

**Commonwealth of Massachusetts
Department of Housing & Community
Development**

**Moving To Work Program
Annual Plan for Fiscal Year 2019**

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I. Introduction

The Massachusetts Department of Housing and Community Development (DHCD) is a participant in the Moving To Work (MTW) Demonstration. MTW is a program authorized by Congress through which a limited number of Public Housing Authorities are provided with the flexibility to waive certain provisions of the US Housing Act of 1937 and related federal regulations, and to design and test approaches for providing housing assistance that address one or more of the following statutory objectives:

- 1) Reduce cost and achieve greater cost effectiveness in federal expenditures;
- 2) Provide incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
- 3) Increase housing choices for low-income families.

The terms and conditions of DHCD's participation in the MTW program are defined in its MTW Agreement with the US Department of Housing and Urban Development (HUD), which extends through 2028.

DHCD administers HUD-funded Housing Choice Voucher (HCV) programs, along with other state-assisted rental assistance programs, through a statewide network of Regional Administering Agencies (RAA). See Appendix B for a listing of current RAAs. Subject to HUD approval in the MTW Annual Plan, MTW designation allows DHCD to test out new or modified programmatic approaches to administering HCV programs; to implement "local, non-traditional" housing and service activities for the benefit of low-income residents; and, to utilize HCV Housing Assistance Payments (HAP) funds in a more flexible manner.

MTW flexibility applies to the HCV programs administered by DHCD with certain exceptions. Those exceptions are "special purpose" vouchers including Veterans Affairs Supportive Housing (VASH), Five-Year Mainstream, Family Unification Program (FUP), Enhanced/Tenant Protection Vouchers and the Moderate Rehab programs. MTW operating flexibility may be applied to special purpose vouchers in accordance with HUD's published guidance; however, except for Enhanced/Tenant Protection Vouchers, which can be rolled into the MTW Block Grant upon renewal of funds, the other special purpose types are not part of the MTW Block Grant.

DHCD is required by HUD to prepare an MTW Annual Plan and Annual Report in a format defined in the MTW Agreement. This Annual Plan, which is subject to HUD approval, reflects the current reporting requirements including use of standard metrics and benchmarks. For purposes of the Annual Plan, an "MTW activity" is defined as any activity that requires MTW flexibility to waive statutory or regulatory requirements. Conversely, a "non-MTW activity" is an activity that does not require MTW funding or programmatic flexibility to implement.

DHCD's FY 2019 MTW Annual Plan summarizes planned activities for the period from July 1, 2018 through June 30, 2019. HUD provides HAP funding on a calendar year basis; thus, the Annual Plan covers parts of two distinct funding periods. As of the date of this Annual Plan

publication, DHCD has not received confirmation of its 2018 HAP funding, and there is the potential for a significant decrease compared to 2017 funding. If decreases in funding occur, DHCD may need to modify, delay or cancel the proposals herein and/or take other necessary measures, including deferring issuance of turnover vouchers.

Prior to submission to HUD, DHCD makes the Annual Plan available for public review and comment including conducting public hearings. DHCD reviews and considers written and verbal comments that are received during the public review period. Appendix D provides information on the public comment period for this Annual Plan.

A. Overview of Annual Goals and Objectives

Highlights of planned FY 2019 MTW activities include:

- DHCD projects that rental assistance and related services will be provided to 20,909 MTW households. Fourteen (14) new Project Based Voucher (PBV) contracts with 91 total units are projected to be placed under contract in FY 2019. An additional 741 households are projected to be served through the VASH and Mainstream programs.
- In FY 2019, DHCD will implement the Pathways to Prosperity Activity (PTP). DHCD will fund the costs associated with this program for up to 400 youth for three years. The goal of the program is to connect low-income youth in the Boston area to services that help them obtain employment and a sustaining wage. Under PTP, DHCD will also provide an allocation of 100 vouchers for youth referred by the Year-Up program.
- In FY 2019, DHCD will continue planning and implementation efforts for the nine new activities which were proposed and approved by HUD in the FY 2018 MTW Plan including:
 - Support for Secure Jobs: DHCD will fund targeted case management and employment supports, in tandem with voucher assistance for eligible low-income households participating in the Secure Jobs initiative. In FY 2019, DHCD will issue 25 of the projected 50 vouchers as well as begin to fund services for participants including, but not limited to, recruitment, referrals, intake and assessment.
 - Expanding Housing Opportunities: DHCD will continue implementation of this initiative, which supports major state investments in the redevelopment and preservation of state-aided public housing. In FY 2019, DHCD plans to select redevelopment projects which will receive MTW Block Grant funds to support short-term resident relocation.
 - Residential Assistance for Families in Transition (RAFT): Under the RAFT program initiative, short term financial assistance will be provided to eligible families with children who are homeless or at risk of homelessness. Planning for

this program was completed in FY 2018. In FY 2019, DHCD will begin to provide benefits to approximately 300 households.

- A Better Life (ABL): DHCD will provide funding to four local housing authorities to operate the ABL program. ABL, which is based on an existing successful program model, focuses on helping participants to achieve economic self-sufficiency through case management, education and training services.
 - Health Starts at Home: This program focuses on improving health outcomes for low-income children. The vouchers allocated to this program were issued in FY 2018, with a planned review of the results over a three year period to determine the effect of stable, affordable housing on children's health outcomes.
 - Enhanced Local Project-Based Voucher (PBV) Program: DHCD will continue to implement the features of its enhanced PBV Program such as increasing the cap of PB units its portfolio from 20% to 40% and allowing 100% of units in a development to be project-based.
 - Equity Builder Program: In partnership with community development financial institutions and developers, DHCD plans to establish a Lease-to-Own program to support the goal of providing pathways to homeownership for low-income families. In FY 2019, DHCD will continue to develop and refine the program parameters to determine if the proposed model is sustainable.
 - Affordable Housing Preservation & Development Fund: DHCD will utilize MTW funds to support the development and preservation of affordable rental housing. It is anticipated that development will begin on at least 100 affordable units in FY 2019.
- In FY 2019, DHCD plans to launch the Supporting Neighborhood Opportunity in Massachusetts mobility program, including development of targeted outcomes as well as overarching goals and objectives. DHCD has chosen two Regional Administering Agencies (RAAs) to pilot this program, which facilitates mobility to areas of high opportunity.
 - DHCD will continue to encourage participant self-sufficiency through implementation of the Family Economic Stability Program. In FY 2019, DHCD may increase the housing subsidy by 10% in response to changes in the Boston rental market. Also in FY 2019, DHCD will expand the use of support funds to include incentive payments for completion of established program goals.
 - DHCD will continue to operate the Youth Transition to Success program in FY 2019, and will decouple its plans to include another referral provider under this activity. Instead, DHCD will increase the number of youth assisted under this activity from ten (10) to thirty five (35) and will continue its referral partnership with DCF.

- DHCD included an allowance for other electricity and will conduct discretionary periodic reviews of utility allowance schedules to determine if and when adjustments are needed.
- DHCD will continue to operate its MTW FSS program in FY 2019, and will work to implement MTW activities designed to enhance the FSS Program and promote asset development and savings among HCV participants. DHCD anticipates that 70 new FSS participants will enroll in the FSS program in FY 2019.
- Under DHCD's rent simplification activity, DHCD will adopt a streamlined approach to determining allowable medical expenses which will provide for a more concise and accurate method for calculating this deduction. There are no changes to the cap on allowable medical expenses.
- DHCD will continue to work with HUD, developers, tenant groups and other stakeholders to identify additional appropriate sites and enter into long-term project based contracts thereby preserving affordability.
- Previously approved MTW activities related to the owner incentive fund, reasonable rent, biennial recertifications, and payment standard exceptions will continue to be implemented.

Over the course of the coming year, DHCD will continue to explore new initiatives that will further the MTW statutory objectives and DHCD's long-term MTW goals. As part of these efforts, DHCD intends to assess and propose modifications to its existing rent simplification initiatives. Ongoing collaborative efforts with the RAAs will continue to focus on enhancing quality control programs, upgrading the skills and qualifications of program staff, and improving customer service for applicants, program participants and property owners.

B. Overview of Long Term Goals

DHCD's participation in the MTW program supports a wide range of positive housing and supportive service outcomes for thousands of participating low-income households, including families with children, seniors and people with disabilities. The programmatic flexibility afforded by MTW continues to be an important component of the Commonwealth's overall housing strategy. The extension of the MTW Agreement until 2028 will ensure continuity of this valuable set of program tools and resources.

DHCD's long-term MTW strategy is designed to demonstrate that: 1) Housing stabilization can provide low-income households with a foundation for achieving economic self-sufficiency; and, 2) Administrative costs savings can be redirected to provide meaningful assistance to additional program participants and owners. DHCD believes that affordable housing can provide the foundation that allows low-income households to enter the economic mainstream and access good jobs and education. Maximizing the value of limited federal program dollars to help families achieve important economic goals, enabling them to move on so that program dollars can help serve additional families is a key goal.

Additional principles that continue to guide DHCD's MTW strategy include:

- MTW activities must relate to one or more of the three statutory objectives, i.e. reducing cost and/or promoting administrative efficiency, increasing housing choice, and supporting families in achieving economic self-sufficiency.
- MTW flexibility will be utilized to promote tighter linkages and synergy between the HCV program and other related Commonwealth programs and policy goals such as preventing or reducing homelessness; supporting self-sufficiency and economic independence initiatives; preserving and expanding state-assisted public housing and project-based affordable housing; supporting those who have one or more disabilities; and stabilizing neighborhoods. DHCD will also consider the goals of the MTW Annual Plan in the context of the Consolidated Plan and as a resource and tool to Affirmatively Further Fair Housing Opportunities.
- By identifying and addressing administrative efficiency opportunities, MTW flexibility will be used wherever feasible to increase the number of extremely and very low-income households served and the overall quality of leased housing units.
- MTW program initiatives will respond to differences among regional and local housing markets.

DHCD is committed to continuing to provide opportunities for broad-based input from its RAA contractors, program participants, housing advocates and other stakeholders to inform the design of DHCD's MTW initiatives.

II. General Housing Authority Operating Information

A. Housing Stock Information

DHCD does not administer a federal public housing program.

Table 1: Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type*	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible	Adaptable
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
N/A	0	0	0	0	0	0	0	0	N/A	0	0
Total Public Housing Units to be Added								0			

* Select Population type from: Elderly, disabled, General, Elderly/Disabled, Other

If other, please describe:	N/A
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Table 2: Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
N/A	0	N/A
N/A	0	N/A
N/A	0	N/A
Total Number of Units to be Removed	0	

Table 3: New Housing Choice Vouchers to be Project-Based During the Fiscal Year

Table 3 below provides a summary of new Project Based Voucher (PBV) developments for which DHCD anticipates entering into Housing Assistance Payments (HAP) Contracts during FY 2019. A total of 91 units in 14 PBV developments are expected to be placed under HAP contract in the Plan year. This listing is subject to change due to unanticipated changes in development schedules, project financing, newly identified preservation or development opportunities and/or other factors.

Property Name	Anticipated Number of New Vouchers to be Project-Based*	Description of Project
Gordon Mansfield Vets. Village	6	Substantial rehab of former historic school. Homeless veteran's preference
Village Green Phase II	8	New Construction – Family Housing Phase II – PBVs at 30% AMI
Ivory Keys Apartments	8	Substantial rehab of former piano factory; 4 family units and 4 reserved for disabled
Jewel Crossing	8	New Construction - Family
Kennedy Building Apartments	4	Rehab and new construction of units – 1 or 2 person Families
Forest Springs	5	New Construction – Family Housing
Goshen Senior Housing	3	New Construction - Elderly Housing
Residences at Fairmount Station	6	New Construction – Family Housing
Canal Bluffs-Phase III	7	New Construction – Family Housing
Noquochoke Village	8	New Construction – Family Housing
132 Chestnut Hill Ave.	8	New Construction – Elderly Housing
Northampton Lumber Yard Apartments	8	New Construction – Family Housing
Blancard School	6	Historic rehab – Family Housing
Tenney Place Phase II	6	New Construction – Family Housing

Anticipated Total New Vouchers to be Project-Based	91
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Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year**	3,345
Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year***	3,178

*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

** Of the total 3,299 PB vouchers anticipated to be leased by the end of FY 2019, 546 are Expiring Use and 825 are RAD. Number reflects tenant PBV choices pre-2017. Actual leasing will be updated in the MTW report and will reflect tenant PBV choice for new PBVs in FY 2019.

***Anticipated number of PBVs depends largely on the point during the year when the units are brought under contract, tenant choice and speed of leasing PBV units.

Other Changes to the Housing Stock Anticipated During the Fiscal Year

This section is required by HUD. DHCD has no federal public housing stock.

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

This section is required by HUD. DHCD has no federal public housing stock and therefore will have no federal capital fund expenditures during the plan year.

B. Leasing Information

As required by HUD, Table 4 below provides information only on MTW households that DHCD plans to serve during FY 2019. In total, in FY 2019 DHCD expects to serve 20,909 MTW and Non-MTW households.

Table 4: Planned Number of Households Served at the End of the Fiscal Year

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
Federal MTW Public Housing Units to be Leased	0	0
Federal MTW Voucher (HCV) Units to be Utilized	20,174	242,088
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs**	0	0
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs**	185	2,220
Total Households Projected to be Served	20,359	244,308

20,359

*Calculated by dividing the planned number of unit months occupied/leased by 12

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

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

Table 5 provides information on Non-MTW vouchers projected to be leased during FY 2019. This table is not a requirement of Attachment B to the Standard MTW Agreement.

