

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

**Moving To Work Program
Annual Plan for Fiscal Year 2012**

REVISED SUBMISSION: JUNE 14, 2011

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I. Introduction

On June 19, 2008, the Massachusetts Department of Housing and Community Development (DHCD) entered into an Amended and Restated Moving To Work Agreement (MTW Agreement) with the US Department of Housing and Urban Development (HUD). MTW is a demonstration program authorized by Congress, through which participating agencies are given the flexibility to waive certain statutes and HUD regulations in order to design and test approaches for providing housing assistance that:

- 1) Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- 2) Give 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 three objectives listed above are referred to as “MTW statutory objectives”.

Through an earlier agreement between HUD and DHCD, DHCD has been a participant in the MTW program since 1999. From 1999 to 2008, the scope of DHCD’s MTW participation was limited to a small program that provided a financial assistance package of rent and stipends to participating low-income families. The program, which is ongoing, involves a total of 183 families and is administered in the Boston area (61 families) by Metropolitan Boston Housing Partnership and in south Worcester County (122 families) by RCAP Solutions, Inc¹.

The 2008 MTW Agreement replaces the earlier agreement between HUD and DHCD. It provides DHCD with the flexibility to test out new approaches consistent with the MTW statutory objectives and to expand the MTW demonstration to include all tenant-based Housing Choice Vouchers administered by DHCD with certain exceptions. Those exceptions are vouchers under the 2008 (and all subsequent) Veterans Affairs Supportive Housing (VASH), Five-Year Mainstream, Family Unification Program (FUP) and Moderate Rehab programs - all of which are not covered under the MTW Agreement. In 2010, DHCD and HUD amended the MTW Agreement to incorporate additional flexibility offered to MTW agencies by HUD. DHCD will now be able to utilize MTW funds for activities that fall outside of Sections 8 and 9 of the US Housing Act of 1937 provided that the activities only serve households at or below 80% of Area Median Income and address one or more of the MTW statutory objectives.

Under the terms of the MTW Agreement, DHCD is required to prepare and submit to HUD an MTW Annual Plan and Annual Report. The required form and content of the Annual Plan and Report are defined by HUD in HUD Form 50900 “Elements for the Annual MTW Plan and Annual MTW Report”. For purposes of this document and the required submission to HUD, an “MTW activity” is defined as any activity that requires MTW flexibility to waive statutory or regulatory requirements. This document is DHCD’s MTW Annual Plan for Fiscal Year 2012, i.e. the period from July 1, 2011 through June 30, 2012.

¹ DHCD subcontracts with eight regional administering agencies (RAA) and one local housing authority to administer its portfolio of vouchers, assuring that all 351 cities and towns in Massachusetts are served by its HCVP. A list of the RAAs is included in Appendix C.

As of the date of issuance of this document, DHCD has not received confirmation regarding its federal funding for Calendar Years 2011-2012. Preliminary information indicates that there may be significant decreases in HCV funding nationally. The information presented in this Plan assumes continuation of funding at approximately current levels. If significant 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 made the Annual Plan and the proposed MTW Agreement Amendment available for public review and comment. In addition, DHCD conducted a public hearing on March 25, 2011 in Boston and on March 24, 2011 in Springfield to allow opportunities for the general public and program participants to provide comments on the proposed Annual Plan and MTW Agreement Amendment. DHCD reviewed and considered all written and verbal comments received during the review period. Modifications to the plan were made based on comments received. Copies of public notices, sign-in sheets, written testimony and summary comments are included in Appendix D.

Overview of Annual Goals and Objectives

During Fiscal Year 2012, DHCD intends to undertake a range of MTW-related and other activities to promote the federal MTW statutory objectives and DHCD's overarching goals for the program which are: 1) to demonstrate that housing stabilization can be the foundation for economic self-sufficiency for extremely and very low-income households²; and, 2) to demonstrate that administrative costs savings can be redirected to provide meaningful assistance and, potentially, subsidies to additional program participants and owners. Highlights of planned activities are summarized as follows:

