED BY HOUSEHOLD SIZE IN FY14     | 2,373    | 960      | 609      | 372      | 194      | 94        |
| PERCENTAGE OF FAMILIES SERVED BY HOUSEHOLD SIZE IN FY14 | 51.6%    | 20.9%    | 13.2%    | 8.1%     | 4.2%     | 2%        |

1. Baseline was developed using the preliminary FY2012 and FY2013 figures under PIH Notice 2013-2, Baseline Methodology for Moving to Work Public Housing Agencies provided by Ivan Pour in an email dated May 28, 2014. HUD-determined numbers for FY2014 baseline were adjusted as follows. HCV total is 2,329. Public Housing = 2,210 + 45 (Jackson Gardens) + 53 (Lincoln Way) + 5 (originally missed units).
2. MTW Public Housing Households consist of 2,325 + 44 (JFK) for a total of 2,369. MTW Vouchers consist of 2,169 + 64 (sponsor based) for a total of 2,233. They do not include households living at Harwell Homes because those households have not yet been converted to MTW. JFK households consisted of 5 two-person households and 39 one-person households.
3. Household and bedroom size information for 64 (sponsor based) voucher households are maintained by CHA's partner sites and could not be provided at the time of this writing. Therefore, CHA assumed each household as 1 person households living in 0-1 BR units. This data will be updated accordingly.

# MTW AGREEMENT ATTACHMENT D REQUIREMENT

Attachment D of the Moving-to-Work (MTW) Agreement dated 1/15/2009 includes the following requirements at paragraph A.6.d.

EPC Reporting Requirements: Each year the Agency shall report on the performance of its EPC in its Annual MTW Report. Reporting requirements include an audited consumption baseline and an annual measurement and verification of cost and consumption savings report. The Annual MTW Report will include the following data elements for each asset management project (AMP), by project number:

|   | DANIEL F. BURNS APARTMENTS<br>(MA003000307)  | MILLERS RIVER APARTMENTS<br>(MA003000310)   |
|---|--|---|
| <b>IS THE PROJECT ESCO OR SELF-DEVELOPED?</b>                             | Phases 1 & 2 are ESCo-developed.   | This ESCo was self-developed in 2002.   |
| <b>WHAT [IS] THE NUMBER OF REHABILITATED UNITS IN THE ENERGY PROJECT?</b> | Phase I was implemented in May 1997 and affected 199 units. Subsequent conversions reduced the unit count to 196, which is the number included in Phase 2.   | 301 residential units at Millers River.   |
| <b>WHAT [IS] THE NUMBER OF REHABILITATED AMPS IN THE ENERGY PROJECT?</b>  | One (1)  | One (1)   |
| <b>WHAT IS THE TOTAL INVESTMENT?</b>                                      | Phase 1 was \$1,464,970<br>Phase 2 was contracted at \$1,859,757   | \$2,699,720   |
| <b>WHAT IS THE TOTAL FINANCED?</b>  | Original Phase 1 financing closed in May 1997 and totaled \$1,448,711. The balance was refinanced in May 1999 to reduce interest costs after two payments were made. The par value of the refinancing was \$1,382,983. This financing was paid off in FY10.<br><br>Phase 2 financing closed on 2/16/2010 and totaled \$1,908,807. Amortization commenced 3/16/2010 and continues through 12/16/2017. | Original amount financed was \$1,822,094. Amortization commenced 12/15/2002 and continues through 11/15/2014. |

|  | <b>DANIEL F. BURNS APARTMENTS<br/>(MA003000307)</b>        | <b>MILLERS RIVER APARTMENTS<br/>(MA003000310)</b>          |
|--|--|--|
| <b>WHAT IS THE DEBT SERVICE (ANNUAL)?</b>  | \$255,037  | \$208,921  |
| <b>WHAT ARE THE GUARANTEED SAVINGS?</b><br>(SOURCE: INVESTMENT GRADE ENERGY AUDIT)     | Same as debt service.                                      | \$208,921  |
| <b>WHAT ARE ACTUAL SAVINGS?</b><br>(SOURCE: ANNUAL MONITORING AND VERIFICATION REPORT) | \$317,300  | \$131,116  |
| <b>WHAT IS THE INVESTMENT PER UNIT?</b>  | Phase I: \$7,366.68<br>Phase II: \$9,488.61                | \$8,969.17   |
| <b>WHAT IS THE FINANCE PER UNIT?</b>   | Phase I: \$6,949.66<br>Phase II: \$9,738.81                | \$5,934.78   |
| <b>WHAT IS THE SAVINGS PER UNIT?</b>   | Guaranteed Savings: \$1,301<br>Actual Savings: \$1,619     | Guaranteed Savings: \$726<br>Actual Savings: \$433         |
| <b>WHAT IS THE SAVINGS PER PROJECT (AMP)?</b>  | Guaranteed Savings: \$255,037<br>Actual Savings: \$317,300 | Guaranteed Savings: \$219,996<br>Actual Savings: \$131,116 |
| <b>WHAT IS THE TERM OF THE CONTRACT?</b>   | Phase I: 12 years<br>Phase II: 7.75 years                  | 12 years   |
| <b>WHAT DATE WAS THE REQUEST FOR PROPOSAL ISSUED?</b>                                  | March 1, 1994 for both Phase I and II.                     | Not applicable to self-esco.                               |
| <b>WHAT WAS DATE AUDIT EXECUTED?</b>   | Phase I: January 30, 1995<br>Phase II: February 26, 2009   | November 15, 2002  |
| <b>WHAT WAS DATE ENERGY SERVICES AGREEMENT EXECUTED?</b>                               | Phase I: May 9, 2007<br>Phase II: February 26, 2010        | Not applicable   |
| <b>WHAT WAS DATE REPAYMENT STARTS?</b>   | Phase I: February 13, 1998<br>Phase II: March 16, 2010     | December 15, 2002  |
| <b>WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?</b>     | See Description Below.                                     | See Description Below.                                     |

## **DANIEL F. BURNS APARTMENTS (MA003000307)**

### **WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?**

#### **PHASE I ENERGY CONSERVATION MEASURES**

In 1997, the CHA contracted with Citizens Conservation Services (now Ameresco), to convert the electric heat and hot water systems at Daniel F. Burns Apartments from electricity to natural gas. This first such conversion in federal public housing presented challenges both technical and programmatic that CHA and Ameresco overcame to make the overall project a success.

#### **CONVERT HEATING, HOT WATER, LAUNDRY SYSTEMS FROM ELECTRIC TO GAS**

The majority of the Phase 1 project funding was dedicated to the installation of a gas piping, building distribution systems, and heating terminal units, and related controls and accessories throughout the occupied facility to convert the heat, hot water and laundry to natural gas. This included demolition and coring, MEP and carpentry for removing existing electric resistance terminal units, coring, trenching, piping, electrical, carpentry and finishes for fully functional gas and forced hot water heating distributions systems; last but not least, the creation of a boiler room and all associated piping, venting and accessories. The building work is an estimated 65% of the total hard cost; the boiler room brings the total conversion to roughly 86% of the total Phase I hard cost.

#### **ADD TIME-OF-DAY/DEMAND CONTROL TO ROOFTOP EXHAUST FANS**

This measure reduced the air changes in the building to a reasonable level and further promoted the reduction in heating energy use.

#### **REPLACE WATER CLOSETS**

1st generation, pressurized flush 1.6-gallon toilets were installed in the majority of the units.

#### **PHASE 2 ENERGY CONSERVATION MEASURES**

#### **INSTALL HET TOILETS & LOW-FLOW SHOWERHEADS AND AERATORS**

Ameresco installed in new HET (high-efficiency toilets) flushing at 1.0 GPF and low-flow aerators and showerheads in all apartments and common area bathrooms. (The prior retrofit included 1.6 GPF left wall-hung 5.0 GPF models.)

#### **ADDRESS BOILER ROOM MAINTENANCE ISSUES**

The Phase I boiler systems were providing efficient heat and hot water to the building, but were producing increasingly high contracted maintenance costs. Ameresco replaced the Aerco heating boilers with four gas-fired Hydrotherm KN10 boilers. The new boilers have a higher overall efficiency than the existing boilers because they will run in condensing mode for a longer portion of the year. Concurrently, Ameresco installed new indirect-fired Veissman boilers, a new brazed plate heat exchanger, and new primary and secondary loop circulator pumps for domestic hot water to replace the open loop DHW system; installed a new water softener in line with the cold water feed to the DHW system to reduce the occurrence of liming and scale build up; and replaced the mixing valve.

#### **INSTALL HOT WATER UNIT VENTILATORS IN COMMON AREAS**

Ameresco replaced the existing, first-floor, common area, electric unit ventilators with new hot water coil unit ventilators. The new unit ventilators will be connected to the existing space heating distribution system and will save electric energy by converting to a gas heat source and by means of their higher cooling efficiency.