Table 5: Non-MTW Voucher Households

Non-MTW Households to be Served Through:	Planned Number of Households to be Served	Planned Number of Unit Months Occupied/Leased
VASH	666	7,992
Mainstream 5	75	900
Total Non-MTW Households Projected to be Served		

Reporting Compliance with Statutory MTW Requirements

DHCD is in compliance with its MTW statutory requirements.
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Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
Tenant-Based Local, Non-Traditional MTW Housing Assistance Program	Referrals to and enrollment in the FES, YTTSP and PTP programs occur throughout the year. As such, planned leasing for the program will not include a full twelve months for each voucher.

C. Wait List Information

Table 7: Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s)*	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW Housing Choice Voucher Program, Federal Non-MTW Housing Choice Voucher Units	Other	113,424	Open	N/A
Tenant-Based Local Non-Traditional MTW Housing Assistance Program	Other	25	Open	N/A
N/A	N/A	0	N/A	N/A

Rows for additional waiting lists may 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.

N/A

If local, Non-Traditional Housing Program, please describe:

The Family Economic Stability Program provides a fixed annual stipend to eligible families, regardless of future income or family composition changes. See MTW Activity 2000-1: FES.

If Other Wait List Type, please describe:

DHCD combines site-based and centrally managed wait list features. All of DHCD's Section 8 programs (including MTW and Non-MTW vouchers) use a regional, centrally managed wait list with the exception of certain Project Based developments. There are currently one hundred and ten (110) Project Based developments that have site-based wait lists that each development is responsible for managing. (does not reflect the PB contracts planned for FY 2019). The remaining Project Based developments have centrally managed waitlists maintained by DHCD and each regional administering agency.
As was described in previous Annual Plans, DHCD continues to process requests for new PB development owners to operate site-based waiting lists. The revised policy will allow project owners to maintain site-based waiting lists with DHCD approval. DHCD has begun the process of establishing site based waiting lists for its newer PBV developments. As the process continues, some or all PBV waiting lists may be closed during the transition period. DHCD will issue public notices of waiting list openings and closings.
The Tenant-Based Local Non-Traditional MTW Housing Assistance Program is the Family Economic Stability Program. The waitlist for this program is managed by the Metropolitan Boston Housing Partnership. Applicants must meet certain requirements such as working at least part-time or participating in a full-time job training program.

Organizational Structure of the Waitlist

If there are any changes to the organization structure of the wait list or policy changes regarding the wait list, provide a narrative detailing their changes.

DHCD does not anticipate any changes to the organizational structure of the waitlist or policy changes regarding the waitlist.
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III. Proposed MTW Activities

Activity 2019-1: Pathways to Prosperity: Services Only

Description of MTW Activity: DHCD plans to utilize MTW Block Grant funding flexibility to connect low-income youth ages 18-24 living in subsidized housing in the Boston area to programs and services that help them obtain employment and a sustaining wage. There are at least 1,900 youth aged 18-24 living in subsidized housing in the Boston Area who are not in school and who may benefit from these services. Under the Pathways to Prosperity (PTP) program, DHCD will contract with The United Way of Massachusetts Bay and Merrimack Valley to recruit, engage and connect targeted youth to employment readiness, job placement, vocational training, certificate programs and/or other post-secondary education programs. DHCD plans to allocate up to \$2M in MTW funds per year for three years to cover the services in the PTP program.

The clients under this activity will include low income Boston youth ages 18-24 who are residents served in DHCD's federal HCV program, state-aided rental assistance and state-aided public housing programs and residents of properties financed with federal and/or state LIHTC or other capital assistance from DHCD. Youth will be selected for the program based on interest and follow-through with the assessment process. United way and its partners will be actively recruiting from these communities. This local non-traditional activity falls under the category of Service Provision as defined in HUD PIH Notice 2011-45 (Notice), and will conform to the General Parameters detailed in part 5.A of the Notice.

Youth enrolled in the program will be provided with case management including needs and interest assessments, connections to services and programs and related follow-up to ensure enrollment and completion. General support will also be provided to ensure the greatest possible success based on the individual needs of each youth. It is anticipated that MTW Block Grant funds will support the PTP services for up to four hundred (400) youth per year for a three year period. Forty (40) of the youth go through recruitment and assessment with the United Way and, based on interest and ability, apply to Year Up and enroll. MTW Funds will be used to support job training costs for these youth as part of the Year Up program.

Where PTP participants are youth in DHCD's federal HCV program, DHCD may exclude 100% of the increase in earned income for up to a 3 year period. The exclusion period begins after enrollment in PTP, at the point where earned income increases and continues regardless of employment status until the end of the period, determined by DHCD.

Statutory Objective: This initiative will support the MTW statutory objective of giving incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

Anticipated Impact: This activity will provide eligible youth with skills necessary for meaningful employment and effectively remove barriers to obtaining self-sufficiency.

Anticipated Time Line: DHCD will enter into a contract with the selected provider in FY 2019 and begin providing services under the PTP program by the fourth quarter of FY 2019.

Metrics: Baselines and benchmarks will be determined upon program implementation and identification of families. Outcomes will be reported in the MTW Annual Report.

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	TBD	\$2,564,220		
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	TBD	TBD		
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	TBD	TBD		
	TBD	TBD		
Other – Employed	TBD	TBD		
	TBD	TBD		
Other – Education/Job Training	TBD	TBD		
	TBD	TBD		
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	TBD	TBD		
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0 households	400 households/year		
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	TBD	TBD		

<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	TBD	TBD		
<i>SS #8: Households Transitioned to Self Sufficiency*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	0 households		
<i>*Self-sufficiency is defined as completion of the IEP.</i>				
<i>HC #5: Increase in Resident Mobility</i>				
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).	TBD	TBD		

Data Source: DHCD will use data collected from its software system, and the partner agencies to track the participant outcomes in this activity.

Authorization Standard: MTW Agreement Attachment D, Broader Uses of Funds. DHCD is seeking Attachment D flexibility in order to provide self-sufficiency and supportive services to eligible low-income households that are not otherwise permitted under the Housing Choice Voucher and public housing programs established in Sections 8 and 9 of the US Housing Act of 1937.

Activity 2019-2: Pathways to Prosperity: Voucher & Services

Description of MTW Activity: DHCD plans to utilize MTW Block Grant funding flexibility to build on the services portion of the Pathways to Prosperity program by providing shallow short-term and time-limited subsidies for eligible low income youth. Additionally, these youth will be provided with the services portion of the Pathways to Prosperity (PTP) program including connections to employment readiness, job placement, vocational training, certificate programs and/or other post-secondary education programs. Under the subsidy portion of the program, the following parameters apply:

- Enrollment in Year Up
- A five-year term flat rental subsidy that steps down annually by 15%;
- A matched savings account up to \$800/year; and
- An annual support budget of \$500 for expenses related to sustaining employment and meeting educational goals.
- For PTP/Year Up participants who are enrolled in an accredited post-secondary or vocational certificate program, DHCD will hold the subsidy at the initial level through the second year of program participation. Thereafter, the subsidy will decrease 15% per year for the remaining three years.
- Continued eligibility for referred youth is based on ongoing participation and compliance with the program requirements. If a referred participant drops out of the program during their participation period, DHCD will terminate assistance.

The youth under this activity will include low income Boston youth ages 18-24 who are selected for Year Up based on Year Up's application and selection criteria. Additionally, youth selected for the PTP vouchers are housing unstable or rent burdened and are not be currently residing in subsidized housing. Referred youth must meet DHCD eligibility and screening requirements. This local non-traditional activity falls under the category of Rental Subsidy Programs as defined in HUD PIH Notice 2011-45 (Notice), and will conform to the General Parameters detailed in part 5.A of the Notice.

MTW Block Grant funds DHCD will support the voucher subsidy for referred youth. It is anticipated that MTW Block Grant funds will support up to a total of 100 hundred participants under this activity for a three year period.

Statutory Objective: This initiative will support the MTW statutory objective of giving incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

Anticipated Impact: This activity will provide eligible youth with a housing subsidy and skills necessary for meaningful employment and effectively remove barriers to obtaining self-sufficiency.

Anticipated Time Line: DHCD will enter into a contract with the selected provider in FY 2019 and begin issuing vouchers and providing services under the PTP program by the fourth quarter of FY 2019.

Metrics: Baselines and benchmarks will be determined upon program implementation and identification of families. Outcomes will be reported in the MTW Annual Report.

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	TBD	\$607,500		
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	TBD	TBD		
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	TBD	TBD		
	TBD	TBD		
Other – Employed	TBD	TBD		
	TBD	TBD		
Other – Education/Job Training	TBD	TBD		
	TBD	TBD		
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	TBD	TBD		
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0 households	100 households		
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	TBD	TBD		
<i>SS #7: Increase in Agency Rental Revenue</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	TBD	TBD		
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	0 households		
<i>*Self-sufficiency is defined as completion of the IEP.</i>				
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	TBD	TBD		

Data Source: DHCD will use data collected from its software system, and the partner agencies to track the participant outcomes in this activity.

Authorization Standard: MTW Agreement Attachment D, Broader Uses of Funds. DHCD is seeking Attachment D flexibility in order to provide self-sufficiency and supportive services to eligible low-income households that are not otherwise permitted under the Housing Choice Voucher and public housing programs established in Sections 8 and 9 of the US Housing Act of 1937. MTW Agreement Attachment C, (D) (4): The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency’s Annual MTW Plan; DHCD is seeking Attachment C flexibility in order to provide rental vouchers to eligible families who meet the referral standards for these vouchers.

IV. Approved MTW Activities

This section of the Annual Plan summarizes and provides a status update on MTW activities that have been previously approved by HUD and implemented by DHCD. As required, this section also includes summary information on MTW activities that have been not yet been implemented, closed out, or placed on hold by DHCD.

A. Implemented Activities

Activity 2000-1: Family Economic Stability Program (FES)

Description/Update of MTW Activity: This MTW activity tests an assistance model which provides a fixed annual stipend to eligible families, regardless of future income or family composition changes. Within certain guidelines, participants exercise considerable decision-making in the utilization of the funds. Case management and program coordination is provided by designated MTW Advisors at each participating agency. Participants may select any housing unit which they deem affordable and appropriate for their needs and which pass a Housing Quality Standards inspection.

Eligibility for the FES program is targeted to low-income working families who meet the following criteria:

- 1) Are committed to maintaining employment and agree to provide information to assess the effectiveness of the program including information about financial stability; and
- 2) Families who are working at least part-time, who are imminently employed, or who are enrolled in a full-time job training program.

FES provides participants with a “flat subsidy” that is not tied to household income. When a participant increases their earned income, as required by the program, their rent subsidy will not decrease. Conversely, if participants lose their jobs, their subsidy will not increase. FES staff and participants work closely to manage employment stability to avoid sudden loss of income. Participants are supported in their housing search and selection to determine the most affordable unit based on family size and counseled to consider the challenges of a flat subsidy when selecting potential housing. Participants are also required to participate in financial coaching.

To date, one RAA, Metropolitan Housing is administering the FES program.

Families participating in the Boston FES program currently receive the following:

Rent Subsidy

- Flat subsidy based on family size.
- Time limited – five (5) years, no extensions.
- Flexible amount based on family’s goals.
- Stability Rent Escrow savings program phased in during Years 4 and 5.

Support Account

- \$1800 a year to support completion of economic stability goals.

Escrow Savings Account

- Each participant is eligible to accrue up to \$800 per year in escrow funds.
- Case management support to assist the family in addressing employment, housing, or other issues.
- Financial literacy and coaching
- Support and resources to assist in home-buying, where desired and appropriate. In FY 2010, the homeownership matching fund program was revised to fund a one-time \$500 first-time homebuyer grant for eligible participants provided DHCD has available funds.

Case Management and Support: Service and Housing Stability Plans

Service plans address immediate and long term goals (5 year) and are created through a partnership of the participant and FES staff. The development of the Housing Stability Plan is distinct from the Service Plan, and focuses on creating a road map for housing security when the program ends.

DHCD reviews, on an ongoing basis, the amount of subsidy/stipend levels and the number of program participants. Although DHCD has not yet authorized additional RAAs to implement small scale programs using this program model, DHCD may, at its option, expand the program to other areas of the state in subsequent program years. DHCD may also consider increasing the number of participants for the FES program and targeting assistance to homeless applicants. Currently program statistics are tracked by program staff and in DHCD's housing software.

Approval and Implementation: 2000 - Implementation activities began in FY 2001.

Hardship: FES's Hardship Policy is designed to off-set the impact of unanticipated, no-fault loss of employment. During participation in the FES program, participants may request a hardship waiver if he/she experiences an unanticipated loss of income that is anticipated to last longer than ninety (90) days. This request must be approved by MTW Program staff prior to submitting it to DHCD for review. If the request is granted, any unused support funds available that year will be available to pay the tenant share of rent. The Hardship Policy does not allow the support account to be used for rent or utility arrearages. If the hardship occurs in years four or five then the rent subsidy can be restored to the higher level as necessary and approved by DHCD.

Proposed Changes: In FY 2019 DHCD may increase the housing subsidy by 10% to account for rental market changes in the Boston area. Also in FY 2019 DHCD will expand the use of support funds to include incentive payments for completion of established program goals related to economic self-sufficiency. Incentive payments may include payments for retaining FT or PT employment, removal from TANF assistance and/or completion of vocational training. The \$1,800 per year cap will remain in effect. The proposed changes are not significant and do not require additional MTW authorizations.