- Through its existing network of RAAs, DHCD projects that it will subsidize a total of 19,227 units for extremely and very low-income households through the HCV program, which represents a 99% or greater utilization rate. Included in the above utilization figures are a total of 1,010 Project Based Voucher (PBV) units projected to be leased as well as the non-MTW components (VASH, 5-Year Mainstream, FUP and Enhanced Vouchers). Of this total, 160 are new PBV units projected to be under contract in Fiscal Year 2012.
- In FY 2012, DHCD will begin implementation of a biennial recertification program for all households in its portfolio to further the original goal (which was applicable only to fixed income households) of administrative efficiencies, as well as encouraging economic self-sufficiency by temporarily removing the disincentive to work or increase earnings. For all MTW households, DHCD is planning to implement a new simplified utility format. This will decrease errors in Utility Allowance and therefore Rent calculations, and make it easier for residents to locate appropriately priced units.
- At the request of the Preservation Advisory Committee (PAC), DHCD has also proposed for FY 2012 a preservation initiative which would enable DHCD to convert Enhanced Vouchers to Project-Based vouchers, enabling DHCD to prevent the loss of affordable units for a period of at least 15 years.

² Extremely low income households are those which have incomes of 30% or less of Area Median Income (AMI); Very low income households have income of than 30% but 50% or less of AMI.

- DHCD also conducted planning during FY 2011 for a biennial inspection process in lieu of annual inspections along with self-certification of routine repairs applicable to high quality units and units where both the tenant and owner have an excellent track record of responsible maintenance of units. This efficiency measure will help to free up inspector time to conduct owner outreach, training and other activities in support of program goals, and is anticipated to be implemented during FY 2012.
- DHCD will continue implementation of its previously approved MTW initiative to transition waiting list intake and management functions to some or all PBV project owners, consistent with existing multi-family industry practice. Extensive planning has been conducted over the past year including development of owner policies and procedures and conducting focus groups with management companies which currently oversee PBV units. Transition of the waiting list functions is expected to start with some select management companies during this Fiscal Year.
- DHCD will continue implementation of its previously approved MTW Landlord Incentive Fund in Berkshire County. This pilot program is designed to provide incentives to landlords in support of DHCD and Commonwealth goals including: expanding housing opportunities in underserved areas; improving the quality of housing units under lease; and, increasing the number of units accessible to households with disabled members. The Incentive program was successful in its initial year of operation and may be expanded to other agencies in FY 2012.
- To more expeditiously respond to reasonable accommodation requests and expand housing choice options in “low-poverty, high-opportunity” neighborhoods, DHCD will continue to utilize its MTW authority to approve payment standard exceptions without prior HUD approval.
- DHCD has begun planning a new initiative for work-able families being selected from the Waiting List, using the lessons learned from its original MTW pilot program. DHCD anticipates that this initiative will feature a time-limited subsidy which will decrease over the course of participation. The housing subsidy will be accompanied by supportive services tailored to individual needs (i.e., GED courses, job readiness training, college courses), and is anticipated to assist families in attaining housing self-sufficiency by the end of participation. As required, a hardship policy will be developed and implemented in conjunction with this new program.
- DHCD will continue to meet the income selection requirements for the HCVP by assuring that 75% of all applicants selected for assistance each fiscal year are extremely low income, i.e. have incomes that do not exceed 30% of area median income.

Proposed program changes that require MTW flexibility to implement are more fully described in Chapters V and VI below. Non-MTW changes are summarized in Chapter III below. As appropriate, the proposed changes will be incorporated into a revised HCV Administrative Plan.

II. General Operating Information

A. Housing Stock

DHCD is currently authorized to lease a total of 19,487 HCV vouchers. DHCD does not administer a federal public housing program. Table 1 indicates the inventory of both MTW and non-MTW vouchers by category.