#### **UPGRADE APARTMENT LIGHTING AND UPGRADE COMMON AREA LIGHTING AND CONTROLS**

Ameresco completed lighting fixtures, retrofits, and controls. The scope of work involved 601 fixtures and 46 occupancy sensors in common area locations.

#### **ROOF REPLACEMENT AND INSTALLATION OF SOLAR PHOTO-VOLTAIC ARRAY**

Ameresco replaced the existing roof, improving the insulation which resulting in a small stream of gas savings. Roof replacement also allowed for the installation of a 46 kW solar array, which will provide annual electricity savings and increase the CHA's percentage of on-site generation.

## DANIEL F. BURNS APARTMENTS (PHASE 2 REPORTING)

|                        | DEBT PAYMENT |          | GUARANTEED SAVINGS |          | ACTUAL SAVINGS |          |
|------------------------|--------------|----------|--------------------|----------|----------------|----------|
|                        | Total        | per Unit | Total              | per Unit | Total          | per Unit |
| APRIL 2013 TO MAY 2014 | \$255,037    | \$1,301  | \$233,037          | \$1,301  | \$317,300      | \$1,619  |

## MILLERS RIVER APARTMENTS (MA003000310)

### WHAT TYPES OF ENERGY CONSERVATION MEASURES WERE INSTALLED AT EACH AMP SITE?

#### ENERGY CONSERVATION MEASURES

##### CONVERT HEATING, HOT WATER, LAUNDRY SYSTEMS FROM ELECTRIC TO GAS

The majority of the project funding was dedicated to installation of gas piping, building distribution systems, heating baseboard, and related controls and accessories throughout the occupied facility to convert the heat, hot water and laundry to natural gas.

The existing electric resistance heating system was replaced with a high

efficiency gas fired hydronic system. The existing electric water heater was converted to an indirect gas fired water heater, and the electrical roof top ventilation units were converted to gas fired hydronic systems.

The project included demolition and carpentry necessary for removing the existing electric resistance terminal units; the coring, trenching, piping, electrical, carpentry and finishes necessary to install fully functional gas and forced hot water heating distribution systems; and last but not least, the creation of a boiler room with all associated piping, venting and accessories.

##### REPLACE WATER CLOSETS

The existing 3-gallon per flush toilets were replaced with 1.6-gallon toilets throughout the 303 units. This project also replaced the central water booster pump and installed faucet aerators at kitchen and bathroom sinks.

## MILLERS RIVER APARTMENTS

|                        | DEBT PAYMENT |          | GUARANTEED SAVINGS |          | ACTUAL SAVINGS |          |
|------------------------|--------------|----------|--------------------|----------|----------------|----------|
|                        | Total        | per Unit | Total              | per Unit | Total          | per Unit |
| APRIL 2013 TO MAY 2014 | \$208,921    | \$689    | \$208,921          | \$726    | \$131,116      | \$433    |

CHA BOARD APPROVAL

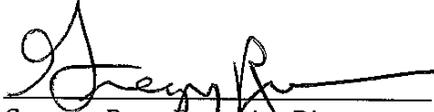
EXTRACT OF THE MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF COMMISSIONERS OF THE  
CAMBRIDGE HOUSING AUTHORITY  
WEDNESDAY, JUNE 25, 2014 5:30 P.M.

MEMBERS PRESENT: GERARD J. CLARK, CHAIRPERSON  
ANTHONY PINI, VICE-CHAIRPERSON  
WARREN R. MCMANUS, TREASURER  
VICTORIA BERGLAND, ASSISTANT TREASURER  
SUSAN T. CONNELLY, MEMBER

ALSO PRESENT: GREGORY P. RUSS, EXECUTIVE DIRECTOR  
SUSAN C. COHEN, LEGAL COUNSEL  
TERRY DUMAS, PLANNING DEPARTMENT  
SHIRLEY SANFORD, RECORDING SECRETARY

SUBMISSION OF FY 2014 MTW ANNUAL REPORT

**MOTION:** Mr. McManus moved that the Moving To Work Deregulation Demonstration Program FY 2014 Annual Report be approved. Ms. Connelly seconded the motion, which upon being put to vote, was passed unanimously.

  
Gregory Russ, Executive Director

Attest  
Seal



SUBMISSION

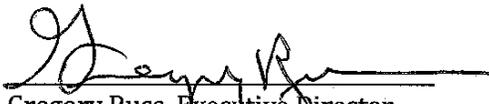
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VICTORIA BERGLAND, ASSISTANT TREASURER  
SUSAN T. CONNELLY, MEMBER

ALSO PRESENT: GREGORY P. RUSS, EXECUTIVE DIRECTOR  
SUSAN C. COHEN, LEGAL COUNSEL  
TERRY DUMAS, PLANNING DEPARTMENT  
SHIRLEY SANFORD, RECORDING SECRETARY

SUBMISSION OF FY 2014 MTW ANNUAL REPORT

**MOTION:** Ms. Connelly moved authorization to submit the final Report to the U.S. Department of Housing and Urban Development, pursuant to the memorandum from Martha Tai to Gregory Russ, Executive Director, dated June 19, 2014. Mr. McManus seconded the motion, which upon being put to vote, was passed unanimously.

  
Gregory Russ, Executive Director

Attest  
Seal



# APPENDIX

1. HOUSING STOCK
2. HOUSEHOLDS SERVED
3. WAIT LIST INFORMATION
4. LOCAL ASSET MANAGEMENT PLAN
5. PUBLIC COMMENTS + RESPONSES

# HOUSING STOCK

## FY14 UNIT AND VOUCHER INVENTORY CHART – ALL PROGRAMS THROUGH THE CLOSE OF FY14 (MARCH 31, 2014)

|                                       | HUD<br>Baseline | Vouchers<br>Authorized or PH<br>Units in Place as<br>of 3/31/14 | Households<br>served as of<br>3/31/2014 | Explanatory<br>Notes   |
|---------------------------------------|-----------------|---|---|--|
| <b>FEDERAL PUBLIC HOUSING</b>         |                 |   |   |  |
| Elderly / Disabled                    |                 | 1,079   | 1,042                                   | Includes Burns, Millers, LBJ, Norfolk St., Manning and Russell.  |
| Family                                |                 | 1,338   | 1,283                                   | Includes Washington Elms, Corcoran Pk, Putnam Gardens, Newtowne Ct, Jefferson Pk, Roosevelt Towers, Cambridgeport Commons, Family Condos, Woodrow Willson Ct, Lincoln Way, Lincoln Way Ext., and Jackson Gardens.  |
| CHA MTW Public<br>Housing Households  |                 |   | 2,325                                   | The <u>Households Served</u> population for Federal Public Housing demographic tables. Does not include JFK.   |
| JFK (HOPE VI)                         |                 | 44  | 44                                      |  |
| Non-Dwelling                          |                 | 6   | 6                                       |  |
| <b>FEDERAL MTW PUBLIC<br/>HOUSING</b> | <b>2,313</b>    | <b>2,467</b>  | <b>2,375</b>                            |  |
| <b>FEDERAL VOUCHERS</b>               |                 |   |   |  |
| MTW Tenant Based                      |                 |   | 1,427                                   | 81 vouchers were issued but not yet leased.  |
| MTW Project Based                     |                 |   | 742                                     |  |
| CHA MTW Voucher<br>Households         |                 |   | 2,169                                   | The <u>Households Served</u> population for MTW HCV demographic tables.  |
| Sponsor-based                         |                 |   | 64                                      |  |
| <b>FEDERAL MTW HCV</b>                | <b>2,329</b>    | <b>2,398</b>  | <b>2,233</b>                            | <b>93% utilization rate</b>  |
| Non-MTW                               |                 |   | 527                                     | Mainstream, VASH, DHVP, Mod Rehab, and Shelter Care. 32 vouchers were issued but not yet leased.   |
| Expiring Use/Enhanced                 |                 |   | 135                                     | Vouchers that have not yet converted to MTW. Harwell Homes (2), Smith House (131), and 402 Rindge (2).   |
| <b>ALL FEDERAL VOUCHERS</b>           |                 | <b>3,483</b>  | <b>2,895</b>                            | 335 vouchers were not utilized because CHA received subsidies authorized for 402 Rindge (218) and Madison (119) in advance, through the Expiring Use Preservation Program, and expected to be leased up in FY15. See public comments on page 113 for a breakdown of voucher utilization. |
| <b>ALL FEDERAL ASSISTED</b>           |                 | <b>5,950</b>  | <b>5,270</b>                            |  |
| <b>STATE PUBLIC HOUSING</b>           |                 |   |   |  |
| Elderly / Disabled                    |                 |   |   |  |
| Family                                |                 | 108   | 65                                      | Includes Jefferson Park State which is undergoing relocation and slated for complete reconstruction starting FY15.   |
| Non-Dwelling                          |                 | 1   |   |  |
| Other State Assisted                  |                 | 110   | 102                                     | Includes Roosevelt Towers (Mid-Rise) and Putnam School   |
| <b>STATE PUBLIC HOUSING</b>           |                 | <b>219</b>  | <b>167</b>                              | The <u>Households Served</u> population for the State Public Housing demographic tables.   |
| <b>ALL STATE VOUCHERS</b>             |                 | <b>156</b>  | <b>155</b>                              | The <u>Households Served</u> population for the State Voucher demographic tables. Includes MRVP and AHVP (20 project-based MRVP, 49 AHVP and remainder tenant-based). 4 vouchers were issued but not yet leased. 99% utilization.  |
| <b>ALL STATE ASSISTED</b>             |                 | <b>375</b>  | <b>322</b>                              |  |
| <b>TOTAL ASSISTED</b>                 |                 | <b>6,325</b>  | <b>5,592</b>                            |  |
| Other (No CHA subsidy)                |                 | 17  | 17                                      | Includes Porter Road (11/26), Lancaster (4/65) Prospect Street (1/20 units), and 1 condo unit (inclusionary unit through City of Cambridge)  |
| <b>ALL PROGRAMS TOTAL</b>             |                 | <b>6,342</b>  | <b>5,609</b>                            |  |