Changes to Metrics: The benchmarks have been updated to reflect anticipated program activities in FY 2019. DHCD will report on outcomes in the MTW Annual Report.

CE #4: Increase in Resources Leveraged*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0.00	\$0.00		
<i>*This metric has been required by HUD. DHCD does not leverage funds in connection with this activity and does not consider this metric applicable to this activity.</i>				
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$18,937	\$27,957		
SS #2: Increase in Household Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of escrow of households affected by this policy in dollars (increase).	\$0.00	\$1,914		
Average amount of savings of households affected by this policy in dollars (increase).	\$0.00	\$381		
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	1 participant	10 participants		
	1% of participants	20% of participants		
Other - Employed	85 participants *	40 participants		
	99% of participants	80% of participants		
Other - Education/Job Training	0 participants	8 participants		
	0% of participants	16% of participants		
<i>*Baseline numbers included participation by two RAAs. Current baselines and outcomes reflect participation by only 1 RAA.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	4 households in FY 2015	7 households		
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0 households	50 households		
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	\$450 in FY 2015	\$1,133		
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	\$473 in FY 2015	\$674*		
<i>*DHCD does not have any rental revenue and has been instructed by HUD to report on Average Tenant Rent to Owner</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	0 households*		
<i>*Self-sufficiency is defined as graduation from the FES program.</i>				
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or	0 households	5 households in FY 2019		

neighborhood of opportunity as a result of the activity (increase).				
<i>HC #6: Increase in Homeownership Opportunities</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households that purchased a home as a result of the activity (increase).	0 households	0 households		

Activity 2010-2: Payment Standard Exceptions

Description/Update of MTW Activity: Under this MTW initiative, DHCD is authorized to approve any documented and reasonable exception to payment standards as a reasonable accommodation for HCV households with disabled household members without HUD approval. This policy is utilized without regard to the percentage increase requested over the payment standard.

DHCD will continue to utilize its MTW authority to approve payment standard exceptions without prior HUD approval. DHCD anticipates receipt of approximately 5 requests for reasonable accommodation payment standard exceptions. This estimate is based on historical precedent.

Approval and Implementation: 2010 – Implementation activities began in FY 2010.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect anticipated payment standard exceptions in FY 2019. DHCD will report on outcomes in the MTW Annual Report. The metrics below include only requests that were granted as a reasonable accommodation.

<i>HC #5: Increase in Resident Mobility*</i>				
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 households	5 households		
<i>CE #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Time to process request: 1.5 hours FY 2011 Requests: 3 Staff hourly rate: \$18.17 Total cost of time prior to	Time to process request: .75 hours FY 2019 Requests: 5 Staff hourly rate: \$20.54 Total cost of time after implementation:		

	implementation: \$82.00	\$77.03		
<i>CE #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Time to process request: 1.5 hours FY 2011 Requests: 3 Total time prior to implementation: 4.5 hours	Time to process request: .75 hours FY 2019 Requests: 5 Total time after implementation: 3.75 hours		
<i>*The metric below includes only requests that were granted as a reasonable accommodation.</i>				

Activity 2010-3: Owner Incentive Fund

Description/Update of MTW Activity: DHCD established an Owner Incentive Fund initiative to promote upgrades to the housing stock in areas of the state with a large percentage of older, deteriorated housing stock. DHCD's goals for this activity are: leasing higher quality units, including incentivizing owners to upgrade existing housing at least one grade level, i.e. from a "C" to a "B" grade, or from a "B" to an "A" grade; increasing the number of units that are accessible to persons with disabilities; expanding the number of units leased in currently underserved neighborhoods; and encouraging new owner participation.

The program has been implemented at the Berkshire Housing Development Corporation (BHDC). Participating owners are eligible for a flat fee financial incentive (initially established at \$900 or \$1,200) payable in 4 quarterly installments over the first year of the HAP contract. At the end of the first year under HAP contract, owners are eligible for an additional one-time payment (initially established at \$500) if one or more of the following applied: the owner was not previously part of the HCV program; the unit was not previously under contract to an HCV participant; the unit was new construction or substantial rehabilitation; or, the unit was a foreclosed property prior to leasing and at least a "B" grade level. In the first year of the pilot, BHDC waived the requirement that the tenant remains in occupancy, or that the owner has agreed to lease to another HCVP referral from the RAA to receive the \$500 bonus payment in order to attract a higher level of interest. In the second year of the program, starting January 1, 2011, this requirement was implemented due to the strong response from owners in the first year.

In order to be eligible for incentive payments, the unit must be compliant with HQS at all times during the HAP term. An agreement is signed certifying that the incentive payments are not part of the monthly rent to owner. BHDC has established caps on the overall number of units and the number of units per owner.

In the first year of the program, BHDC established an initial cap of five units per owner per year, and a total program cap of seven percent of BHDC's voucher allocation (approximately thirty-eight units). The annual cap was increased to ten units per owner and a total of forty units. The incentive remains capped at \$1,700 per unit.

DHCD has the flexibility to adjust the program criteria and payment amounts as needed to respond to local market conditions, particularly when planning an expansion of this program to additional RAAs. DHCD will continue to assess the feasibility of expanding the program to other regions using the same program parameters, with a focus on increasing the number of new landlords participating in the program, and increasing the number of units available in high opportunity communities.

Approval and Implementation: 2010 – Implementation activities began in FY 2010.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes Metrics: The benchmarks have been updated to reflect the anticipated number of households who will move to better units/neighborhoods in FY 2019. DHCD will report on outcomes in the MTW Annual Report.

<i>HC #5: Increase in Resident Mobility</i>				
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 households	5 households		

Activity 2010-4: Development of Local Forms

Description/Update of MTW Activity: Under this initiative, DHCD will develop local versions of forms, as needed, to streamline processing, utilize “plain language”, address MTW policies and address local housing market features. New forms are rolled out to RAA contractors as they are completed. As required under the MTW Agreement, any changes to the HAP form will include language noting that funding for the contract is subject to the availability of appropriations.

In FY 2019, DHCD will prepare local versions of the HCV Tenancy Addendum the Project Based Tenancy Addendum as well as update the MTW Authorization Exhibit to cover expiring use and regular PBV vouchers.). DHCD will continue to utilize this authority as needed.

Approval and Implementation: 2010 – Implementation activities began in FY 2013.

Hardship: Not applicable

Proposed Changes to Activity: No changes are proposed that require MTW authority

Changes to Baseline, Benchmarks & Metrics: The benchmarks have been updated to reflect the leasing projections for FY 2019. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	<p>HAP Contracts executed in FY 2013: 11</p> <p>Time to Prepare HAP contract prior to implementation: 2 hours</p> <p>Average hourly wage: \$18.17</p> <p>Total cost prior to implementation:\$400</p>	<p>Expected HAP Contracts executed in FY 2019: 14</p> <p>Time to Prepare HAP contract after implementation: .25 hours</p> <p>Average hourly wage: \$20.54</p> <p>Total cost after implementation: \$71.89</p>		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>HAP Contracts executed in FY 2013: 11</p> <p>Time to Prepare HAP contract prior</p>	<p>Expected HAP Contracts executed in FY 2019: 14</p>		

	<p>to implementation: 2 hours</p> <p>Total staff time required prior to implementation: 22 hours</p>	<p>Time to Prepare HAP contract after implementation: .25 hours</p> <p>Total staff time required after implementation: Hours 3.5</p>		
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Activity 2011-2: Supporting Neighborhood Opportunity in Massachusetts
(Formerly Your Choice)

Description/Update of MTW Activity: DHCD will establish an activity “Supporting Neighborhood Opportunity in Massachusetts” Program in one or more selected regions in the Commonwealth. The majority of academic research and literature indicates that where a person lives determines (to various degrees), the opportunities afforded to them. Nationally, nearly half of all families with children use vouchers in poorer neighborhoods that may diminish children’s economic prospects and future health. A quarter of million children in the voucher program are living in the most troubled neighborhoods, despite the better option that having a voucher should provide them.

The purpose of DHCD’s “Supporting Neighborhood Opportunity in Massachusetts” MTW initiative is to provide significant supports and encouragement to existing voucher participants and applicants who DHCD anticipates will be selected from the waiting list within the next 2 months and who wish to move to high opportunity communities. Existing participants and/or voucher holders moving into these areas will be provided with case management support both before and after the move through the mobility counselors at the participating regional administering agencies. Other incentives may be provided based on family needs and budget availability such as transportation assistance, child care referrals, training stipends, etc. Families will be encouraged or required to develop a family plan to access opportunities in their new neighborhoods with a special focus on positive outcome educational programs for children and available jobs for adults. DHCD may consider targeting groups of individuals to move to a single opportunity neighborhood to provide peer support for one another. Studies indicate that the peer support can improve the success of the mobility program.

DHCD will allocate 50 vouchers to families who have an existing connection to an opportunity neighborhood through work or education and who want to move to an opportunity neighborhood. DHCD may elect to increase the number of vouchers allocated to this program based on participation and success rates. Referrals will be accepted from programs that expand educational opportunities, increase diversity, and reduce racial isolation, by permitting students in certain cities to attend public schools in high opportunity communities. Referrals will also be accepted from work force development programs that facilitate career placement for families living in, or wishing to relocate in, high opportunity neighborhoods. Households with vouchers leased under the Supporting Neighborhood Opportunity in Massachusetts activity will be eligible for the earned income disregard, whether or not the household is a disabled household.

The Supporting Neighborhood Opportunity in Massachusetts activity will use Small Area Fair Market Rents (SAFMR) to assist with higher rents in opportunity neighborhoods. Additionally, DHCD may offer longer housing search periods, down-payments and security deposit assistance to support moves to opportunity neighborhoods.

In FY 2019 DHCD will hire a consultant to launch the program including development of targeted outcomes as well as overarching goals and objectives. DHCD selected two Regional Administering Agencies (RAAs) to pilot this program, Community Teamwork, Inc., (Lowell) and Way Finders (Springfield). Each RAA will hire 1.5 Mobility Counselors to manage and support the Supporting Neighborhood Opportunity in Massachusetts program.

Proposed Changes to Activity: Prior to the FY 2019 plan this activity was on hold. DHCD anticipates that implementation activities will continue in FY 2019

Approval and Implementation: This activity was approved in 2011. Implementation activities began in FY 2018

Changes to Baseline, Benchmarks & Metrics: The baseline, benchmarks will be determined upon program implementation and identification of families. DHCD will report on outcomes in the MTW Annual Report.

Metrics:

<i>HC #5: Increase in Resident Mobility</i>				
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 households	TBD		
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 households	TBD		

Activity 2011-4: Biennial Recertification Process

Description/Update of MTW Activity: Under this initiative, the recertification process has been modified from an annual to a biennial process. DHCD initially planned to apply the biennial recertification policy to households on fixed income only; however, DHCD subsequently modified the initiative in the FY 2012 Annual Plan. The modified initiative includes the following recertification policies:

- Allow biennial recertifications for all MTW households;
- Limit the number of voluntary interim recertifications that a MTW family may complete between regular biennial recertifications to two (2). Required interim recertifications do not count against the limit, i.e., interims required for changes in family composition or otherwise required by DHCD. Elderly and disabled households, as well as households who live in an Expiring Use project on the conversion date and select a PBV, are exempt from this provision and are able to complete an interim recertification at any time;
- If a household has requested and is approved for an annual recertification frequency, DHCD will allow one voluntary interim recertification between annual recertifications.

This initiative is fully implemented. In FY 2019, DHCD plans to continue the biennial recertification process. DHCD continues to benefit from the reduction in staff time for processing recertifications.

Approval and Implementation: 2011 – Implementation activities began in FY 2012.

Hardship: A hardship policy has been adopted to allow households whose loss of income is greater than 30% and beyond the household’s control, to request an exemption from the limit on interims. Additionally, any household that believes they would benefit by an annual recertification may request an annual income recertification.

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Total cost of task in dollars (decrease).	Number of vouchers: 20,298 Time per Recertification: 2.5 hours Average Hourly Staff Rate: \$18.17 Total Cost of Activity Prior to Implementation: \$922,037	Anticipated Number of Recertifications: 10,061 Time per Recertification: 2.25 hours Average Hourly Staff Rate: \$20.54 Anticipated Total Cost of Activity in FY 2019: \$ 464,964*		
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**Accounts for cost savings from Biennial Recertifications and Rent Simplification*

CE #2: Staff Time Savings*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Number of vouchers: 20,298 Time per Recertification: 2.5 hours Total Time Spent on Activity Prior to Implementation: 50,745 hours	Anticipated Number of Recertifications: 10,061 Time per Recertification: 2.25 hours Anticipated Total Time Spent on Activity in FY 2019: 22,637 hours		

**Accounts for time savings from Biennial Recertifications and Rent Simplification*

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$19,058*	\$21,871		

**DHCD modified this baseline in FY 2016 based on revised calculation methods applied to FY 2012 figures.*

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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(6) Other - Employed	5,019 households in FY 2011	3,688 households		
	54% of work-able households	40% of work-able households		
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	2,920 households in FY 2011	2,150 households		
SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	110 households**		
**Households who were EOPd at zero HAP.				