Table 1: Voucher Inventory

MTW	Voucher Inventory
HCV Tenant Based	18,927
MTW Sub-Total	18,927
Non-MTW	
VASH	205
Five Year Mainstream	75
Enhanced Vouchers	193
FUP 09	87
Non-MTW Sub-Total	560
TOTAL ALL PROGRAMS	19,487

B. Leasing Information - Planned

During Fiscal Year 2012, DHCD projects that it will achieve the leasing targets shown in Table 2 below, subject to the award of sufficient HUD funding. HCV Tenant Based figures include Project Based Vouchers. See also additional PBV detail in Table 3:

Table 2: Leasing Projection for FY 2012

MTW	Vouchers Allocated	Projected Leased on 6/30/12	Percentage Leased
Housing Choice Vouchers*	18,927	18,739	99%
Non-MTW			
VASH**	205	194	95%
Five Year Mainstream	75	75	100%
Enhanced Vouchers***	193	132	68%
FUP 09	87	87	100%
Non-MTW Sub-Total	560	488	87%
TOTAL ALL PROGRAMS	19,487	19,227	99%

* Total includes PBV vouchers that are detailed in Table 3

** Assuming adequate veteran referrals from the three participating Veterans Affairs Medical Centers, DHCD's partners for its VASH program

**** A majority of the 193 enhanced vouchers received recently (Meadowbrook Village, Fitchburg) are expected to be under lease by the end of FY11.*

At the end of FY 2010, DHCD received 75 VASH vouchers. In FY 2011, DHCD received an additional 25 VASH vouchers and 193 Enhanced Vouchers which are reflected in Tables 1 and 2.

The projected overall leasing rate of 99% of authorized units highlights the success that DHCD has had in effectively managing and maximizing utilization through its network of Regional Administering Agencies.

Utilizing its Tenant Based vouchers, DHCD operates a statewide Project Based Voucher program. Table 3 provides information on PBV developments under lease in FY 2011 and new PBV developments projected to be under lease during FY 2012. In total, DHCD projects that 1,010 PBV units will be leased by the end of FY 2012, of which 160 are newly contracted units. Note that actual PBV inventory fluctuates based on various factors including financing availability, construction schedules and modifications to existing PBV HAP contracts.

Table 3: Project Based Voucher Inventory Projection for FY 2012

PBV Developments Under HAP in FY 2011										
RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
HAC	885C State Highway	Eastham	N/A	9/1/2002	9/30/2012		1			1
HAP	451-459 Main St	Holyoke	N/A	10/7/2002	10/6/2012		12			12
MBHP	32 Kent Street	Somerville	N/A	11/1/2002	10/31/2012	2	6			8
MBHP	1129 Dorchester Ave	Dorchester	N/A	11/19/2002	10/31/2012	6	2			8
MBHP	14-24 Roach St	Dorchester	N/A	11/19/2002	10/31/2012		8			1
MBHP	1285 -1291 Mass Ave	Dorchester	N/A	11/19/2002	10/31/2012		4			4
BHDC	YMCA	Pittsfield	N/A	12/16/2002	12/15/2012	28		2		30
RCAP	220 Orchard Hill Dr	Oxford	N/A	1/1/2003	12/31/2012	8	17			25
MBHP	48 Water St	Wakefield	N/A	4/1/2003	3/31/2013			6		6
HAC	979 Falmouth Rd Founders Court	Hyannis	N/A	4/18/2003	4/17/2013		2			2
BHDC	140 East St	Great Barrington	N/A	5/1/2003	4/30/2013	2				2
CTI	Twelve Summer St	Man.by the Sea	N/A	5/1/2003	4/30/2013		4			4
MBHP	430-436 Dudley St	Roxbury	N/A	8/1/2003	7/31/2013			3		3
MBHP	28 Mount Pleasant St	Roxbury	N/A	8/1/2003	7/31/2013			2		2
MBHP	1202 Commonwealth Ave	Allston	N/A	8/1/2003	7/31/2013			6		6
HAP	Westfield Hotel	Westfield	9/1/2002	9/1/2003	8/31/2013				5	5
MBHP	82 Green St	Jamaica Plain	N/A	9/1/2003	8/31/2013			10		10
MBHP	Russell Terrace	Arlington	N/A	10/1/2003	9/30/2013			2		2
MBHP	4-6 Ashland St	Medford	N/A	10/1/2003	9/30/2013			3		3
MBHP	19 Hancock St	Everett	N/A	10/1/2003	9/30/2013			3		3
MBHP	1740 Washington St	Boston	N/A	10/10/2003	9/30/2013			8		8
HAC	32 Old Ann Page Way	Provincetown	N/A	11/1/2003	10/31/2013	1	1			2
CTI	Salem Heights	Salem	N/A	12/1/2003	11/30/2013		72			72
CTI	Reviviendo	Lawrence	N/A	12/30/2003	11/30/2013			3		3
HAC	40A Nelson Ave	Provincetown	N/A	2/2/2005	1/1/2015		3			3
HAC	58 Harry Kemp Way	Provincetown	N/A	4/1/2005	3/31/2015		4			4
HAP	Hillside Village	Ware	N/A	4/28/2005	4/27/2015		16			16