# HOUSEHOLDS SERVED

## FEDERAL MTW PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (HCV) HOUSEHOLDS SERVED

|                                 | FEDERAL PUBLIC HOUSING HOUSEHOLDS |              |                    |             | FEDERAL MTW HCV HOUSEHOLDS |            |                    |             | ALL PROGRAMS |
|---------------------------------|-----------------------------------|--------------|--------------------|-------------|----------------------------|------------|--------------------|-------------|--------------|
|                                 | FAMILY                            | ELDERLY      | TOTAL <sup>1</sup> | PERCENT     | FAMILY                     | ELDERLY    | TOTAL <sup>2</sup> | PERCENT     | TOTAL        |
| <b>NUMBER OF BEDROOMS</b>       |                                   |              |                    |             |                            |            |                    |             |              |
| Studio                          | 0                                 | 521          | 521                | 22%         | 53                         | 87         | 140                | 6%          | 661          |
| 1 BR                            | 209                               | 507          | 716                | 31%         | 337                        | 527        | 864                | 40%         | 1,580        |
| 2 BR                            | 526                               | 14           | 540                | 23%         | 504                        | 164        | 668                | 31%         | 1,208        |
| 3 BR                            | 443                               | 0            | 443                | 19%         | 384                        | 53         | 437                | 20%         | 880          |
| 4+ BR                           | 105                               | 0            | 105                | 5%          | 54                         | 6          | 60                 | 3%          | 165          |
| <b>TOTAL FEDERAL HOUSEHOLDS</b> | <b>1,283</b>                      | <b>1,042</b> | <b>2,325</b>       | <b>100%</b> | <b>1,332</b>               | <b>837</b> | <b>2,169</b>       | <b>100%</b> | <b>4,494</b> |
| <b>RACE</b>                     |                                   |              |                    |             |                            |            |                    |             |              |
| American Indian                 | 10                                | 4            | 14                 | 1%          | 6                          | 5          | 11                 | 1%          | 25           |
| Asian                           | 67                                | 51           | 118                | 5%          | 33                         | 24         | 57                 | 3%          | 175          |
| Black                           | 802                               | 325          | 1,127              | 48%         | 754                        | 263        | 1,017              | 47%         | 2,144        |
| White                           | 402                               | 657          | 1,059              | 46%         | 538                        | 545        | 1,083              | 50%         | 2,142        |
| Other                           | 2                                 | 5            | 7                  | 0%          | 1                          | 0          | 1                  | 0%          | 8            |
| <b>TOTAL FEDERAL HOUSEHOLDS</b> | <b>1,283</b>                      | <b>1,042</b> | <b>2,325</b>       | <b>100%</b> | <b>1,332</b>               | <b>837</b> | <b>2,169</b>       | <b>101%</b> | <b>4,494</b> |
| <b>ETHNICITY</b>                |                                   |              |                    |             |                            |            |                    |             |              |
| Hispanic                        | 183                               | 76           | 259                | 11%         | 231                        | 66         | 297                | 14%         | 556          |
| Non-Hispanic                    | 1,100                             | 966          | 2,066              | 89%         | 1,101                      | 771        | 1,872              | 86%         | 3,938        |
| <b>TOTAL FEDERAL HOUSEHOLDS</b> | <b>1,283</b>                      | <b>1,042</b> | <b>2,325</b>       | <b>100%</b> | <b>1,332</b>               | <b>837</b> | <b>2,169</b>       | <b>100%</b> | <b>4,494</b> |
| <b>INCOME</b>                   |                                   |              |                    |             |                            |            |                    |             |              |
| < 30% AMI                       | 766                               | 887          | 1,653              | 71%         | 924                        | 606        | 1,530              | 71%         | 3,183        |
| 30–50% AMI                      | 310                               | 117          | 427                | 18%         | 276                        | 171        | 447                | 21%         | 874          |
| 50–80% AMI                      | 136                               | 37           | 173                | 7%          | 125                        | 58         | 183                | 8%          | 356          |
| > 80% AMI                       | 71                                | 1            | 72                 | 3%          | 7                          | 2          | 9                  | 0%          | 80           |
| <b>TOTAL FEDERAL HOUSEHOLDS</b> | <b>1,283</b>                      | <b>1,042</b> | <b>2,325</b>       | <b>99%</b>  | <b>1,332</b>               | <b>837</b> | <b>2,169</b>       | <b>100%</b> | <b>4,494</b> |

**Notes:**

1. Federal Public Housing includes all properties designated as low-income and tax credit public housing in CHA's database. JFK is not included.
2. These figures include port-out vouchers that were absorbed by CHA.
3. Percentages may not add up to 100% exactly due to rounding.

**STATE  
PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (HCV) HOUSEHOLDS SERVED**

|                               | STATE PUBLIC HOUSING HOUSEHOLDS |            |                    |                      | STATE VOUCHERS HOUSEHOLDS |           |                    |                      | ALL PROGRAMS |
|-------------------------------|---------------------------------|------------|--------------------|----------------------|---------------------------|-----------|--------------------|----------------------|--------------|
|                               | FAMILY                          | ELDERLY    | TOTAL <sup>1</sup> | PERCENT <sup>3</sup> | FAMILY                    | ELDERLY   | TOTAL <sup>2</sup> | PERCENT <sup>3</sup> | TOTAL        |
| <b>NUMBER OF BEDROOMS</b>     |                                 |            |                    |                      |                           |           |                    |                      |              |
| Studio                        | 0                               | 8          | 8                  | 5%                   | 43                        | 18        | 61                 | 39%                  | 69           |
| 1 BR                          | 22                              | 80         | 102                | 61%                  | 35                        | 18        | 53                 | 34%                  | 155          |
| 2 BR                          | 32                              | 13         | 45                 | 27%                  | 16                        | 5         | 21                 | 14%                  | 66           |
| 3 BR                          | 12                              | 0          | 12                 | 7%                   | 8                         | 5         | 13                 | 8%                   | 25           |
| 4+ BR                         | 0                               | 0          | 0                  | 0%                   | 5                         | 2         | 7                  | 5%                   | 7            |
| <b>TOTAL STATE HOUSEHOLDS</b> | <b>66</b>                       | <b>101</b> | <b>167</b>         | <b>100%</b>          | <b>107</b>                | <b>48</b> | <b>155</b>         | <b>100%</b>          | <b>322</b>   |
| <b>RACE</b>                   |                                 |            |                    |                      |                           |           |                    |                      |              |
| American Indian               | 0                               | 0          | 0                  | 0%                   | 2                         | 0         | 2                  | 1%                   | 2            |
| Asian                         | 4                               | 5          | 9                  | 5%                   | 3                         | 1         | 4                  | 3%                   | 13           |
| Black                         | 39                              | 36         | 75                 | 45%                  | 41                        | 18        | 59                 | 38%                  | 134          |
| White                         | 23                              | 60         | 83                 | 50%                  | 60                        | 29        | 83                 | 57%                  | 172          |
| Other                         | 0                               | 0          | 0                  | 0%                   | 1                         | 0         | 1                  | 1%                   | 1            |
| <b>TOTAL STATE HOUSEHOLDS</b> | <b>66</b>                       | <b>101</b> | <b>167</b>         | <b>100%</b>          | <b>107</b>                | <b>48</b> | <b>155</b>         | <b>100%</b>          | <b>322</b>   |
| <b>ETHNICITY</b>              |                                 |            |                    |                      |                           |           |                    |                      |              |
| Hispanic                      | 7                               | 12         | 19                 | 11%                  | 14                        | 5         | 19                 | 12%                  | 38           |
| Non-Hispanic                  | 59                              | 89         | 148                | 89%                  | 93                        | 43        | 136                | 88%                  | 284          |
| <b>TOTAL STATE HOUSEHOLDS</b> | <b>66</b>                       | <b>101</b> | <b>167</b>         | <b>100%</b>          | <b>107</b>                | <b>48</b> | <b>155</b>         | <b>100%</b>          | <b>322</b>   |
| <b>INCOME</b>                 |                                 |            |                    |                      |                           |           |                    |                      |              |
| < 30% AMI                     | 93                              | 21         | 114                | 68%                  | 96                        | 42        | 138                | 89%                  | 252          |
| 30–50% AMI                    | 25                              | 7          | 32                 | 19%                  | 10                        | 3         | 13                 | 8%                   | 45           |
| 50–80% AMI                    | 11                              | 1          | 12                 | 7%                   | 0                         | 2         | 2                  | 1%                   | 14           |
| > 80% AMI                     | 9                               | 0          | 9                  | 5%                   | 1                         | 1         | 2                  | 1%                   | 11           |
| <b>TOTAL STATE HOUSEHOLDS</b> | <b>138</b>                      | <b>29</b>  | <b>167</b>         | <b>99%</b>           | <b>107</b>                | <b>48</b> | <b>155</b>         | <b>99%</b>           | <b>322</b>   |

**Notes:**

1. State Public Housing includes all properties designated as state low-income and New Construction public housing in CHA's database.
2. These figures include port-out vouchers that were absorbed by the CHA.
3. Percentages may not add up to 100% exactly due to rounding.