Activity 2011-5: Youth Transition to Success

Description/Update of MTW Activity: DHCD has designed and implemented a time-limited program to provide continued support to and build upon the successes of youth currently participating in its Family Unification Program Aging Out of Foster Care Program that are facing the current 36 month expiration date. Under this initiative DHCD will provide a shallow short-term and time-limited subsidy, supportive services funds for education, training and employment related expenses, an escrow account and case management. Selected participants facing the expiration date for the Family Unification Program Aging Out of Foster Care Program will be eligible to participate in the extension. Eligible participants for the extension must be in good standing and be making progress toward their education and employment goals.

In FY 2017, DHCD began accepting referrals from DCF who might not be able to obtain a FUP voucher but who met all other YTTSP eligibility requirements. Employment is not required for the college referrals. Also in FY 2017 DHCD extended the program term to include two additional optional years to allow YTTSP participants time to complete their educational goals and to bring the YTTSP's timeframe into alignment with HUD's FUP AOP FSS program. YTTSP participants who were FUP AOP referrals will have a five year term which includes the 36 month FUP AOP term.

In FY 2018, DHCD increased the number of DCF referred participants from 10 to 35. Additionally, DHCD revised the DCF referral eligibility requirements as outlined below.

FUP AOP Referrals:

- Referred by DCF;
- Participated in FUP AOP for no less than 18 months;
- Employed for at least 12 hours per week;
- Enrolled in an education or training program at the time of referral;
- Participant in good standing under FUP AOP including no tenancy violations and current on rent;
- Income eligible for the HCV program; and
- Meet other DHCD eligibility screening requirements.

College Referrals:

- Referred by DCF;
- Enrolled in a full-time or part-time moving to full-time post-secondary degree program at the time of referral;
- Income eligible for the HCV program; and
- Meet other DHCD eligibility screening requirements.

DHCD and the Department of Children and Families (DCF) meet regularly to administer the Youth Transition to Success Program (YTTSP). DHCD prepared and executed a Memorandum of Understanding between DHCD and DCF.

YTTSP will provide participants with:

- A flat rental subsidy that steps down annually by 15%;

- A matched savings account up to \$800/year; and
- An annual support budget of \$500 for expenses related to sustaining employment and meeting educational goals.

For DCF “college referrals” who are enrolled in an accredited post-secondary or vocational certificate program, DHCD will hold the subsidy at the initial level through the second year of program participation. Thereafter, the subsidy will decrease 15% per year for the remaining three years.

Continued eligibility for referred youth is based on ongoing participation and compliance with the program requirements. If a referred participant drops out of the program during their participation period, DHCD will terminate assistance.

DHCD does not anticipate any changes to program participation goals, eligibility and subsidies on FY 2019.

Approval and Implementation: 2011 – Implementation activities began in FY 2013.

Hardship: During participation in YTTSP a participant may request a hardship waiver if he/she experiences an unanticipated loss of income that is anticipated to last longer than 90 days. This request must be approved by DCF Outreach Program prior to submitting it to DHCD for review. If the request is granted, any unused support funds available that year will be available to pay the tenant share of rent. The Hardship Policy does not allow the support account to be used for rent or utility arrearages.

Proposed Changes: DHCD removed the portion of this activity under which DHCD planned to partner with another service provider to provide services and housing subsidies to low income young adults. Instead, DHCD has proposed a Pathways to Prosperity activity in FY 2019 which addresses DHCD’s goals and objectives for this targeted group of individuals.

Changes to Metrics: Benchmarks have been updated to reflect the DCF expansion portion of this initiative. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0.00	\$380,000*		
*This number is tied to the number of participants and assumes an increase in participation in FY 2019. This number will be updated in the report to reflect actual participation.				
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average earned income of households affected by this policy in dollars (increase).	\$9,492 for current YTTSP participants at time of enrollment	\$10,012*		
*Where participants enroll in school and reduce hours worked, this benchmark be overstated				
SS #2: Increase in Household Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy in dollars (increase).	\$0	\$680 savings		
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Enrolled in an Educational Program	7 participants	12 participants		
	100% of participants	60% of participants		
Unemployed	0 participants	14 participants		
	0% of participants	70% of participants		
Other – Employed	7 participants	6 participants		
	100% of participants	30 % of participants		
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	0 households	4 Households		
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0 households	20 households		
SS #8: Households Transitioned to Self Sufficiency				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). Self-sufficiency is defined as graduation from the YTTS program.	0 households	3 households		
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice	0	20		

Activity 2012-1: MTW Utility Allowances

Description/Update of MTW Activity: Under this initiative, DHCD established a simplified Utility Allowance (UA) schedule and eliminated Utility Allowance Payments under \$25

In FY 2014, DHCD designed a UA model that eliminated all utility allowances except for heat; however, in FY 2018 DHCD added a utility allowance for other electricity. DHCD utilizes a utility allowance schedule, regardless of fuel type, geographical area and building type. The utility allowance schedule includes the utility allowance for heat and other electricity only and is applied by using the applicable UA(s) for the smaller of the voucher size or bedroom size. Utility allowances for any other tenant paid utilities, other than heat and other electricity, will not be provided. During an interim recertification, DHCD will apply the utility allowance used at the last regular recertification.

In developing the UA schedule for heat, in addition to basing the heat utility allowance on typical cost and consumption, DHCD used a weighted average of the two highest fuel types by bedroom size. The goal of these revised schedules is twofold: in addition to simplifying the utility allowance designation and calculation process, the simplified UA schedule will also result in significant cost savings.

During the time that DHCD did not provide a UA for other electricity, households may have applied and received a reasonable accommodation utility allowance for other electricity. For these households, at their next regular reexamination, DHCD will review and adjust the utility allowance for consistency with their approved accommodations and the new electricity UA schedule. DHCD will determine reasonable accommodations for other utilities on a case by case basis. DHCD will continue to monitor the cost of all utilities and may further modify this initiative for consistency with market and economic conditions.

Approval and Implementation: 2012 – Implementation of the policy applicable to UAPs of \$25 or less began in FY 2012. Implementation of the simplified UA schedule began in FY 2014. Implementation of the other electricity UA began in January 2018.

Hardship: Upon implementation of the heat only UA, DHCD provided an additional 90 day phase in period for families who had an increase in tenant rent to owner of \$100 due to the new UA policy. No families experienced an increase in rent upon addition of the other electric UA.

Proposed Changes: In FY 2019 DHCD will modify its UA policy to reflect discretionary periodic review of HCV utility allowance schedules to determine if adjustments are required. Annual updates will not be required. DHCD maintains UA schedules for tenant-paid heat and other electricity based upon normal consumption by an energy-conscious household and based upon households that occupy housing of similar size and type in the same locality. The proposed changes are not significant and do not require additional MTW authorizations.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity, including the addition of the Other Electric Utility Allowance. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	\$31,476,912	\$22,547,940		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Time required to calculate UA: 8 minutes Number of UA calculated in FY 2013: 16,919 Total staff time prior to implementation: 2,256 hours	Time required to calculate UA: 5 minutes Anticipated number of UA in FY 2019: 17,894 Anticipated total staff time after implementation: 1,491		
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	10%	4%		
<i>CE #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Tenant Rent Share (increase).	\$382 per household in FY 2014	\$326 per household		
<i>*DHCD does not have any rental revenue and has been instructed by HUD to report on Average Tenant Rent to Owner.</i>				

Activity 2012-4: Expiring Use Preservation Initiative

Description/Update of MTW Activity: This initiative was designed to preserve the long-term affordability of expiring use properties. This affordable housing preservation tool makes use of the resources provided by HUD in the form of Enhanced and Tenant Protection Vouchers to continue the affordability of the units in these projects by converting eligible units immediately to Project-Based Units with up to a 20 year affordability period.

DHCD may consider the following criteria when determining eligibility of projects for conversion (except where prohibited for certain projects by PIH Notice 2012-32):

- Located in neighborhoods which offer economic and educational opportunities and relatively low concentrations of poverty;
- The cost per unit will ensure long-term viability for both DHCD and the project;
- The cost per unit will generally fall within DHCD's then current PBV MTW voucher per unit cost;
- There is substantial community and tenant support for units to be converted to Project-Based Units as documented by the Project Developers;
- The Project Developer must request from HUD that DHCD be the Administrator of the Enhanced Vouchers resulting from the conversion action;
- DHCD will make a determination on the level of resident interest prior to pursuing administration of the Enhanced and PB vouchers.
- The Project Developer agrees to participate in and support MTW-related self-sufficiency activities for the tenants of the project. The type and extent of support provided will be determined by site. For example, a project may provide case management services to its MTW residents.

DHCD may modify the selection criteria listed above at its discretion, and may place limitations on the number, types and/or characteristics of units to be supported under this initiative. As part of the conversion process, DHCD will provide residents, who are eligible to receive a voucher, with the option to receive an Enhanced Voucher or to have their unit converted to Project Based assistance. As part of the determination process, DHCD will provide detailed information to residents so that an informed choice can be made.

Pursuant to HUD's 2012 updated guidance on the use of special purpose vouchers, DHCD may apply MTW operating flexibilities to Enhanced Vouchers upon issuance, provided that these flexibilities do not infringe on the protections applied to Enhanced Voucher households pursuant to HUD regulations and notices. Operating flexibilities that may be applied to Enhanced Vouchers include, but are not limited to, biennial recertifications, biennial inspections, rent simplification (provided that it does not infringe on EV protections), and utility allowances. Until the Enhanced

Voucher household either moves from the unit or is terminated from the program, they will continue to be subject to the Enhanced Voucher minimum rent policies, including the applicable provisions related to income decreases. Enhanced Voucher income limits and payment standards will also continue to apply to these households.

For existing tenants on the conversion date who elect to receive a Project-Based Voucher and who are considered over-housed, DHCD may waive the subsidy standard policy, provided that there must be at least one household member for each bedroom in the apartment. In addition, tenants may request a reasonable accommodation if applicable. The only Enhanced Voucher provision which applies to tenants selecting the Project-Based option is the initial income eligibility requirement. DHCD's other MTW PBV policies apply upon the conversion action, except for the following:

- Tenants who live in the development at the time of the conversion action and who select a PBV will be permitted to move after the first year of assisted tenancy following the conversion action. They will be added to the waiting list for a tenant-based voucher in accordance with the Administrative Plan;
- Tenants who live in the development at the time of the conversion action and who select a PBV will not be subject to the limit on voluntary interim rent decreases; and,
- Consistent with DHCD's Enhanced PBV Program MTW activity, DHCA may waive the limitation on the number of units per project generally applied to PBV developments and allow up to 100% of units in all types of developments to be Project-Based.

In FY 2014, DHCD modified the components of its Project-Based Voucher Program in order to streamline administration of the Expiring Use Preservation Initiative and maximize the number of units benefitting from these efficiencies. These changes have been implemented and have resulted in streamlined efficiency of the conversion process.

- Consistent with PIH Notice 2012-32, DHCD may apply MTW flexibilities to units converted to PBV under the Rental Assistance Demonstration to the extent that said flexibilities are not in conflict with RAD provisions specified in HUD's Notice(s).
- DHCD may revise standards for acceptable income verification documents for clients at the time of conversion. Specifically, when completing initial certifications at the time of a RAD or Expiring Use conversion, DHCD may waive the HUD requirement regarding the age of documents at the time of effective date. Authorized in Attachment C Section D of DHCD's MTW Agreement.
- Notwithstanding proposed changes to PBV regulations, DHCD will continue to define "existing housing" as "Housing units that already exist on the proposal selection date and that substantially comply with the HQS on that date." Authorized in Attachment C Section D of DHCD's MTW Agreement.

- DHCD may institute other changes, on a case by case basis, as long as such changes are consistent with the MTW authorizations granted herein.

In FY 2015, DHCD modified the income eligibility requirements for tenants who occupy units at the time of a RAD conversion to the PBV program. For only those existing tenants, annual income must not exceed the moderate income limit for the area which is 80% of AMI, except for elderly and disabled households whose incomes may not exceed 95% of AMI.

As the pool of developments decreases it is difficult to forecast whether or not HUD will offer DHCD any additional Expiring Use or RAD contracts in FY 2019. As such, DHCD has not forecasted any new expiring use or RAD units in FY 2019.

Approval and Implementation: 2012 – Implementation activities began in FY 2013.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: There are no changes to the metrics for this activity. DHCD will report on outcomes in the MTW Annual Report.

<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 housing units	1,371 housing units*		
*Previously DHCD has included only Expiring Use units when setting benchmarks and determining outcomes for this metric. This figure includes all RAD and Expiring Use units and DHCD will continue to use this methodology going forward and does not include any additional units for FY 2019.				

Activity 2012-5: Family Self Sufficiency Program Enhancements

Description/Update of MTW Activity: DHCD uses MTW funds to enhance the existing Family Self-Sufficiency (FSS) Program. These features will encourage participation and successful completion of the program.

- Provide escrow funds for clients who would otherwise be ineligible for the escrow component of the FSS due to their level of earned income at the time they join the program;
- Establish a discretionary fund to assist FSS participants with short term assistance in order to enable household members to participate in employment or educational activities (i.e., funding for car insurance or child care, etc.);
- Set aside funding to reward families who choose to delay full-time employment in order to pursue education and/or training which will better prepare them to attain long-term self-sufficiency than immediate entry into the work force;
- Establish goal-specific incentive payments to be awarded when a family attains an established goal (i.e., completion of a GED, successful completion of a semester of college courses, etc.).

DHCD began utilizing some of the revised strategies to strengthen the FSS program by improving the retention rate, increasing participants' abilities to access employment and or educational opportunities by providing "gap" funding to address financial barriers to employment, and increasing participants' long-term economic capacity by providing incentives to encourage participants to complete education and training programs before entering the workforce. DHCD also uses MTW funds to support services aimed to empower families to build savings and financial capabilities as a pathway out of poverty.