PBV Developments Under HAP in FY 2011

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
SMOC	The Preserve	Walpole	N/A	6/1/2005	5/31/2015		30			30
MBHP	Boston YWCA	Boston	N/A	7/14/2005	6/30/2015			20		20
CTI	Conant Village	Danvers	N/A	10/1/2005	9/30/2015		15			15
MBHP	Zelma Lacey Mishawum	Charlestown	N/A	11/1/2005	10/31/2015				20	20
MBHP	Marshall Place Apts	Watertown	N/A	11/17/2005	10/31/2015	8				8
SMOC	Bethany School Apts	Framingham	N/A	12/1/2005	1/30/2015		10			10
SSHDC	Acushnet Commons	New Bedford	N/A	12/19/2005	12/18/2015		3			3
CTI	Stonybrook	Westford	12/30/2004	1/6/2006	12/31/2016		4			4
HAP	Westhampton Senior	Westhampton	Existing	2/1/2006	1/31/2016	3				3
MBHP	Amory St	Roxbury	N/A	2/1/2006	1/31/2016		10			10
SSHDC	Westport Village Apts.	Westport	N/A	2/1/2006	1/31/2016	12				12
MBHP	Pelham House	Newton	N/A	3/1/2006	2/28/2016	3				3
MBHP	Ruggles Assisted Living	Roxbury	N/A	3/1/2006	2/28/2016				35	35
CTI	Winter Street	Haverhill	9/13/2005	9/1/2006	8/31/2016	13				13
HAP	Paradise Pond Apts	Northampton	N/A	12/8/2006	12/7/2016		8			8
MBHP	Harbor Cove '63 Washington Ave.	Chelsea	8/31/2005	12/21/2006	11/30/2016				24	24
HAP	Earle Street	Northampton	11/30/2005	1/1/2007	12/31/2017		3		12	15
MBHP	The Moorings Squantum Gardens	Quincy	12/20/2005	3/7/2007	2/28/2017	39				39
CTI	Cordovan at Haverhill Station	Haverhill	2/10/2006	3/26/2007	3/25/2017		8			8
CTI	Fina House	Lawrence	N/A	4/1/2007	3/31/2017		7			7
CTI	Whipple School Annex	Ipswich	2/6/2006	4/1/2007	3/31/2017	8				8
HAP	Village at Hospital Hill	Northampton	N/A	4/13/2007	4/12/2017	8				8
MBHP	Casa Familias Unidas	Roxbury	6/9/2006	5/14/2007	4/30/2017				8	8
MBHP	Four Addresses in Arlington	Arlington	N/A	6/25/2007	5/31/2012		4			4
HAC	Morgan Woods Pennywise Path	Edgartown	6/12/2006	8/1/2007	7/31/2017		6			6
SMOC	Baker St	Foxboro	8/16/2006	8/1/2007	7/31/2017		20			20
CTI	Layfayette Housing	Salem	N/A	8/15/2007	8/14/2017		8			8
SSHDC	Bliss School	Attleboro	N/A	9/1/2007	8/31/2017		8			8