CHA PUBLIC HOUSING: YOUNGER DISABLED RESIDENT COMPOSITION<sup>1</sup> – FY14 ANNUAL REPORT

|                          | Units Available | Households | % of Total Served <sup>2</sup> |
|--------------------------|-----------------|------------|--------------------------------|
| D.F Burns Apartments     | 198             | 29         | 14.7%                          |
| F.J. Manning Apartments  | 197             | 27         | 13.7%                          |
| H.S. Truman Apartments   | 59              | 8          | 13.6%                          |
| L.B. Johnson Apartments  | 180             | 35         | 19.4%                          |
| Linnaean Street          | 24              | 3          | 12.5%                          |
| L.J. Russell Apartments  | 51              | 7          | 13.7%                          |
| Millers River Apartments | 301             | 42         | 13.95%                         |
| 116 Norfolk Street       | 37              | 8          | 21.6%                          |
| R.C. Weaver Apartments   | 20              | 1          | 5.0%                           |
| St. Pauls Residence      | 19              | 9          | 47.4%                          |
| Putnam School            | 24              | 3          | 12.5%                          |
| Putnam Square            | 94              | 7          | 7.5%                           |
| <b>GRAND TOTAL</b>       | <b>1,204</b>    | <b>179</b> | <b>14.9%</b>                   |

NOTES:

1. Numbers taken from March 25, 2014.
2. NumberCHA uses the State's threshold of 13.5% for the entire portfolio not for each individual property. As units become available CHA works towards raising the percentage of young disabled in non-compliant properties.

HUD AREA MEDIAN INCOME<sup>1</sup> (AMI) LIMITS BY HOUSEHOLD SIZE: FY14 REPORT  
 UPDATED DECEMBER 2013

| HOUSEHOLD SIZE | 30% AMI  | 50% AMI<br>VERY LOW INCOME | 80% AMI<br>LOW INCOME |
|----------------|----------|----------------------------|-----------------------|
| 1              | \$19,800 | \$32,950                   | \$47,450              |
| 2              | \$22,600 | \$37,650                   | \$54,200              |
| 3              | \$25,450 | \$42,350                   | \$61,000              |
| 4              | \$28,250 | \$47,050                   | \$67,750              |
| 5              | \$30,550 | \$50,850                   | \$73,200              |
| 6              | \$32,800 | \$54,600                   | \$78,600              |
| 7              | \$35,050 | \$58,350                   | \$84,050              |
| 8              | \$37,300 | \$62,150                   | \$88,450              |

NOTE:

1. Effective December 2013. These limits are determined by the U.S. Department of Housing and Urban Development and are subject to change.

# WAIT LIST INFORMATION

| CHA WAIT LIST INFORMATION – AS OF MARCH 31, 2014 |                                   |               |   |               |
|--|-----------------------------------|---------------|---|---------------|
| DISTINCT APPLICANTS                              | NUMBER OF APPLICATIONS BY PROGRAM |               | NUMBER OF APPLICATIONS BY SITE <sup>2</sup> |               |
| 9,315 <sup>1</sup>                               | Federal Family                    | 4,707         | Federal Family                              | 9,807         |
|  | Federal Elderly                   | 2,235         | Federal Elderly                             | 4,442         |
|  | State Family                      | 597           | State Family <sup>3</sup>                   | 597           |
|  | State Elderly                     | 335           | State Elderly <sup>4</sup>                  | 335           |
|  | HCV                               | 711           | Putnam Square Apts                          | 640           |
|  | Others <sup>5</sup>               | 3,742         | SROs  | 3,102         |
| <b>TOTAL BY PROGRAM</b>                          |                                   | <b>12,327</b> | <b>TOTAL BY SITE</b>                        | <b>18,923</b> |

1. An applicant may be eligible for multiple programs based on age and income.
2. Applicants may choose up to three property choices as part of their initial application, meaning one applicant may appear in several site-based waiting lists.
3. State Family consists of Roosevelt Mid-Rise and Jefferson Park State. The wait list does not apply to Jefferson Park State because all households are relocated and the site will undergo reconstruction starting FY15.
4. State Elderly consists of Putnam School.
5. "Others" consist of Putnam Square Apts and SROs.

**CHA PUBLIC HOUSING: WAIT LISTS BY UNIT SIZE – FY14 ANNUAL REPORT**

|  | FY 2009       | FY 2010       | FY 2011       | FY 2012       | FY 2013       | FY 2014       |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>FEDERAL FAMILY PUBLIC HOUSING</b>   |               |               |               |               |               |               |
| 0 BR                                   | 98            |               |               |               |               |               |
| 1 BR                                   | 3,083         | 1,141         | 732           | 569           | 420           | 399           |
| 2 BR                                   | 2,357         | 1,551         | 2,125         | 2,668         | 2,525         | 2,676         |
| 3 BR                                   | 970           | 793           | 1,056         | 1,244         | 1,372         | 1,379         |
| 4+ BR                                  | 170           | 162           | 174           | 224           | 272           | 278           |
| <b>SUBTOTAL</b>                        | <b>6,678</b>  | <b>3,647</b>  | <b>4,087</b>  | <b>4,705</b>  | <b>4,589</b>  | <b>4,732</b>  |
| <b>STATE FAMILY PUBLIC HOUSING</b>     |               |               |               |               |               |               |
| 0 BR                                   | 20            | 98            |               |               |               |               |
| 1 BR                                   | 1,862         | 2,904         | 503           | 206           | 97            | 86            |
| 2 BR                                   | 1,754         | 2,192         | 1,032         | 397           | 493           | 511           |
| 3 BR                                   | 616           | 1,002         | 390           |               |               |               |
| 4+ BR                                  | 117           | 136           | 23            |               |               |               |
| <b>SUBTOTAL</b>                        | <b>4,349</b>  | <b>6,234</b>  | <b>1,948</b>  | <b>603</b>    | <b>590</b>    | <b>597</b>    |
| <b>FAMILY PUBLIC HOUSING TOTAL</b>     | <b>11,027</b> | <b>9,881</b>  | <b>6,035</b>  | <b>5,308</b>  | <b>5,179</b>  | <b>5,329</b>  |
| <b>FEDERAL ELDERLY PUBLIC HOUSING</b>  |               |               |               |               |               |               |
| 0 BR                                   | 1,384         | 1,177         | 1,404         | 955           | 1,008         | 1,198         |
| 1 BR                                   | 220           | 179           | 791           | 1,402         | 1,533         | 1,782         |
| 2 BR                                   | 81            | 34            | 71            | 69            | 94            | 114           |
| 3 BR                                   | 3             |               | 786           |               |               |               |
| 4+ BR                                  | 1             |               |               |               |               |               |
| <b>SUBTOTAL</b>                        | <b>1,689</b>  | <b>1,390</b>  | <b>3,052</b>  | <b>2,426</b>  | <b>2,635</b>  | <b>3,094</b>  |
| <b>STATE ELDERLY PUBLIC HOUSING</b>    |               |               |               |               |               |               |
| 0 BR                                   | 1,310         | 1,590         | 237           |               |               |               |
| 1 BR                                   | 135           | 162           | 1,427         | 210           | 288           | 335           |
| 2 BR                                   | 62            | 77            | 55            |               |               |               |
| 3 BR                                   | 3             | 4             | 1             |               |               |               |
| 4+ BR                                  |               |               |               |               |               |               |
| <b>SUBTOTAL</b>                        | <b>1,510</b>  | <b>1,833</b>  | <b>1,720</b>  | <b>210</b>    | <b>288</b>    | <b>335</b>    |
| <b>ELDERLY PUBLIC HOUSING TOTAL</b>    | <b>3,199</b>  | <b>3,223</b>  | <b>4,772</b>  | <b>2,636</b>  | <b>2,923</b>  | <b>3,429</b>  |
| <b>OTHER PUBLIC HOUSING WAIT LISTS</b> |               |               |               |               |               |               |
| 0 BR                                   |               | 1,337         | 1,300         | 2,130         | 2,414         | 2,666         |
| 1 BR                                   |               | 163           | 96            | 117           | 84            | 57            |
| 2 BR                                   |               | 416           | 463           | 504           | 438           | 2             |
| 3 BR                                   |               | 148           | 180           | 174           | 185           |               |
| 4+ BR                                  |               | 26            | 27            | 28            | 42            |               |
| <b>SUBTOTAL</b>                        |               | <b>2,090</b>  | <b>2,066</b>  | <b>2,953</b>  | <b>3,163</b>  | <b>2,725</b>  |
| <b>ALL PUBLIC HOUSING TOTAL</b>        | <b>14,226</b> | <b>15,194</b> | <b>12,873</b> | <b>10,897</b> | <b>11,265</b> | <b>11,483</b> |