In January 2014, DHCD implemented the revisions to the enhanced FSS program including:

- Placement of an absolute cap on the amount of escrow regardless of prior FSS participation at any of DHCD's RAAs statewide. The cap, which may be periodically reviewed and updated at DHCD's discretion, will be set at \$25,000 per household;
- Modification to the requirement that an FSS applicant must have an interim or annual recertification within 120 days prior to FSS enrollment;
- Modification of the extension policy to allow for six month extensions for up to two years with revised extension eligibility requirements;
- Modification of the FSS re-enrollment eligibility criteria to require that re-applicants demonstrate consistent progress since prior FSS participation ended. DHCD will provide an exception when the participant loses a job due to no fault of their own;
- Addition of a post-secondary education incentive up to \$1,450 and a job training incentive up \$750;
- Modification to the escrow calculation methodology by calculating FSS credits using the same method for all participants regardless of income level. The method used for very low-income households will apply to all participants; and,
- Establishment of an incentive payment for FSS graduates who purchase a home and choose to withdraw from the HCV program within 2 years of completion of the FSS program. The initial incentive payment amount, which may be periodically reviewed and updated at

DHCD’s discretion, will be set at \$5,000 per household. To qualify for the homebuyer purchase bonus, the FSS homebuyer must complete a CHAPA-approved Homebuyer Education course. The \$5,000 bonus may be used for a down payment or for post-purchase expenses.

To encourage the goal of homeownership for applicable households in the FSS program, DHCD obtained approval to modify its current FSS program to allow certain households to define a path to homeownership by utilizing individualized homeownership education, financial coaching and a modified savings/escrow component. To be eligible for the FSS Homeownership Track, households must be current HCV participants, have a goal of obtaining homeownership and have income above an established percentage of the Area Median Income. Participating FSS households will be required to save at least \$1,000 per year in a savings account. DHCD will match the participating household’s savings in a 4:1 ratio up to \$4,000 per year for a maximum of three years. Matched savings earned by these households will only be available for home purchases. Up to \$5,000 of the matched savings may be used for a reserve account for future home repairs and maintenance.

DHCD developed a new local versions of the FSS Contract of Participation and Individual Training and Service Plan. In FY 2019, DHCD will continue to implement the previously approved goal-specific incentive payments as well as implement the matched savings homeownership incentive. DHCD anticipates that approximately 70 new participants will join the FSS program in FY 2019.

Approval and Implementation: 2012 – Implementation activities began in FY 2013.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect changes anticipated for FY 2019. DHCD will report on outcomes in the MTW Annual Report.

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$20,554	\$24,478		
<i>SS #2: Increase in Household Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of escrow of households	\$0.00	\$3,915		

affected by this policy in dollars (increase).				
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	501 participants	278 participants		
	57% of participants	29% of participants		
Other - Employed	372 participants	669 participants		
	43% of participants	71% of participants		
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	162 households	75 households		
<i>SS #5: Households Assisted by Services that Increase Self-Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency	0	947		
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	\$931 in FY 2014	\$908		
<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Tenant Rent Share (increase).	\$388 FY 2014	\$570		

<i>SS #8: Households Transitioned to Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	75 households		

Activity 2013-1: Rent Reasonableness

Description of MTW Activity: In FY 2013, DHCD revised the requirements for conducting rent reasonableness (RR) determinations. Specifically, DHCD completes RR determinations prior to approving a lease, before any increase in rent to owner and at any other time to ensure that the rent to owner is reasonable.

As rent increases will continue to be allowed during the lease-prescribed time periods, DHCD assumes that owners will request a rent increase within market fluctuations as warranted. Therefore, DHCD believes that reasonable rent determinations will continue to be made with regular frequency. This initiative is fully implemented and is anticipated to continue through FY 2019.

Approval and Implementation: 2013 – Implementation activities began in FY 2013.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: There are no changes anticipated to the baselines or benchmarks. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	\$364,345	\$0.00		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	20,052 hours	0 hours		

Activity 2015-1: Rent Simplification
(Changes to Activity 2012-2)

Description of MTW Activity: Description/Update of MTW Activity: In FY 2012 HUD approved DHCD's Rent Simplification activity. In FY 2016, DHCD received HUD approval on changes to the Rent Simplification activity. Under the revised Rent Simplification activity DHCD proposed the following:

- **Tiered Rent:** DHCD will replace the standard rent calculation method with a model in which families TTP will be equal to 30% of the low-end of \$3000 income bands.
- **Application of Payment Standards:** DHCD will apply Payment Standards based on the PD&R's Hypothetical Small Area FMRs (SAFMR). SAFMRs are neighborhood specific and are designed to be in line with localized rents in the area. Where the SAFMR exceeds the large area FMR (LAFMR), the payment standard will be equal to 100% of the SAFMR. Where the SAFMR is less than the LAFMR, DHCD will apply the payment standard equal to 110% of the SAFMR. If a local housing authority has been authorized to an apply Exception Payment Standard (EPS) by HUD within a particular geographic area, DHCD will apply the HUD approved EPS if a DHCD voucher holder leases a unit within that same geographic area. DHCD may adjust these percentages to support leasing in non-impacted areas and/or in response to market conditions. DHCD will not impose a limit, at the outset, on the number of exception payment standards; however, DHCD may impose a limit when and if budgetary issues arise. Generally, DHCD will cap payment standard exceptions at 125% of the applicable SAFMR; however, DHCD may review and revise this cap for consistency with budgetary limitations and/or housing choice. DHCD will apply the Payment Standard in effect on the effective date of the recertification, regardless of any change in the Payment Standard from year to year. During an interim recertification, DHCD will apply the Payment Standard used at the last regular recertification.
- **Minimum Rent:** DHCD will retain the minimum rent at \$50. This rent will be factored into the rent tables.
- **Streamlined Deductions and Exclusions:** As part of DHCD's revisions to the standard rent calculation method, DHCD will streamline deductions and exclusions as outlined below. DHCD may review and modify deductions and exclusions from time to time based on the results of impact analyses and economic conditions.
 - **Working Family Deduction:** DHCD will apply a \$750 working family deduction to families where at least one adult is working. Only one deduction will be applied per household. The deduction does not apply to families where the only working individual is a full-time student other than the head of household, co-head or spouse.
 - **Elimination of Earned Income Disregard (EID):** DHCD will phase out the MTW EID activity. Participants who currently receive the EID will be exempt

from this policy for the duration of their EID term; however, no additional EIDs will be granted.

- **Exclusion of Full-Time Student Income:** DHCD will exclude all full-time student income.
- **Streamlined Childcare Expense Deduction:** DHCD will apply unreimbursed childcare expense deductions based on the tiered deduction table below. Eligibility for the childcare expense deduction is limited to households where unreimbursed childcare expenses allow a household member to work or to further his/her education. The childcare expense deduction may not exceed the amount earned by the household member or the amount which is determined to be reasonable to get to and from school and attend classes.

Childcare Expense	Deduction
Up to \$2,499	No Deduction
\$2,500 & Over	Full deduction *

*Subject to eligibility for the deduction, deduction limitations & verification

- **Streamlined Medical Expense Deduction:** DHCD will apply unreimbursed medical expense deductions based on the tiered deduction table below. DHCD will allow the full medical expense deduction when unreimbursed medical expenses total \$2,000 or more (3% of gross income will NOT be deducted). Elderly/disabled households are eligible for deduction of unreimbursed medical expenses.

Medical & Disability Expense	Deduction
Up to \$1,999	No Deduction
\$2,000 & Over	Full deduction *

*Subject to eligibility for the deduction, deduction limitations and verification

- **Dependent/Elderly/Disabled Deductions:** DHCD will retain the \$480 dependent deduction and will increase the elderly/disabled household deduction to \$800 per family.
- **Mixed Families:** Under rent simplification, mixed families will pay an additional 10% of the table rent regardless of the number of family members without citizenship or eligible immigration status. For example, if the table rent for a family of 4 is \$250 dollars and the family has three members without citizenship or eligible immigration status, instead of paying \$250, the family will pay \$275.
- **Streamlined Asset Verification and Calculation:** As part of DHCD’s revisions to asset income calculations, DHCD will streamline the verification and calculation of assets as outlined below:

- Self-certification of asset value up to \$50,000. When the market/face value of assets is over \$50,000, regulatory HUD verification requirements will be required.
- Exclusion of income from assets where the asset value is up to \$50,000.
- For assets with market/face value in excess of \$50,000, calculate asset income by taking the market/face value and multiplying that value by the established passbook savings rate.

DHCD will continue to reevaluate its rent simplification activities and will apply the following previously approved rent simplification activities:

- Minimum Rent of \$50
- Exclusion of all Full-Time Student Income
- Streamlined Earned Income Disregard
- Streamlined Asset Verification and Calculation
- Mixed Family Rent Calculation
- Forty eight (48) month (consecutive) exclusion of 100% of earned income of adult children (cannot be head, co-head or spouse) who have been approved for addition to the household and who have graduated from two or four year post-secondary or technical schools within 6 months from the date of request for addition to the household.

No other previously approved components of rent simplification will be implemented in FY 2019. At which time DHCD wishes to propose additional changes to rent simplification, DHCD will submit these changes and re-propose this activity.

Approval and Implementation: Approval of the modifications to rent simplification were approved in FY 2016.

Hardship: No other previously approved components of rent simplification will be implemented in FY 2019. At which time DHCD wishes to propose additional changes to rent simplification, DHCD will submit these changes and re-propose this activity including hardship criteria.

Proposed Changes: In FY 2019, DHCD will adopt a policy whereby medical expenses for eligible households will be calculated using past paid, unreimbursed expenses in addition to prospective medical insurance premiums. Over the counter medications must be accompanied by physician’s prescriptions and paid receipts. This change will alleviate the need to try to determine anticipated medical procedures and expenses which cannot be accurately forecasted; however, there is no change to the amount and type of medical expenses which can be deducted. None of the proposed changes require additional MTW authorizations nor do they represent a significant modification to the previously approved activity.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. DHCD will report on outcomes in the MTW Annual Report.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?

Total cost of task in dollars (decrease).	Number of vouchers: 20,298 Time per Recertification: 2.5 hours Average Hourly Staff Rate: \$18.17 Total Cost of Activity Prior to Implementation: \$922,037	Anticipated Number of Recertifications: 10,061 Time per Recertification: 2.25 hours Average Hourly Staff Rate: \$20.54 Anticipated Total Cost of Activity in FY 2016: \$464,964**		
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*Baseline represents the metrics used when this activity was initially proposed.

**Accounts for cost savings from Biennial Recertifications and Rent Simplification.

CE #2: Staff Time Savings

Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Number of vouchers: 20,298 Time per Recertification: 2.5 hours Total Time Spent on Activity Prior to Implementation: 50,745 hours	Anticipated Number of Recertifications: 10,061 Time per Recertification: 2.25 hours Anticipated Total Time Spent on Activity in FY 2016: 22,637 hours**		

*Baseline represents the metrics used when this activity was initially proposed.

**Accounts for cost savings from Biennial Recertifications and Rent Simplification.

CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	21% Average error rate for income and rent errors	19%		

CE #5: Increase in Agency Rental Revenue*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Increase in agency rental revenue in dollars (increase)	\$382	\$326		

*DHCD does not have any rental revenue and has been instructed by HUD to report on average tenant rent to owner.

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	1,000		
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$19,058	\$21,871*		
<i>*Represents MTW households with earned income.</i>				
SS #3: Increase in Positive Outcomes in Employment Status *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
(5) Unemployed	3,850 Households**	5,802 Households**		
	43% of Households	60% of Households		
(6) Other - Employed	5,164 Households**	3,868 Households**		
	57% of Households	40% of work-able Households		
<i>*HUD is requiring the use of this metric; however, DHCD does not believe it is applicable in this context of this MTW activity.</i>				
<i>**Represents work-able households</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	2,316 Households on TANF in FY 2015	2,150 Households		
<i>*HUD is requiring the use of this metric; however, DHCD does not believe it is applicable in this context of this MTW activity.</i>				
SS #5: Households Assisted by Services that Increase Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households receiving services aimed to increase self-sufficiency (increase).	913 Households Total Number of FSS participants	947 Households		
<i>*HUD is requiring the use of this metric; however, DHCD does not believe it is applicable in this context of this MTW activity.</i>				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	\$870 FY 2015	\$900**		
<i>*HUD is requiring the use of this metric; however, DHCD does not believe it is applicable in this context of this MTW activity.</i>				
<i>**Includes application of the UA for electricity.</i>				
SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	\$382*	\$326**		
<i>*Baseline represents average tenant rent to owner at the time this metric was initially required.</i>				
<i>**Represents average tenant rent to owner. Includes application of the UA for electricity.</i>				
SS #8: Households Transitioned to Self Sufficiency *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	57**	110**		
<i>*DHCD has indicated that DHCD does not believe the Self-Sufficiency metrics are applicable to this activity. However, HUD has required their use.</i>				
<i>**Households who were EOPd at zero HAP.</i>				

Activity 2018-1: Expanding Housing Opportunities: Relocation Assistance

Description/Update of MTW Activity: DHCD will use MTW funding flexibility to support a comprehensive redevelopment program that will preserve existing state-aided low-income housing. Construction and long term operating funding will be from state and private equity sources. MTW funds will primarily support rental subsidies and relocation costs associated with short-term housing for low-income residents during construction. No MTW funds will be used to support construction. Relocation assistance under this activity will be provided to eligible families at or below 80% of AMI and may, include but not be limited to, providing security deposits and up to 60 days of vacancy payments to ensure retention of units in the PHA's jurisdiction for relocated families. DHCD will support relocation costs for two redevelopment projects which will be determined upon review of the state-aided redevelopment projects.

Under this activity DHCD will provide rental subsidies and relocation costs to income eligible households who are currently assisted under DHCD's state-aided Public Housing program. DHCD will determine rent reasonableness based on a review of local community housing market characteristics, including rent levels, rental vacancy rates and other relevant factors. Further, efforts will be made to find units that enable relocated families to remain as close to their existing housing as possible in order to limit changes in school assignments for school aged children. Tenant rent will be calculated according to state public housing regulations which can be found at <http://www.mass.gov/hed/economic/eohed/dhcd/legal/regs/760-cmr-6.html>. DHCD approved hearing and grievance process will be available to participants who request rent hardships and hearings will be conducted by the local PHAs. Units occupied during relocation will be inspected by local PHAs to ensure that they meet HUD Housing Quality Standards. To define the terms and conditions of the rental subsidy and relocation services, including MTW reporting requirements, DHCD will enter into MOUs with the local PHAs.

This local non-traditional activity falls under the categories of Rental Subsidy Programs and Service Provision as defined in HUD PIH Notice 2011-45 (Notice). The activity will conform to the General Parameters detailed in part 5.A. of the Notice. Also, the Rental Subsidy component will conform to the applicable Rental Subsidy parameters detailed in part 5.B of the Notice. DHCD will utilize up to \$3 million in MTW funds for this activity.

Approval and Implementation: 2018 – Implementation activities will begin in FY 2019

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. Additional benchmarks will be determined upon program implementation and identification of families. Outcomes will be reported in the MTW Annual Report.

<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). If units reach a specific type of household, give that type in this box.	0	312		
<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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	312		

Activity 2018-2: Residential Assistance for Families in Transition (RAFT)

Description/Update of MTW Activity: MTW funds will be utilized to expand this critically important homelessness prevention program which targets families with children under the age of 21 who are homeless or at risk of homelessness. RAFT offers flexible financial assistance designed to meet each family's particular needs. Eligible uses include moving cost assistance, rent and utility arrears, or utility bills. RAFT also helps families who must move but do not have enough money to pay a security deposit, utility startup costs, or first/last month's rent, and to buy furniture (no more than \$1000 of the family's RAFT benefit can be paid for furniture).

This local non-traditional activity falls under the category of Service Provision as defined in HUD PIH Notice 2011-45 (Notice). The activity will conform to the General Parameters detailed in part 5.A. of the Notice. DHCD will utilize up to \$1.5 million in MTW funds for this activity.

Applicants for RAFT benefits apply to a regional agency and can only be approved for RAFT benefits in the region where the RAFT assistance is to be used. Eligibility for RAFT includes the following criteria:

- A family must be homeless or at risk of becoming homeless.
- The household must be income eligible. Not less than 50 percent of the funding will be available for families with an income at or below 30% of Area Media Income (AMI), and a maximum of 50% for families between 30-50% AMI.
- A family must meet the basic criteria of an assessment targeting tool (RAFT Screen) developed by DHCD, which was developed using indicators for risk of homelessness.
- The RAFT eligibility process will consider the reasons for which someone is homeless or at risk of becoming homeless, including loss of income and increased expenses for those with incomes between 30% and 50% of AMI.
- A family must show that RAFT assistance will stabilize the current housing situation. This means a household must have enough income after receiving RAFT to be able to stay in their current housing, obtain new housing, or otherwise avoid homelessness.

The average RAFT benefit provided to each eligible family is \$2,000 per household with a maximum benefit of \$4,000 per 12-month period. DHCD anticipates assisting approximately 300 households with MTW funding in FY 2019.

Approval and Implementation: 2018 – Implementation activities began in FY 2018.

Hardship: Not applicable

Proposed Changes: Services may also be provided to eligible low-income households who may be participants in the Housing Choice Voucher program or residents of federal public housing. No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. Outcomes will be reported in the MTW Annual Report.

<i>HC #4: Displacement Preventions</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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	300		
<i>HC #5: Increase in Resident Mobility</i>				
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.	0	300	.	
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice.	0	300		

Activity 2018-3: Support for the Secure Jobs Initiative: Vouchers & Services

Description of MTW Activity: DHCD will MTW vouchers and MTW Block Grant funding flexibility to support and expand on the Secure Jobs Initiative (SJI) which provides integrated case management, employment supports and housing assistance for homeless and low-income families. The goal of the SJI is to bridge the gap between housing and employment services, to offer a holistic set of services that supports families on their path to employment and addresses every barrier they face in moving forward. The SJI is administered across the Commonwealth by regional partnerships consisting of shelter providers, housing stabilization providers and employment placement and training providers.

Stabilization Workers identify and refer participants, who are most “ready, willing, and able” to work, to the SJI. Thereafter, intake and assessment are completed with the goal of development of an Individual Employment Plan (IEP) for each SJI participant. Finally, participants are enrolled in services identified as necessary, including job readiness training, skills training, job search assistance and, as applicable, Vocational English Language Training.

DHCD has allocated up to 50 Housing Choice Vouchers for eligible families referred from the SJI program. Supportive services will be provided to participants using MTW Block Grant funds.

Referrals from SJI will be made upon completion of training or job placement. DHCD will screen SJI referrals per its Admin Plan screening policies. Income, rent and subsidy will be calculated per DHCD’s MTW income and rent policies. Compliance with the voucher holder’s IEP and maintenance of employment is only required through completion of the SJI program. DHCD will establish hardship policies for participants who lose employment through no fault of their own.

The service component includes assistance with intake and assessment, completion of IEPs, job readiness training, career counseling, job development and connecting participants to employers and post-employment placement services. Service dollars will also be used flexibly to pay for small expenses such as licensure tests, RMV fees, transportation passes, uniforms and other expenses that may act as barriers to successful employment.

Approval and Implementation: 2018 – Implementation activities began in 2018 and voucher issuance is scheduled to begin in FY 2019.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: Baselines and benchmarks cannot be determined until the program participants have been identified. Outcomes will be reported in the MTW Annual Report.

CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	TBD	\$19,163		
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$4,341	\$6,212		
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	0	0		
	0%	0%		
Other – Employed	25	25		
	100%	100%		
Other – Education/Job Training (20*	4**		
	78%	20%		
*number of participants with HS education or less				
** number of participants with HS education or less who are enrolled in education or job training				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	0	0		
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0 households	25 households		
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	TBD	TBD		
SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

PHA rental revenue in dollars (increase).	TBD	TBD		
<i>SS #8: Households Transitioned to Self Sufficiency*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	25 households		
<i>*Self-sufficiency is defined as participants who have secured subsidized or market rate housing</i>				
<i>HC #5: Increase in Resident Mobility</i>				
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	25		

Activity 2018-4: Support for the Secure Jobs Initiative: Services Only

Description of MTW Activity: DHCD will use MTW Block Grant funding flexibility to build on the services portion only of the Secure Jobs Initiative (SJI) program. Low-income participants in this activity will receive supportive services, but not vouchers. SJI provides integrated case management, employment supports and housing assistance for homeless and low-income families. The goal of the SJI is to bridge the gap between housing and employment services, to offer a holistic set of services that supports families on their path to employment and addresses every barrier they face in moving forward. The SJI is administered across the Commonwealth by regional partnerships consisting of shelter providers, housing stabilization providers and employment placement and training providers.

The clients served under this activity will not be participants in the Housing Choice Voucher program or residents of federal public housing. This local non-traditional activity falls under the category of Service Provision as defined in HUD PIH Notice 2011-45 (Notice), and will conform to the General Parameters detailed in part 5.A. of the Notice. DHCD will utilize up to \$2 million in MTW funds for this activity.

Stabilization Workers identify and refer participants, who are most “ready, willing, and able” to work, to the SJI. Thereafter, intake and assessment are completed with the goal of development of an Individual Employment Plan (IEP) for each SJI participant. Finally, participants are enrolled in services identified as necessary, including job readiness training, skills training, job search assistance and, as applicable, Vocational English Language Training.

Leveraging other state and private dollars, MTW Block Grant funds will partially support recruitment and referral, intake and assessment, completion of IEPs, job readiness training, career counseling, job development and connecting participants to employers and post-employment placement services. MTW Block Grant service dollars will also be used flexibly to pay for small expenses such as licensure tests, RMV fees, transportation passes, uniforms and other expenses that may act as barriers to successful employment. Finally, MTW funds will help to support staff costs to manage vendor relationships and ensure performance. It is anticipated that MTW Block Grant funds will support up to 1,000 participants.

Approval and Implementation: 2018 – Implementation activities began in 2018.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: Baselines and benchmarks cannot be determined until the program participants have been identified. Outcomes will be reported in the MTW Annual Report.

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	\$650,000		
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$4,341	\$6,212		
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	630	315		
	74%	38%		
Other – Employed	177	412		
	22%	50%		
Other – Education/Job Training (number of participants with HS education or less)	642*	128**		
	0%	20%		
*Represents SJ participants who have a high school level education or less				
** Represents SJ participants who have a high school level education or less and who enroll in an education or job training program				
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	477	239		
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	823 households	823 households		
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	N/A*	N/A*		
*Participants in this activity do not receive a Section 8 subsidy.				

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	N/A*	N/A*		
<i>*Participants in this activity are not assisted in PH or Section 8.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	329 households		
<i>*Self-sufficiency is defined as participants who have secured subsidized or market rate housing</i>				
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	TBD		

Activity 2018-5: A Better Life Program Model

Description of MTW Activity: DHCD will provide funding to a limited number of Local Housing Authorities (LHAs) to operate the “A Better Life Self-Sufficiency (ABL) Program” at state-aided public housing developments. MTW Block Grant service dollars will be used to support initial program start-up, staffing, including Family Life Coaches (FLCs) and supportive services such as education and training.

The clients served under this activity will not be participants in the Housing Choice Voucher program or residents of federal public housing. This local non-traditional activity falls under the category of Service Provision as defined in HUD PIH Notice 2011-45 (Notice), and will conform to the General Parameters detailed in part 5.A. of the Notice. DHCD will utilize up to \$2 million in MTW funds for this activity.

ABL uses an innovative approach to assist low-income families residing in state-aided public housing to achieve economic self-sufficiency through employment training and education programs. The ABL program has been piloted at a state housing authority since 2012 and has experienced success in areas such as education, employment and increased earned income. Each ABL participant will be assigned an FLC who will be responsible for providing support in five areas: education, employment, finances, health and personal development. Together the FLC and ABL participant will prepare a service plan with short, medium and long term goals and objectives necessary to achieve economic self-sufficiency. Each LHA will collect participant data to examine changes in participants’ education, living, financial, and health status during participation in the program. Participation in the program may extend for up to five years. As a condition of continued eligibility in the ABL program, participants are required to work, attend school or provide community service.

DHCD completed the procurement and awarded contracts for program planning and implementation to four LHAs who will be responsible for operation of the ABL program. In FY 2019 DHCD will provide the funds to the LHA’s pending approval of their respective implementation plans, DHCD Eligibility for the ABL program is limited to low-income applicants and existing residents in the LHA’s state housing programs. DHCD may elect to extend the funding period based on program outcomes and availability of budget authority.

Approval and Implementation: 2018 – Implementation activities began in 2018.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: Baselines and benchmarks cannot be determined until the program participants have been identified. Outcomes will be reported in the MTW Annual Report.

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	TBD	TBD		
<i>SS #2: Increase in Household Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy (in dollars)	TBD	TBD		
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	TBD	TBD		
	TBD	TBD		
Other - Employed	TBD	TBD		
	TBD	TBD		
Other - Education/Job Training	TBD	TBD		
	TBD	TBD		
<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	TBD	TBD		
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	TBD	TBD		
<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	TBD	TBD		
<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase)	TBD	TBD		
<i>SS #8: Households Transitioned to Self Sufficiency*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0 households	0 households		
<i>*Self-sufficiency is defined as graduation on completion of the service plan.</i>				

Activity 2018-6: Health Starts at Home

Description of MTW Activity: DHCD, in collaboration with The Boston Foundation (TBF), provides up to fifty (50) Housing Choice Vouchers to eligible participants in TBF's Health Starts at Home (HSH) initiative. The vouchers allocated under this activity are standard MTW vouchers and all MTW policies and applicable regulatory requirements will apply. TBF is a community foundation that provides grants to nonprofit organizations and designs special funding initiatives to address critical challenges in the community. The HSH is one such initiative that brings together housing and health-care organizations to support work that demonstrates the positive benefits of stable, affordable housing on children's health outcomes.

HSH is a three-year initiative – which began in May 2016 - supporting partnerships among housing and health care organizations with the goal of:

- Highlighting the importance of affordable housing in children's health outcomes;
- Identifying promising new and existing models that can be brought to scale to improve children's health outcomes;
- Decreasing health care costs; and
- Decreasing costs related to homelessness.

The partnerships being supported in TBF's HSH initiative are listed below. This activity proposes collaboration specifically between DHCD and three of the four HSH partners: Building Bridges to Better Health, Chelsea Homes for Health, and Mortar Between the Bricks: Building a One Stop, Two-Generation Foundation for Health.