**NOTES:**

1. Applicants may be eligible for more than one program.
2. Prior to FY14, OTHER PUBLIC HOUSING WAIT LISTS included: East Cambridge, Mid-Cambridge, North Cambridge, and Single Occupancy Room units across CHA portfolio. In FY14, OTHER includes only wait lists for Putnam Square Apts and SROs. The original lists stated above were integrated into existing wait lists.
3. East Cambridge wait list includes the following sites: 15C Roberts Rd., Willow Street Homes, 226 Norfolk St., 118 Trowbridge St., 244 Hampshire St., 87 Amory St., and 88 Hancock St. In FY14 East Cambridge was integrated into the Roosevelt Towers (Low-Rise) wait list.
4. Mid-Cambridge wait list includes the following sites: 19 Valentine St., 6-8 Fairmont St., 4 Centre St., 2 and 20 Chestnut St., 12-18 Hingham St., and 15 Inman St. In FY14 Mid-Cambridge was integrated into the Putnam Gardens wait list.
5. North Cambridge wait list includes the following sites: 121 Jackson St., 125-127 Whittemore Ave., 13 Seagrave Rd., 175 Richdale Ave., 8-10 Columbus Ave., and Garfield St. In FY14 North Cambridge was integrated into the Jefferson Park wait list.

CHA PUBLIC HOUSING: WAIT LISTS BY RACE AND ETHNICITY– FY14 ANNUAL REPORT

|                                       | AMERICAN INDIAN/<br>ALASKA NATIVE |           | BLACK/<br>AFRICAN AMERICAN |            | ASIAN      |           | WHITE        |            | NATIVE HAWAIIAN/<br>OTHER PACIFIC ISLANDER |           | TOTAL         | HISPANIC     |            | NON-HISPANIC <sup>5</sup> |            | TOTAL         |
|---------------------------------------|-----------------------------------|-----------|----------------------------|------------|------------|-----------|--------------|------------|--|-----------|---------------|--------------|------------|---------------------------|------------|---------------|
| FEDERAL FAMILY <sup>1</sup>           | 36                                | 0%        | 2,198                      | 47%        | 290        | 6%        | 2,143        | 46%        | 40   | 1%        | 4,707         | 1,348        | 29%        | 3,359                     | 71%        | 4,707         |
| STATE FAMILY <sup>2</sup>             | 6                                 | 1%        | 263                        | 44%        | 38         | 6%        | 279          | 47%        | 11   | 2%        | 597           | 170          | 28%        | 427                       | 72%        | 597           |
| <b>FAMILY TOTAL</b>                   | <b>42</b>                         | <b>1%</b> | <b>2,461</b>               | <b>46%</b> | <b>328</b> | <b>6%</b> | <b>2,422</b> | <b>46%</b> | <b>51</b>                                  | <b>1%</b> | <b>5,304</b>  | <b>1,518</b> | <b>29%</b> | <b>3,786</b>              | <b>71%</b> | <b>5,304</b>  |
| FEDERAL ELDERLY <sup>3</sup>          | 24                                | 1%        | 708                        | 32%        | 166        | 7%        | 1,329        | 60%        | 8  | 0%        | 2,235         | 306          | 14%        | 1,929                     | 86%        | 2,235         |
| STATE ELDERLY <sup>4</sup>            | 3                                 | 0%        | 115                        | 34%        | 15         | 4%        | 200          | 60%        | 2  | 0%        | 335           | 29           | 9%         | 306                       | 91%        | 335           |
| <b>ELDERLY TOTAL</b>                  | <b>27</b>                         | <b>1%</b> | <b>823</b>                 | <b>32%</b> | <b>181</b> | <b>7%</b> | <b>1,529</b> | <b>60%</b> | <b>10</b>                                  | <b>0%</b> | <b>2,570</b>  | <b>335</b>   | <b>13%</b> | <b>2,235</b>              | <b>87%</b> | <b>2,570</b>  |
| <b>OTHER</b>                          |                                   |           |                            |            |            |           |              |            |  |           |               |              |            |                           |            |               |
| PUTNAM SQUARE APTS                    | 11                                | 2%        | 184                        | 29%        | 37         | 6%        | 402          | 62%        | 6  | 1%        | 640           | 65           | 10%        | 575                       | 90%        | 640           |
| SROs                                  | 36                                | 1%        | 1,312                      | 42%        | 73         | 2%        | 1,598        | 52%        | 83   | 3%        | 3,102         | 411          | 13%        | 2,691                     | 87%        | 3,102         |
| <b>OTHER TOTAL</b>                    | <b>47</b>                         | <b>1%</b> | <b>1,496</b>               | <b>40%</b> | <b>110</b> | <b>3%</b> | <b>2,000</b> | <b>54%</b> | <b>89</b>                                  | <b>2%</b> | <b>3,742</b>  | <b>476</b>   | <b>13%</b> | <b>3,266</b>              | <b>87%</b> | <b>3,742</b>  |
| <b>ALL PUBLIC HOUSING<sup>6</sup></b> | <b>116</b>                        | <b>1%</b> | <b>4,780</b>               | <b>41%</b> | <b>619</b> | <b>5%</b> | <b>5,951</b> | <b>51%</b> | <b>150</b>                                 | <b>2%</b> | <b>11,616</b> | <b>2,329</b> | <b>20%</b> | <b>9,287</b>              | <b>80%</b> | <b>11,616</b> |

1. Federal Family consists of 8 Wait Lists that were integrated in FY14 (Jackson Gardens, Jefferson Park, Corcoran Park, Lincoln Way, Newtowne Court, Washington Elms, Putnam Gardens, and Roosevelt Towers (Low-Rise).
2. State Public Housing consists of Roosevelt Towers Mid-Rise and Jefferson Park State. The wait list does not apply to Jefferson Park State because all households are relocated and the site will undergo reconstruction starting FY15.
3. Federal Elderly consists of DF Burns (includes Weaver), Millers River, LB Johnson, Linnaean Street, Russell, Manning, Truman, and JF Kennedy.
4. State Elderly Housing consists of Putnam School
5. Applicants who did identified as neither Hispanic or Non-Hispanic were added to the Non-Hispanic total.
6. Percentages may not add up to 100% exactly due to rounding.

**CHA PUBLIC HOUSING: WAIT LIST BY INCOME RANGE – FY14 ANNUAL REPORT**

|   | < 30% AMI    |            | 30 - 50% AMI |            | 50 - 80% AMI |           | > 80% AMI |           | TOTAL         |
|---|--------------|------------|--------------|------------|--------------|-----------|-----------|-----------|---------------|
| FEDERAL FAMILY SUBTOTAL                     | 3,763        | 80%        | 682          | 14%        | 217          | 5%        | 45        | 1%        | 4,707         |
| STATE FAMILY                                | 470          | 79%        | 94           | 16%        | 25           | 4%        | 8         | 1%        | 597           |
| <b>FAMILY TOTAL</b>                         | <b>4,233</b> | <b>80%</b> | <b>776</b>   | <b>15%</b> | <b>242</b>   | <b>5%</b> | <b>53</b> | <b>1%</b> | <b>5,304</b>  |
| FEDERAL ELDERLY                             | 1,930        | 86%        | 204          | 9%         | 87           | 4%        | 14        | 1%        | 2,235         |
| STATE ELDERLY                               | 269          | 80%        | 44           | 13%        | 21           | 6%        | 1         | 0%        | 335           |
| <b>ELDERLY TOTAL</b>                        | <b>2,199</b> | <b>86%</b> | <b>248</b>   | <b>10%</b> | <b>108</b>   | <b>4%</b> | <b>15</b> | <b>1%</b> | <b>2,570</b>  |
| OTHER                                       |              |            |              |            |              |           |           |           |               |
| PUTNAM SQUARE APTS                          | 537          | 84%        | 75           | 12%        | 26           | 4%        | 2         | 0%        | 640           |
| SROs  | 2,789        | 90%        | 262          | 8%         | 43           | 1%        | 8         | 0%        | 3,102         |
| <b>OTHER TOTAL</b>                          | <b>3,326</b> | <b>89%</b> | <b>337</b>   | <b>9%</b>  | <b>69</b>    | <b>2%</b> | <b>10</b> | <b>0%</b> | <b>3,742</b>  |
| <b>ALL PUBLIC HOUSING TOTAL<sup>5</sup></b> | <b>9,758</b> | <b>84%</b> | <b>1,361</b> | <b>12%</b> | <b>419</b>   | <b>4%</b> | <b>78</b> | <b>1%</b> | <b>11,616</b> |

1. Federal Family consists of 8 Waiting Lists that were integrated in the FY (Jackson Gardens, Jefferson Park, Corcoran Park, Lincoln Way, Newtowne Court, Washington Elms, Putnam Gardens, and Roosevelt Towers (Low-Rise).
2. State Public Housing consists of Roosevelt Towers Mid-Rise and Jefferson Park State. The wait list does not apply to Jefferson Park State because all households are relocated and the site will undergo reconstruction starting FY15.
3. Federal Elderly consists of DF Burns (includes Weaver), Millers River, LB Johnson, Linnaean Street, Russell, Manning, Truman, and JF Kennedy.
4. State Elderly Housing consists of Putnam School.
5. Percentages may not add up to 100% exactly due to rounding.

CHA HOUSING CHOICE VOUCHER PROGRAM (HCV): WAIT LIST OVERVIEW – FY14 ANNUAL REPORT

|                                 | Number of Households | Percentage <sup>1</sup> of Households |
|---------------------------------|----------------------|---------------------------------------|
| <b>NUMBER OF BEDROOMS</b>       |                      |                                       |
| Studio                          | 0                    | 0%                                    |
| 1 BR                            | 296                  | 42%                                   |
| 2 BR                            | 258                  | 36%                                   |
| 3 BR                            | 132                  | 19%                                   |
| 4+ BR                           | 25                   | 3%                                    |
| <b>TOTAL MTW HCV HOUSEHOLDS</b> | <b>711</b>           | <b>100%</b>                           |
| <b>RACE</b>                     |                      |                                       |
| American Indian                 | 7                    | 1%                                    |
| Asian                           | 24                   | 3%                                    |
| Black                           | 365                  | 51%                                   |
| White                           | 315                  | 44%                                   |
| Other                           | 0                    | 0%                                    |
| <b>TOTAL MTW HCV HOUSEHOLDS</b> | <b>711</b>           | <b>99%</b>                            |
| <b>ETHNICITY</b>                |                      |                                       |
| Hispanic                        | 171                  | 24%                                   |
| Non-Hispanic                    | 540                  | 76%                                   |
| <b>TOTAL MTW HCV HOUSEHOLDS</b> | <b>711</b>           | <b>100%</b>                           |
| <b>INCOME</b>                   |                      |                                       |
| < 30% AMI                       | 577                  | 81%                                   |
| 30–50% AMI                      | 117                  | 16%                                   |
| 50–80% AMI                      | 13                   | 2%                                    |
| > 80% AMI                       | 4                    | 1%                                    |
| <b>TOTAL MTW HCV HOUSEHOLDS</b> | <b>711</b>           | <b>100%</b>                           |

1. Percentages may not add up to 100% exactly due to rounding.

# LOCAL ASSET MANAGEMENT PLAN

AS SUBMITTED IN THE FY14 PLAN

CHA is in compliance with most of the asset management/operating fund rule requirements set by HUD. The agency has established a fee-for-service and shared resources structure for most activities, as well as a Central Office Cost Center (COCC). Because of the flexibility allowed by CHA's MTW Agreement, some activities do not readily translate into fiscal policy choices that meet all of the stipulated provisions of the Asset Management rule. In Accordance with Amendment 1 of the Amended and Restated Moving to Work Agreement, CHA has instituted a Local Asset Management Plan. Below key differences from the HUD guidelines are outlined:

## RETAINING FULL FUNGIBILITY

CHA will continue to exercise full fungibility across programs, Asset Management Projects (AMPs) and if necessary the COCC, at any time throughout the fiscal year.

Per Attachment D.3 of CHA's MTW Agreement states that the funds are not restricted. In addition Amendment 1 Section F. 2. f. provides for full authority to move funds among projects. CHA believes that continued fungibility as described above is permitted.

## WORKING CAPITAL - INCLUSION OF FULL CFP DATA ON EACH AMP BUDGET

Given the fungibility of work items under CFP and CHA's 5-year plan, CHA capital plan is extensive and comprehensive. In order to plan, develop private investment opportunities and address local issues such as planning and zoning, CHA believes that it is in its best interest to not budget capital soft costs by AMP in our FY 2014. Instead, CHA has created a pool of working capital funds based on all planned capital work for the fiscal year.

CHA's Planning and Development Department will draw against this pool to cover pre-rehabilitation and/or pre-development costs such as financial consulting, legal, architectural or engineering fees and viability assessments. As the need arises, CHA also intends to charge pre-development administrative costs to this pool. As work progresses, CHA will collapse costs into the capital budget for a specific project, and then track soft costs by AMP. However, not all costs may be AMP-based. In the event a project is deferred or infeasible, CHA at its discretion, can choose to leave those costs in the common pool and not charge them to a project. For projects that go forward, financial statements at year-end will reflect all capital expenses incurred by AMP. Costs charged to the working capital pool are a direct cost to the pool and once a project goes forward will be considered a direct cost to a specific project. In the event CHA receives a developer fee it will reserve the option to charge the fee back to the pool or the AMP where the capital project was completed.

Amendment 1, Section F. 2. b. and c., requires that costs be accorded consistent treatment. The model proposed above comports with Amendment 1 in that the working capital pool can be considered a direct cost for pre-development expenses. Once under-way, costs to the extent possible, can be shifted or considered a direct cost to a project.

## COCC FEES

This fiscal year, due to the uncertainty surrounding HUD funding, CHA made every effort to reduce the burden on the property budgets. The management fee is frozen at \$67.45 per eligible unit month. (HUD allowable maximum rate is \$70.66). The book keeping fee is lowered to the standard allowable rate of \$7.50 per unit month from last fiscal years \$13 per unit month. Asset management fees are only budgeted at cash flowing properties.

## **PENSION + OTHER POST EMPLOYMENT BENEFITS (OPEBS)**

CHA is in compliance with the Generally Accepted Accounting Principles (GAAP) and Statement No. 45 of the Government Accounting Standards Board (GASB) in its treatment of postemployment benefits (OPEB) expenses and liabilities. Project-based budgeting and accounting is the cornerstone of the Asset Management Program. It appears to CHA that HUD is deviating from this principle by requesting that liabilities related to OPEB for all employees are charged to COCC (from the date of Asset Management implementation forward).

CHA will use its MTW authority to charge OPEB to AMPs and only charge the COCC for the portion directly related to COCC staff. CHA believes this supports the requirements of a true Asset Management Program. Costs should stay where they are incurred (i.e. direct charges and liabilities to the AMPs should remain at the AMPs in order to accurately represent the true cost of running these projects). In addition, since OPEB is excluded from the excess cash calculation, reflecting it under each AMP has no adverse impact on excess cash. Asset management calls for a project level accounting. CHA's methodology supports a true project level accounting.

## **GROSS POTENTIAL OPERATING SUBSIDY**

While HUD is planning to mandate the reporting of gross potential subsidy on each AMP, CHA's MTW Agreement does not call for calculation of subsidy by AMP. HUD Form 52723 as submitted by CHA is not AMP-driven at the subsidy level and our fungibility through MTW allows cross-funding of subsidy. CHA thus finds the calculation and reporting of gross potential subsidy inconsequential within an MTW program that has full fungibility. CHA's position is in line with Attachment A to the MTW Agreement which outlines CHA's subsidy computations.

## **RESIDENT SERVICE EXPENSES**

While HUD has encouraged costs associated with resident services to be treated as direct or front line costs, to the extent practical, CHA is now budgeting Resident Services at the site level as a shared cost including some overhead for the Tenant Liaison position.

# PUBLIC COMMENTS + RESPONSES

**THE FY14 REPORT WAS RELEASED FOR PUBLIC COMMENT ON THURSDAY, MAY 15, 2014 AND THE COMMENT PERIOD ENDED ON MONDAY, JUNE 2, 2014 AT 2 PM.** CHA RECEIVED TWO COMMENTS DURING THE COMMENT PERIOD. A PUBLIC COMMENT PERIOD FOR THE ANNUAL REPORT IS NOT A REQUIREMENT OF THE AMENDED AND RESTATED MOVING TO WORK AGREEMENT (01-15-09) BETWEEN HUD AND CHA.

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**COMMENT:** *Page 9, 21, 52 (and probably other pages): I think that, as a result of a recent change, the “new” Jefferson Park-state will now be 104 units (not 98) and I assume (but don’t know for sure) that that also means an increase in the number of Section 8 PBA from 98 to 104.*

**CHA RESPONSE:** The Annual Report covers CHA activities during the fiscal year and ends on March 31st. Ninety-eight (98) units were proposed as of March 31, 2014.