- Building Bridges to Better Health (BB2BH)
- Chelsea Homes for Health
- Mortar Between the Bricks: Building a One Stop, Two-Generation Foundation for Health

Applicants for HSH vouchers will be referred to the applicable RAA from BB2BH, Chelsea Homes for Health and Mortar Between the Bricks and will be selected according to the date and time of referral. Applicants will be screened according to DHCD eligibility and screening requirements. Income, rent and subsidy will be calculated per DHCD's MTW income and rent policies. All HSH vouchers will be administered by MBHP for the first year. Following the first year, the vouchers will be administered by the appropriate RAA.

HSH participants will be subject to all DHCD MTW policies unless superseded by HSH program policies. HSH vouchers are not time-limited; however, DHCD will not reissue HSH vouchers upon turnover.

Approval and Implementation: 2018 – Implementation activities began in 2018.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: As this is a program involving participants and healthcare providers certain data elements have privacy barriers. Benchmarks have been updated to reflect FY 2019 activity. Outcomes will be reported in the MTW Annual Report.

<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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	50		
<i>Local Metric: Decrease in Households Receiving Homelessness Assistance</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of Household Receiving Homelessness Assistance (decrease)	0	50		
<i>HC #5: Increase in Resident Mobility</i>				
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	50		

Activity 2018-7: Enhanced Local Project-Based Voucher Program

Description of MTW Activity: DHCD has operated a project-based component under its Housing Choice Voucher Program for over 25 years. Through its project-based voucher (PBV) program, DHCD partners with for-profit and non-profit housing providers to expand the supply of affordable housing to low-income families. To meet the evolving needs of the agency and the residents served, DHCD has enhanced and expanded its existing PBV program as follows:

Starting in FY 2013, DHCD authorized new owners of PBV developments to establish and manage their own site based waiting lists. DHCD has continued to authorize owners of new PBV developments to maintain their own waiting lists. Currently, there are a total of 110 owner managed site based waiting lists. In FY 2019, DHCD anticipates that 14 additional PBV developments will have owner managed site-based waiting lists with a total of 124 across the portfolio by year end.

- DHCD revised the requirements for conducting rent reasonableness (RR) determinations. Specifically, DHCD completes RR re-determinations for Project Based rents:
 - Whenever the owners requests a rent adjustment;
 - Whenever DHCD approves a change in the allocation of responsibility for utilities between the owner and the tenant;
 - Whenever the HAP contract is amended to substitute a different contract unit in the same building or project;
 - Whenever there is any other change that may substantially affect the reasonable rent; and
 - At any other time DHCD deems it necessary.
- DHCD authorized owners/managers of PBV developments to be responsible for all PBV waiting list intake and management functions for their developments. Exceptions may be made at DHCD's option. Waiting lists must be administered in conformance with DHCD's Affirmative Fair Housing Marketing Plan and all other applicable HUD Fair Housing regulations and guidance. New PBV contracts since 2013 have owner managed site based waiting lists. Beginning in FY 2019, DHCD will work with existing PBV owners to begin the transition to owner managed site based waiting lists.
- DHCD increased the 20% cap on PB units in its portfolio. Increasing this cap will allow DHCD to partner with a greater number of housing providers that enable low-income families to relocate to high opportunity areas. DHCD will use a 40% as the cap for budget authority allocated to Project-Based vouchers.
- DHCD may project base up to 100% of the dwelling units in any PBV project or building. If the project has a supportive services requirement, participating households must adhere to the supportive service requirements.

- Initial PBV rents will continue to be determined in conformance with the provisions of 24 CFR 983.301 through 983.305 as applicable; however, for re-determined rents to owners of PBV units, rent to owner will not exceed the lowest of the following amounts:
 - The reasonable rent;
 - The rent requested by the owner; or
 - Such other amount determined by DHCD to be appropriate for the unit, based upon the nature of the unit and the RFP from which the owner was selected. For example, in certain cases, DHCD believes a shallower or higher subsidy may be more appropriate.

This policy change eliminates consideration of the then current Fair Market Rent (FMR) limits when re-determining PBV rents.

- DHCD waived the option that allows PBV participant families to move with a tenant-based voucher after one year of assistance in a project-based unit. Upon DHCD verification of one of the circumstances below, DHCD may provide a tenant based voucher as funding permits.
 - Extended HQS failures
 - PBV participants who have successfully completed the FSS program and been determined eligible for a homeownership voucher
 - Personal Safety or VAWA
 - Reasonable Accommodation\

PBV families who have requested tenant based vouchers and are on the opt-out waiting list will be grandfathered in and continue to be eligible for receipt of a tenant based voucher per the terms of the prior opt-out policy.

- DHCD will provide a project-based transfer preference for families who have verified educational opportunities or employment offers that are more than twenty-five (25) miles from the family’s current project-based unit. The project-based transfer preference is subject to availability of another project-based unit within a twenty-five (25) mile radius of the educational opportunity or employment offer.
- DHCD will provide a project-based transfer preference for families who are over- or under-housed and who are willing to move to a project-based unit in another RAA’s jurisdiction. Unit offers will be made consistent with the family composition and DHCD occupancy standards.

Approval and Implementation: 2018 – Implementation activities began in FY 2018. PBV Site-Based Waiting Lists: 2010 – Implementation activities began in FY 2013; PBV Rent

Reasonableness: 2013 – Implementation activities began in FY 2013. DHCD will defer implementation of the PB transfer preference until FY 2020.

Hardship: Not applicable

Proposed Changes: In FY 2019 DHCD will close out MTW activities 2010-1 PBV Site-Based Waiting Lists and 2013-2: PBV Rent Reasonableness activity and combine these activities with MTW activity 2018-7: Enhanced Local Project Based Program. The previously approved features of these activities are included in the activity description above. In FY 2019, DHCD will also review the implementation strategy for waiving the PB opt-out option, i.e. whether to allow existing PB households, at the time of implementation, the option to be listed on the opt-out waiting list. Until the existing opt-out waiting list is exhausted, DHCD will select PB households for TB vouchers in concert with the MTW policy in effect at the time of the opt-out request. No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. Additional benchmarks will be determined upon program implementation and identification of families. Outcomes will be reported in the MTW Annual Report.

<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% of AMI that would lose assistance or need to move (decrease)	0	3,307		

Activity 2018-8: Equity Builder Program

Description/Update of MTW Activity: DHCD plans to implement a Lease-to-Own Program (LTO), called “Equity Builder” to support the goal of providing low-income families with an achievable pathway to homeownership. Participating families will be able to move to a better home and/or neighborhood which will enhance their quality of life, as well as their opportunities for financial independence.

DHCD will issue a Request for Proposals (RFP) for for-profit and/or non-profit entities who have the ability to secure financial commitments for a LTO program for low-income families. DHCD will make available up to seventy-five (75) time-limited vouchers to assist households preparing to purchase a home. DHCD will conduct outreach to targeted HCV households including those with employment income, as well as FSS participants who have a goal of homeownership. Owners will conduct outreach to families assisted at Low Income Housing Tax Credit (LIHTC) properties who do not currently have a subsidy and to elderly and disabled families. Vouchers will be time-limited up to five years. Owners are responsible for identifying and providing the housing units for the Equity Builder program.

The price of the unit and the related subsidy will be determined at eligibility and remain fixed through program participation. DHCD will use 110% of the payment standard to determine contract rent while ensuring that the approved rent is reasonable. A down payment of 5% of the base cost will generally be required at the time of purchase. The owner will establish and maintain an escrow account and deposit a portion of the rent each month (which will consist of HAP and/or tenant rent) so that at the end of the five year period, the down payment will be complete. The monthly escrow amount will be determined by amortizing the down payment over a five year period. During the five year period of program participation, 50% of the appreciation of the value of the home will be credited towards the homebuyer’s purchase, thus increasing equity at the time of purchase.

If, at the end of program participation, the participant is not mortgage-qualified, DHCD will extend the subsidy for one additional year. If, at the end of this additional year, the participant is still not mortgage-qualified, DHCD will terminate assistance and the escrow will be forfeited by the participant and credited back to DHCD.

If, at the end of participation, the value of the home has depreciated below the base cost, the unit may not be sold. DHCD and the owner may extend the five year participation period by up to one year to allow the market to recover. In this instance, DHCD will redetermine rent and escrow will no longer accumulate. If at the end of the extension period the value of the home remains below the base cost, the unit will not be sold and escrow will be credited back to DHCD. The owner may continue to rent the unit to the participant, however, DHCD will no longer provide a subsidy.

DHCD may modify the program parameters described above (i.e. down payment percentage, lease-to-own initial and extension term, etc.) as needed to support the goal of stable, affordable homeownership for low-income households.

Owners will develop and implement a DHCD approved tenant selection plan. The tenant selection plan will include owner selection criteria, maintenance of the waiting list and outreach activities. Households who meet owner screening requirements will be referred to DHCD at which time final screening and eligibility for the Equity Builder program will be determined. Eligibility for the program will be based on factors such as income, employment and a credit screening. During the participation period, households will be provided with supportive services such as financial literacy and home buyer education.

In FY 2019 DHCD will continue to explore feasibility for this program and potential changes to the program model. If program changes are significant and/or require additional MTW authorizations, DHCD will re-propose this activity.

Approval and Implementation: 2018 – Implementation activities may begin in FY 2019.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: Benchmarks will be determined upon program implementation and identification of families. Outcomes will be reported in the MTW Annual Report.

<i>HC #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark
Average applicant time on wait list in months (decrease)		TBD		
<i>HC #5: Increase in Resident Mobility</i>				
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	TBD		
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice.	0	TBD		

Activity 2018-9: Affordable Housing Preservation and Development Fund

Description/Update of MTW Activity: DHCD will utilize MTW Block Grant funds to support planning grants and the development and preservation of affordable rental housing units through implementation of a new Affordable Housing Preservation and Development Fund (AHPD). AHPD funds will provide loans to eligible projects to leverage private equity and state-aided public housing capital resources.

This local non-traditional activity falls under the category of Housing Development Programs as defined in HUD PIH Notice 2011-45 (Notice). The activity will conform to the General Parameters detailed in part 5.A. of the Notice, as well as the part 5.D parameters applicable to Housing Development Programs. MTW Block Grant funds will be used to acquire, renovate and/or build units that are not federal public housing or Housing Choice Voucher units.

AHPD funds will support development of rental units targeted for households earning less than 80% of Area Median Income. DHDC will require deed restrictions or other legally binding covenants to ensure long-term affordability in conformance with the Notice. Where AHPD provides grant funding, the minimum affordability term will be thirty years unless otherwise approved by HUD. Units must meet HQS standards throughout the term.

Rental units funded through AHPD may be owned by a DHCD instrumentality or other public or private entities. Examples of the types of rental projects eligible for AHPD funds include:

- Existing state-aided public housing developments slated for preservation/redevelopment
- Newly proposed affordable developments involving LIHTC
- At-risk affordable developments nearing the end of their compliance period

DHCD will report on all funded activities through the MTW Annual Report.

AHPD funds will not be utilized to support the development of federal public housing. In some cases, projects may be funded that involve the use of Housing Choice Vouchers, Project Based Voucher or Project Based Rental Assistance contracts. Any such projects will be subject to all applicable requirements established by HUD.

Development or preservation of projects that are not Section 8 or 9 will be considered local, non-traditional housing units. DHCD will adhere to the applicable HUD parameters and guidelines on local non-traditional activities as set forth in PIH 2011-45 (HA) including, but not limited to, Davis-Bacon wages, Fair Housing and Equal Opportunity statutes and regulations and Section 3.

Projects funded through a competitive process will be eligible for these funds with a priority for projects that serve public housing residents and/or include supportive services.

Competition applicants will be required to demonstrate experience in affordable housing development and meet other DHCD eligibility requirements. Only projects that demonstrate readiness to proceed will be eligible for funding. DHCD will evaluate the status of necessary zoning and permitting approvals, the status of architectural documents, and the status of other funding commitments as a way to determine project readiness. DHCD will also prioritize projects that produce or preserve a set number of total units for homeless families or individuals, and that incorporate mixed-uses.

DHCD projects that, in FY 2019, approximately 100 affordable housing units will be developed or preserved with AHPD funds. While development will start in FY 2019, it is not anticipated that these units will be available for occupancy until FY 2020. While no specific per unit funding cap has been established, DHCD anticipates that the AHPD cost per unit will not exceed \$100,000.

Approval and Implementation: 2018 – Implementation activities began in FY 2018.

Hardship: Not applicable

Proposed Changes: No changes are proposed that require MTW authority.

Changes to Metrics: The benchmarks have been updated to reflect FY 2019 projections for this activity. Outcomes will be reported in the MTW Annual Report.

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	TBD*		
*Leveraged resources cannot be determined until awards are made in August.				
<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	100		
<i>HC #2: Units of Housing Preserved</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units	0	100		

preserved for households at or below 80% AMI that would otherwise not be available (increase)				
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B. Not Yet Implemented Activities

Activity 2011-1: Value Vouchers

Description/Update of MTW Activity: DHCD plans to implement a new “MTW value voucher” targeted to the homeless and those with disabilities. This initiative will provide a lower cost subsidy than a conventional voucher. Participants will be offered units in privately assisted housing developments where the rental costs are lower (generally by 25% or more) than current HUD published FMRs but still not affordable to very-low and extremely low-income households. These would generally be units in LIHTC, 236, and certain state funded developments, for example, where rents are generally set at or below 60% of AMI.

For value voucher units, the rent reasonableness determination process will consist of verification of the regulated rent amount, which will always be at or below the Payment Standard. The value voucher will make up the difference between the rent and 30% of the tenant’s adjusted income.