**COMMENT:** *Page 10: Could you send me a copy of the fully signed Preservation Agreement for Harwell Homes?*

**CHA RESPONSE:** This is beyond the scope of the Report. Please contact the Director of Leasing for more information.

**COMMENT:** *Page 17: The Report mentions that the sponsor based voucher portfolio was expanded to include an additional 6 vouchers. Could you indicate the total by program (and then the breakdown by “sponsor” agency)? On page 54, the Report mentions (under “Hard to House”) that CHA works with 9 local service providers but only lists 8 programs (64 vouchers). Page 98 also lists 64 “sponsor-based.” I think Home for Little Wanderers is now the 9th sponsor agency.*

**CHA RESPONSE:** The 6 additional vouchers was an error in the Report and has been removed as a highlight in the Leased Housing/Housing Voucher Program (HCV) narrative. At the end of FY14, there were 8 local service providers in the “Hard to House” program and the breakdown of vouchers is provided in the MTW Approved Activities section. Sponsor-based vouchers for the Home for Little Wanderers were officially issued in FY15.

**COMMENT:** *Page 19: Under quality control, the Report mentions a new “resource guidance” for leased housing staff. Could you send me a copy of this?*

**CHA RESPONSE:** The Guidance was created as a tool internal to CHA and reserved for leased housing staff. Please contact the Director of Leasing for a copy.

**COMMENT:** *Page 37: I was unsure why only 10 (of the 65 units at Lancaster Street) and 3 (of the 21 units at Prospect Street) were listed and not the balance or other CHA affiliated housing. See also page 98 (bottom).*

**CHA RESPONSE:** The breakdown of “Other” housing has been updated on page 37 and Appendix 1 - Housing Stock. The balance of the remaining CHA affiliated housing was not included because they are either already counted as project-based voucher units or, in the case of JFK Apartments, they are counted as public housing units.

**COMMENT:** Pages 38 and 40: What is the breakdown (by program) of the 79 leased “local non-traditional MTW Funded Tenant-Based Assistance Programs”? Should this include the 64 (?) sponsor based, the 8 MRVP supplement, the 19 in the program formerly known as FOS, and 2 (?) in the Transition House program?

**CHA RESPONSE:** We have re-calculated the numbers on pages 38 and 40. The total includes sponsor-based, MRVP and FOS. Transition House is not in the total because the families are housed in public housing and no vouchers were used for housing purposes.

**COMMENT:** Page 64 (bottom): I was surprised to read that no Section 8 participant paid more than 40% of income for rent from April 1, 2013 – March 31, 2014. Does this calculation factor in utilities? What about those on minimum rent (after 3 months)?

**CHA RESPONSE:** In line with the scope of this activity, the metric is based on rent at initial lease up and factors in utilities. The metric does not track rent changes after 3 months.

**COMMENT:** Page 67: Did CHA “suppress” any HAP payments for HQS inspections which were overdue as a result of participant delays between April 1, 2013 and March 31, 2014? If so, how many and for how long?

*In FY 2014, were there any HAP suspensions for the reason that an inspection was overdue? (page 67) If yes, how many suspensions were there and how long did they last? Did any result in termination? The Report says that the average time to perform an inspection is 1.4 hours. Is that the time for the actual inspection? I have consistently heard from tenants that a regular inspection takes no more than 10-20 minutes. This section does not include any information on quality control. At the ACT office we regularly receive reports from tenants that the inspectors from McCright do not show up during the time frame specified in the notice. Also, tenants may receive only 24 or 48 hours’ notice in advance of the inspection.*

**CHA RESPONSE:** There was one instance in which a HAP payment was not made as a result of participant delays related to HQS inspection. This occurred over a 30-day duration in FY14. It did not result in termination. The average time to perform an inspection includes a number of staff transactions in scheduling and coordinating the process. Quality control measures instituted at CHA are internal and may be shared with the public at CHA’s discretion. All concerns regarding the quality of service regarding inspections should be directed to the Director of Leased Housing.

**COMMENT:** Pages 68 – 69: Under the narrative under Rent Simplification (for Voucher program), could you include the number of participants paying the \$50 minimum during the reporting period?

*The Report does not include the number of minimum rent HCV households in FY 2014. (page 69)*

**CHA RESPONSE:** The number of participants paying minimum rent in HCV has been included in the narrative of the activity. There were 154 HCV participants paying minimum rent as of March 31, 2014.

**COMMENT:** Page 75: Could you indicate the number of public housing tenants paying ceiling rent? This might also be a metric that you want to add and track. Although the ceiling rents change year to year, I believe that earlier reports did mention the total on ceiling rent during that FY.

*How many ceiling rent public housing households were there in FY 2014 (page 75)*

**CHA RESPONSE:** This is not a metric we will add or track. As of March 31, 2014, there were 140 households in public housing paying ceiling

rent. This number has been included in the narrative of the activity.

**COMMENT:** *Page 76: The report mentions that 52 public housing households “transitioned out” of minimum rent. Could you provide the total number of public housing households who were paying minimum rent (either first or second band) at any time during April 1, 2013 – March 31, 2014? Do you have data on what happened to the income of those 52 who transitioned?*

*The Report states that 52 public housing households transitioned out of minimum rent in FY 2013 (page 76) What happened to these households? Did their incomes increase? Did they move out of public housing? How many minimum rent public housing households were there in FY 2014?*

**CHA RESPONSE:** We do not currently track households that transition out of minimum rent. There could be a number of reasons that households transition out and follow up would be a time-intensive undertaking. At the time of this writing, we are exploring methods to efficiently answer this question using our database. As of March 31, 2014, there were 71 households in federal public housing paying the \$50 minimum rent. This number has been included in the narrative.

**COMMENT:** *In the past, as part of its analysis of rent simplification, the CHA would include the number of section 8 and public housing tenants who had requested a hardship exemption and the outcome (e.g. approved by the ERC, denied by ERC). Could you provide this information?*

*Can you include in the Report data on the number of HCV and public housing households that requested hardship waivers in FY2014 and the outcomes?*

**CHA RESPONSE:** We have included a hardship table in the Rent Simplification Program/PH description that shows hardship requests in both the public housing and HCV programs. Language has been included in the Rent Simplification Program/HCV narrative that directs the reader to the hardship table. We will continue to provide a hardship table in future Annual Reports (and not in Annual Plans). In FY14, there were two hardship requests. One request occurred in Public Housing and was denied. The other hardship occurred in HCV and was granted.

**COMMENT:** *On page 11, the Report mentions that 4 Section 8 families “maintained” the mixed immigration status during the reporting period. Do you know how many public housing tenants also had their rent calculated under the mixed immigration formula? (I’m not sure if this is something that you want to mention or measure in the report but it does arguably meet one or more of the MTW goals).*

**CHA RESPONSE:** As of March 31, 2014, there were 26 mixed-family households in public housing.

**COMMENT:** *Page 98: I was confused by some of the figures & information under Housing Stock. Is the 3530 (all federal vouchers authorized as of 3/31/14) correct? If so, that would leave 647 (3530 - 2883) federal vouchers as being unused as of 3/31/14 which seems high.*

**CHA RESPONSE:** The authorized numbers have been adjusted and the households served numbers on page 99 have been updated and include additional explanatory notes, as needed. Based on the updated numbers, there are 588 unissued federal vouchers of which 355 include vouchers

that CHA received for expiring use projects 402 Rindge and Madison. This leaves a balance of 253 unissued vouchers. CHA plans to raise the federal MTW voucher utilization rate to 97% in FY15. Please see below for the breakdown.

|  |            |
|--|------------|
| All Federal Vouchers Authorized  | 3,483      |
| All Federal Vouchers Issued  | 2,895      |
| Total Federal Voucher Unissued   | 588        |
| Expiring Use Vouchers Received but not yet leased up at 402 Rindge (218 total, 2 have been leased) | 216        |
| Expiring Use Vouchers Received but not yet leased up at Madison                                    | 119        |
| <b>Remaining Federal Vouchers Pending</b>  | <b>253</b> |

**COMMENT:** Page 98: The “CHA Public Housing HH” (167) under state public housing seems to be a total of 65 and 102 (and should probably be so explained as readers may not know what “CHA public housing HH” means).

**CHA RESPONSE:** The language has been revised for CHA State Public Housing on page 98.

**COMMENT:** Page 98: Do you have the breakdown of the 144 state housing vouchers by program (project-based MRVP, tenant-based MRVP, and AHVP)?

**CHA RESPONSE:** The number of state vouchers issued has been corrected to 155. There were 20 project-based MRVP, 77 AHVP, and the remaining were tenant-based state vouchers.

**COMMENT:** Page 98: Are there 12 state vouchers (156 - 144) not currently under lease? That seems high (and inconsistent with the statement that 4 have been issued and not yet under lease).

**CHA RESPONSE:** The number of state vouchers issued has been corrected to 155.

**COMMENT:** Page 98: Should the total of all state assisted (households served) be 311 (167 + 144) and not 270?

**CHA RESPONSE:** The total of “All State Assisted” has been corrected to 322. The total includes 167 units of state public housing and 155 state vouchers issued.

**COMMENT:** Page 98: What is the breakdown of the 110 “other state assisted” authorized (as I think Putnam School is 33 and mid-rise RT is 75, so total of 108)?

**CHA RESPONSE:** “Other State Assisted” consists of Putnam School at 33 units and Roosevelt Towers Mid-Rise at 77 units, a total of 110 units.

**COMMENT:** *CHA received a planning grant to develop a proposal for expanding FSS+ to automatically enroll all CHA households in a Rental Assistance Asset Accounts program. (page 10). My understanding is that CHA is close to having a design for a pilot program. (This was reported to the Board of Commissioners at their May 28, 2014 meeting). Can you say more about the program model that is being considered? Will elderly/disabled households that do not have earned income be automatically opted-in? When will the proposal be ready to share with tenants and advocates for their feedback?*

**CHA RESPONSE:** The first meeting of the planning grant took place April 2014 and after the close of FY14. The program model is still in the design phase. At the time of this writing, a proposal has not been developed and a timeline for public comment has not yet been established.

**COMMENT:** *The overall error rate in the leased housing department decreased from 29% to 27% in FY 2014. (page 18). What was the overall error rate in property management? Was there any change in the past year? Are public housing files being reviewed by a neutral third party? (The Report refers to property management. I was told that CHA was going to continue to use the term operations, which still appears on the CHA website.)*

**CHA RESPONSE:** We are working to further decrease error rates at CHA. The error rate for tenant rent in public housing was 7% based on the the File Review Report submitted in July 2013. This rate was consistent with the previous file review report produced in June 2012 (also at 7%). Both Public Housing and HCV files have been reviewed by a neutral third party on a regular basis. Currently, the term operations and property management are used interchangeably at CHA. An official term for the department has not been designated.

**COMMENT:** *Is it correct that initial inspections in the leased housing program are now conducted by an outside contractor? (page 18). According to the Housing Choice Voucher Administrative Plan, initial inspections are carried out by the CHA or the city. Also, inspections in tenant-based units are done on a biennial (not annual) basis.*

**CHA RESPONSE:** It is correct that initial inspections and following inspections are conducted by an outside contractor designated by and on behalf of CHA. Language on the frequency of inspections has been corrected on page 18.

**COMMENT:** *The Report says that in FY2014 CHA incorporated the Transition to Market Rent program into the ACOP revision process. (page 15) My understanding (based on CHA's responses to ACT/CASLS's comments on the revised ACOP) is that CHA will continue discussions with the executive director concerning the Transition to Market Rent policy. Greg Russ has publicly stated (at the March 25, 2014 quarterly meeting with tenant leaders) his concerns that Cambridge market rents have risen significantly since this idea was originally proposed. I would strongly recommend that CHA interview the households with incomes that fall in the range of 100% AMI (as of January 2013 there were 32) to find out more about their individual circumstances, and to assess whether this program would serve to increase their housing choices or have a destabilizing effect. CHA might be able to identify households that are eligible (and a good match) for the city's Financial Assistance Program for first-time homebuyers.*

**CHA RESPONSE:** CHA appreciates the comment and will interview a sample of families prior to implementation of the activity.

**COMMENT:** *What is CHA doing to inform tenants about the domestic violence counseling, housing-related assistance, and other services that are offered by the community liaison? (pages 10 and 30) Only eight of the 46 individuals who received direct services were tenants. My sense is that most CHA tenants are unaware of this resource.*

**CHA RESPONSE:** This program was in its initial year and given the sensitive nature of domestic violence, outreach was primarily carried out by the community liaison. During the fiscal year, the community liaison worked directly with CHA's Tenant Liaison to identify opportunities to inform residents about her presence and the services that she can offer by partnering with resident councils and tenant leadership. In addition, the community liaison met with all of the public housing property managers to determine the best way to promote her services at each development. The community liaison also developed a series of flyers to be placed in management offices, and the central office advertising her weekly walk-in hours at the CHA main office. Furthermore, the liaison is scheduled to attend the Alliance for Cambridge Tenants quarterly meeting in September 2014.

**COMMENT:** *What is the basis for stating that the tenant liaison was involved in "supporting the elections process for eight (8) Tenant Councils"? It is not accurate that there were nine training sessions on reasonable accommodations. I'm aware of at least two sessions being held. Several were cancelled and some had no attendees. Shayla Simmons, the CHA assistant general counsel, led both the hearings panels training and the workshop on reasonable accommodations, and did a terrific job.... This section [Tenant Services] describes the tenant liaison's role in facilitating communications between ACT and CHA but does not mention communications between the tenant councils and CHA.*

**CHA RESPONSE:** The dates for the eight Tenant Councils' election process extended beyond FY14. The Newtowne Court/Washington Elms election initially took place on January 18, 2013 and was resolved on April 10, 2013. There were a total of four meetings that occurred in conjunction with this election and the Tenant Liaison included all four meetings to cover the process in its entirety even though the process straddled both FY13 and FY14. The other elections included Millers River Tenant Council (June 3, 2013 and a special election on March 24, 2014), Burn Apartments Tenant Association (September 18, 2013) and Manning Apartments Tenant Association (February 11, 2014).

Regarding training sessions on reasonable accommodation, the tenant coordinator worked with Shayla Simmons to organize the dates and carry out the logistics and outreach. Originally 9 sessions were scheduled. There were 2 in January (Jan 13 - Burns, Jan 23 - Pisani), 3 in February (Feb 13 - Roosevelt Towers, Feb 18 - Millers River, Feb 27 - LBJ), 3 in March (Mar 3 - Manning, Mar 18 - Corcoran Park, Mar 24 - Central Office) and 1 in April (Apr 3 - LBJ Haitian Creole only). Due to Shayla's schedule, all 3 sessions in February were rescheduled to April and then all were cancelled due to the lack of attendance in previous sessions. By this count 9 sessions on Reasonable Accommodation were scheduled, of which 6 were held and 3 cancelled due to no attendees in previous sessions. Some sessions of the 6 that were held resulted in no attendees. However, it is important to recognize that a certain level of staff time and effort was dedicated to the logistics and coordination of the meeting despite the lack of attendees.

Language has been added in the Tenant Services narrative to clarify that the tenant liaison also facilitated communications between Tenant Councils and CHA.

**COMMENT:** *Will there be any meetings of the customer service working group in the upcoming year? (page 33)*

**CHA RESPONSE:** Activities involving the upcoming fiscal year are beyond the scope of this Report. Please contact the Director of Communications for more information. At the time of this writing, a customer service working group meeting has been scheduled for July 2014.

**COMMENT:** *Will CHA share the findings from the updated research on the geospatial distribution of HCV households?*

**CHA RESPONSE:** Please contact the Policy and Technology Lab for a copy of the most recent analysis completed on the geospatial distribution of HCV households.

**COMMENT:** *The data regarding the number of participants in the FSS+ program that experienced a reduction in subsidy vs. an end of subsidy seems to be reversed on pages 43 and 49. (It's possible that I'm misreading the chart on page 43).*

**CHA RESPONSE:** On page 43 the numbers were transposed. This has been corrected. The metric on Households Transitioned to Self-Sufficiency (on page 49) has been removed.

**COMMENT:** *Have the rules of the Pathways to Permanent Housing - Heading Home Program (formerly FOS) been worked out (page 55) What program requirements have to be met for a participant to be considered eligible for permanent housing with CHA? Is there any avenue of appeal if a participant is removed from the program?*

**CHA RESPONSE:** The Pathways to Permanent Housing - Heading Home Program was designed in FY15 and beyond the scope of the Report. For details regarding program specifics, please contact either the Director of Resident Services or the Director of Leased Housing.

**COMMENT:** *Can CHA explain why there were only 266 interims in the leased housing program in FY 2014 compared to 1,522 interims in the public housing program? (pages 71, 72, 78, 79)*

**CHA RESPONSE:** Households schedule interims for a number of reasons. While the difference in the absolute number of interims between public housing and leased housing is significant, at the time of this writing, CHA does not have an explanation for this difference.

**COMMENT:** *Did the researchers from Brandeis carry out an independent evaluation of the Career Family Opportunity (CFO) program? (page 83) Are the CFO participants still receiving mobility mentoring or any other services from the Crittenton Women's Union? Is "SOAR" considered a closed out activity?*

**CHA RESPONSE:** At the time of this writing, an independent evaluation from Brandeis has not been carried out for CFO. The Crittenton Women's Union (CWU) has been collecting data for the Brandeis team and a completed report is anticipated sometime after September 2015. Former CHA CFO participants continue to receive mobility mentoring and other services from the Crittenton Women's Union (CWU). SOAR was not closed out in FY14. However SOAR services at CHA will be closed out, effective June 30, 2014. Existing CHA SOAR participants may choose to continue services through the Mobility Mentoring Center Boston, which is administered by CWU.