Partner agencies will include MassHousing, a quasi-public agency that promotes housing opportunities for low and moderate income households, and various management companies that have a solid track record of providing assisted units to vulnerable populations. MassHousing will make units available to clients of the Massachusetts Departments of Mental Health (DMH) and Developmental Disabilities (DDS) under their 3% set-aside program for this target population in effect since 1978. DHCD may also identify and establish partnerships with agencies that provide services to homeless individuals, regardless of disability status, and may also make units available to clients of the identified agencies.

Clients of the Massachusetts Departments of Mental Health (DMH) and Developmental Disabilities Services (DDS) will be provided with continuing services and support from these two respective agencies. DHCD’s partnership with MassHousing and certain private management companies will make it possible for the participants to live in good quality housing. DHCD will work with its partner agencies to establish realistic time limits for these vouchers within the time permitted by its MTW Agreement with HUD, currently in effect until June 2018.

Update on Implementation: In FY 2019, DHCD will continue to prioritize the local, non-traditional and other MTW activities being proposed and postpone implementation of the Value Vouchers activity.

Timeline for Implementation: DHCD may consider implementation of this activity in FY 2020.

Proposed Changes to Activity: No changes are proposed for this activity in FY 2019.

C. Closed Out Activities

Activity 2011-3: Biennial Inspections

Description of MTW Activity: DHCD had begun implementation of biennial inspections in FY 2013.

Reason for Closing Out Activity: Biennial Inspections were approved by HUD as a DHCD MTW activity in FY 2011. In FY 2015, DHCD closed out this activity as an MTW initiative due to the 2014 Appropriations Act which allows DHCD to transition to a biennial inspection schedule without MTW authority.

Activity 2012-3: Project Based Voucher Discretionary Moves

Description of MTW Activity: DHCD had begun implementation of Project Based Discretionary Moves in FY 2012. In FY 2014, language was added to clarify that families living in Expiring Use Preservation Initiative projects on the conversation date who select a PBV, as well as families living in units converted to PBV through the RAD program, would be permitted to request a discretionary move after the first year of assisted tenancy following conversion.

Reason for Closing Out Activity: Project Based Voucher Discretionary Moves were approved by HUD as a DHCD MTW activity in FY 2012. In FY 2018, DHCD closed out this activity. DHCD proposed and received HUD approval for a new Local Project-Based Voucher Program which includes revisions to the PBV opt out policy.

Activity 2013-2: PBV Rent Reasonableness

Description of MTW Activity: DHCD modified the requirement for conducting rent reasonableness for re-determined rents under the Project Based Voucher (PBV) program. Additionally DHCD, modified the definition of re-determined rents to owners of PBV units, except for certain tax credit units as defined in 983.501(c), and eliminated consideration of the then current Fair Market Rent (FMR) limits when re-determining PBV rents. DHCD also eliminated the requirement at 983.303(b) to re-determine the reasonable rents for PBV units whenever there is a five percent (5%) or greater decrease in the published FMR in effect sixty days before the contract anniversary as compared with the FMR in effect one year before the contract anniversary.

Reason for Closing Out Activity: The PBV Rent Reasonableness activity was approved by HUD as an MTW activity in FY 2013. In FY 2019 DHCD is closing out this activity and consolidating it with the approved Enhanced PBV Program activity (Activity 2018-7). This action will allow DHCD to report on all Enhanced PB activity features under one activity.

Activity 2010-1: PBV Site Based Waiting Lists

Description/Update of MTW Activity: Under this initiative, DHCD authorizes owner/managers of PBV developments to be responsible for all PBV waiting list intake and management functions

for their development. Generally, DHCD intends to require PBV owners to assume and manage these functions; however, exceptions may be made at DHCD's option. Under the new system, applicants contact the owner/manager of a specific development in order to file an application. Applicant files and the waiting list itself are maintained at the development site. Owner/managers are responsible for contacting and screening applicants who come to the top of the waiting list, collecting all needed information from the applicant, and then forwarding the applicant to the RAA for eligibility determination and processing.

Reason for Closing Out Activity: The PBV Site Based Waiting List activity was approved by HUD as a DHCD MTW activity in FY 2010. In FY 2019 DHCD is closing out this activity and consolidating it with the approved Enhanced PBV Program activity (Activity 2018-7). This action will allow DHCD to report on all Enhanced PB activity features under one activity.

V. Sources and Uses of Funding

DHCD's operates an MTW program that involves only Housing Choice Vouchers. The table below provides a projection of sources and uses for the MTW program for FY 2019. Note that no state or local funds are utilized. Note also that HCV funding is allocated on a calendar year (CY) basis. As of the posting of this Plan, DHCD has not been notified of total renewal funding for the CY; thus, the amounts listed below may change based on actual funding levels. DHCD will provide information on actual source and use amounts as part of the MTW Annual Report.

A. Estimates Sources of MTW Funding for the Fiscal Year

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$0
70600	HUD PHA Operating Grants	\$235,540,545
70610	Capital Grants	\$0
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$23,011,219
71100+72000	Interest Income	\$583
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$4,093,128
70000	Total Revenue	\$262,645,475

B. Estimated Uses of MTW Funding for the Fiscal Year

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+ 91800+91900)	Total Operating – Administrative	\$5,726,958
91300+91310+92000	Management Fee Expense	\$19,791,090
91810	Allocated Overhead	\$470,318
92500(92100+92200+92300+92400)	Total Tenant Services	\$308,114
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$0
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$0
95000 (95100+95200+95300+95500)	Total Protective Services	\$0
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$0
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$0
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	Housing Assistance Payments + HAP Portability-In	\$236,348,995
97400	Depreciation Expense	\$0
97500+97600+97700+97800	All Other Expenses	\$0
90000	Total Expenses	\$262,645,475

C. MTW Single Fund Flexibility

Under the MTW Program, DHCD is authorized to establish an MTW Block Grant budget. Activities that utilize Block Grant single fund flexibility are described below:

- Economic Prosperity Coordinator: DHCD plans to utilize approximately \$150,000 to fund an Economic Prosperity Coordinator (EPC). The EPC will be responsible for planning, implementation and oversight of all MTW programs which support economic prosperity. No additional MTW waivers are required to implement this activity.
- Supportive Services:
 - Education Partnership: DHCD will use up to \$500,000 in single fund flexibility on education activities which target elementary through high school members of DHCD voucher households. The education activities will offer afterschool programming for students that exposes participants, through hands on learning activities, to science, technology, engineering, and mathematics, music, arts and improved academic performance. The purpose of this education initiative is to provide participating students with the support needed to ensure positive education outcomes and an expanded opportunity to gain exposure to career and post-graduation education options. DHCD's RAAs will identify high quality education programs/activities in place in their regions and then look to establish partnerships with these agencies. DHCD will address the barriers to access and may provide funding for an education program initiative for HCV youth in the impacted area. The education partnership activity includes a financial incentive for a college saving account contribution upon program completion.
 - Other Supportive Services: DHCD will use approximately \$402,000 in MTW funds on activities to support a wide range of supportive services for DHCD program participants including: expansion of FSS programming, job training and placement; educational partnership initiatives; affordable homeownership programs and other economic development and self-sufficiency program activities.
- VASH Leasing: On average, DHCD intends to operate the VASH program within the approved VASH budget and authorized unit count. However, recognizing the overriding importance of providing affordable housing to VASH-eligible veterans, DHCD may, on a limited basis, utilize MTW Block Grant funds to temporarily support higher leasing and/or HAP expenditure levels. DHCD projects that approximately \$225,000 in MTW funds will be utilized in FY 2017 for this purpose. No additional MTW waivers are required.
- Homelessness Prevention – VASH: DHCD will use approximately \$150K to cover housing related costs to prevent homelessness for DHCD VASH participants. Specifically, where other resources are unavailable, upon request from the VAMC, DHCD may provide funds to cover security deposits, first and last month's rent, rent and utility arrearages. Support per participant has a lifetime cap at an amount equivalent to two month's rent. No additional MTW waivers are required.

- Supportive Housing Initiative: DHCD intends to use approximately \$300,000 per year in MTW Block Grant funds to partially fund intensive supportive services for income eligible households at DHCD-funded Project Based Voucher developments. Supportive service funding will be provided to eligible non-profit PBV owners, and generally shall not exceed \$2,000 per household per year. DHCD will establish a competitive process to award these funds. Eligible supportive services may include case management and other services designed to help participants increase household income and improve economic self-sufficiency. No additional MTW waivers are required to implement this activity.

D. Local Asset Management Plan

DHCD does not operate a federal Public Housing Program; therefore, the asset management regulations do not apply. HUD requires DHCD include the following table in the Plan:

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

VI. Administrative

A. Resolution

The required signed MTW Annual Plan Certifications of Compliance with Regulations is attached in Appendix C.

B. Public Review Process

DHCD provided public notice of the draft Annual Plan. The public comment period extended from March xx, 2018 through April xx, 2018. Open public hearings were conducted on March 21, 2018 in Springfield, MA (xx in attendance) and March 22, 2018 in Boston, MA (xx in attendance). Copies of public notices, written comments, and sign-in sheets are attached in Appendix D.

C. Evaluations

DHCD, in collaboration with its network of Regional Administering Agencies, utilizes internal resources to track and monitor performance of proposed and ongoing MTW activities. At the present time, no third party evaluation is planned. DHCD has previously submitted information on an evaluation of the small-scale 183 unit pilot program completed by a graduate student as a thesis project. This information was also presented at HUD's April 2009 MTW conference. In 2012 graduate students from Harvard's Kennedy School completed research and program design on "Promoting Housing Choice in High Opportunity Neighborhoods." DHCD reviewed the outcomes of the research and will utilize many elements of the program design to launch its "Supporting Neighborhood Opportunity in Massachusetts Program" initiative.

D. Annual Statement/Performance and Evaluation Report

DHCD does not operate a federal Public Housing Program; therefore, the Performance and Evaluation Report are not applicable.

Appendix A: Listing of Regional Administering Agencies

Berkshire Housing Development Corp.

One Fenn Street
Pittsfield, MA 01201
413.499.4887

Community Teamwork, Inc.

155 Merrimack Street
Lowell, MA 01852
978.459.0551

Housing Assistance Corp

460 West Main Street
Hyannis, MA 02601
508.771.5400

Way Finders (formerly HAP Housing)

322 Main Street
Springfield, MA 01105
413.233.1500

Lynn Housing Authority & Neighborhood Development

10 Church Street
Lynn, MA 01902
781.592.1966

Metropolitan Housing Boston (formerly Metro Boston Housing Partnership)

1411 Tremont Street
Boston, MA 02120
617.859.0400

RCAP Solutions

12 E. Worcester Street
Worcester, MA 01604
978.630.6600

South Middlesex Opportunity Council

7 Bishop Street
Framingham, MA 01702
508.620.2336

Housing Solutions for Southeastern Mass. (formerly South Shore Housing Development Corp.)

169 Summer Street
Kingston, MA 02364
781.422.4200

Appendix B: Certifications of Compliance

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan
Certifications of Compliance

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

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

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

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

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

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

Massachusetts Department of Housing & Community Development

MA901

PHA Name

PHA Number/HA Code

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

Name of Authorized Official

Undersecretary
Title

Signature

Date

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

Appendix C: Public Notice, Comments/Responses & Public Hearing Sign-in Sheets

**Massachusetts Department of Housing & Community Development
Fiscal Year 2019 MTW Plan
Comments and Responses**

The table below includes a summary of the comments received at the Fiscal Year 2019 MTW Plan Public Hearings held on March 21 and March 22 2018 in Springfield and Boston, Massachusetts, respectively. Also included in the table below are comments received, in writing, from various agencies regarding the Fiscal Year 2019 MTW Plan. Where comments made at the hearing and comments received in writing are similar (from the same agency/stakeholder), DHCD summarized and included the comment once. Finally, the table below includes DHCD's responses to the comments.

No.	Topic	Comment	DHCD Response
Metro Housing Boston			
1.		•	•
2.		•	•
3.		•	•
4.		•	•
5.		•	•
6.		•	•
7.		•	•
8.		•	•
9.		•	•
10.		•	•
11.			•
12.		•	•
13.		•	•
14.		•	•
15.		•	•
16.		•	•
Mass Law Reform Institute:			
17.		•	•
18.		•	•
19.		•	•
20.		•	
21.		•	
22.		•	•
23.		•	•
24.		•	•
25.		•	•
26.		•	•
27.		•	•
28.		•	
29.		○	•
30.		•	
Housing Solutions			
31.		•	•
32.		•	•
33.		•	•
34.		•	•
Way Finders			
35.		•	•
36.			•
37.		•	•
38.		•	•
39.		•	•

No.	Topic	Comment	DHCD Response
40.		•	•
41.		•	•
42.		•	•
43.		•	•
44.		•	•
45.		•	•
46.		•	•
Regional Housing Network (RHN)			
47.		•	•
48.		•	•
49.		•	•
50.		•	•
51.		•	•
52.		•	•
53.		•	•
54.		•	•
55.		•	•
56.		•	•
57.		•	•
58.		•	•
59.		•	•
60.		•	•
61.		•	•
Preservation of Affordable Housing, Inc. (POAH)			
62.		•	•
63.		•	•
64.		•	•
65.		•	•
RCAP Solutions, Inc.			
66.		•	•
67.		•	•
68.		•	•
69.		•	•
70.		•	•
71.		•	•
72.		•	•
73.		•	•
74.		•	•
75.		•	•
76.		•	•