PBV Developments Under HAP in FY 2011

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
MBHP	Janus Highlands	Chelsea	8/4/2006	11/1/2007	10/31/2017		8			8
BHDC	Pine Woods	Stockbridge	N/A	2/1/2008	1/31/2013	3	2			5
MBHP	TILL Building	Chelsea	5/26/2006	5/1/2008	4/30/2018		5			5
CTI	St Joseph's Apts	Lowell	8/1/2007	8/1/2008	7/31/2018		4			4
MBHP	Grandfamilies	Roxbury	N/A	9/1/2008	8/31/2018				8	8
CTI	Sirk Bld	Lowell	N/A	11/1/2008	10/31/2018		8			8
HAP	Prospect Hill	Westfield	11/15/2007	1/1/2009	12/31/2019		4			4
RCAP	9 May Street	Worcester	9/20/2007	1/30/2009	1/29/2024	5	3			8
HAP	46-48 School St	Northampton	9/14/2007	2/1/2009	1/31/2019		2			2
MBHP	Doe House	Mission Hill	N/A	2/1/2009	1/31/2019			5		5
RCAP	5 Benefit St	Worcester	N/A	2/10/2009	2/9/2024		4			4
HAP	Village at Hospital Hill II	Northampton	3/20/2008	2/11/2009	2/10/2019	8				8
CTI	48-64 Middlesex St	Lowell	N/A	3/1/2009	2/29/2018		6			6
CTI	Salem Point LP	Salem	N/A	3/10/2009	3/9/2019		7			7
HAP	Sanford Apts	Westfield	1/7/2008	3/10/2009	3/9/2019		2		3	5
MBHP	The Coolidge	Watertown	11/27/2007	3/30/2009	3/29/2019	4				4
HAC	Barnstable Senior Lombard Farm	W. Barnstable	3/12/2008	5/15/2009	5/14/2024	8				8
CTI	Loring Towers	Salem	N/A	7/1/2009	6/30/2019		8			8
HAC	Barnstable Family Kimber Woods	W. Barnstable	3/12/2008	7/1/2009	6/30/2025		7			7
MBHP	Granite St Housing	Quincy	7/25/2008	7/1/2009	6/30/2019				5	5
MBHP	St. Polycarp	Somerville	1/2/2008	7/1/2009	6/30/2019	2	6			8
SMOC	High Rock Homes	Needham	N/A	7/1/2009	6/30/2024		8			8
SSHDC	Kensington Court @ Lakeville	Lakeville	7/30/2007	7/7/2009	7/6/2024		8			8
BHDC	Hillside Avenue	Gt. Barrington	3/18/2008	7/13/2009	7/12/2024	2	3			5
RCAP	470 Main St	Fitchburg	1/30/2008	7/24/2009	7/23/2024	2	5			7
MBHP	Spencer Green	Chelsea	3/3/2008	7/31/2009	7/30/2019	2	6			8
HAC	Residences at Canal Bluff	Bourne	6/23/2008	8/3/2009	8/2/2024		3			3
MBHP	109 Gilman St	Somerville	N/A	10/1/2009	9/30/2019		1			1

PBV Developments Under HAP in FY 2011

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
MBHP	447 Concord Road	Bedford	1/7/2008	12/1/2009	11/30/2024		4			4
SMOC	Wilber School*	Sharon	10/7/2008	3/15/2010	3/14/2025		8			8
CTI	Palmer Cove*	Salem	N/A	3/18/2010	3/17/2025	3	1		2	6
RCAP	1-7 Piedmont St*	Worcester	12/5/2008	5/7/2010	5/6/2025	3				3
MBHP	Capen Court*	Somerville	10/23/2008	6/1/2010	5/31/2025	8				8
CTI	Hayes Building* Reed House Annex @ 182 Main St*	Haverhill	7/1/2009	10/1/2010	9/30/2025	3	1			4
HAP	1060 Belmont Street*	Westfield	9/15/2009	11/3/2010	11/2/2025				8	8
MBHP	Main St Ext.- Thankful Chase Path*	Watertown	6/1/2009	11/18/2010	11/17/2025	2	5			7
HAC		Harwich	2/1/2010	12/1/2010	11/30/2025	2	3			5
CTI	Sacred Heart*	Lawrence	12/16/2009	1/1/2011	12/31/2026	8				8
SSHDC	Village at 815 Main* Acre High School	Wareham	10/19/2008	1/1/2011	12/31/2026		5			5
CTI	Apts.*	Lowell	2/1/2010	2/7/2011	2/6/2026	3	5			8
FY 2011 Total						209	438	73	130	850

**Indicates PBV developments projected to be under lease for the first time by end of FY 2011.*

PBV New Units Projected for FY2012

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
RCAP	Freedom Village	W. Boylston	8/7/2008			2	4			6
CTI	Cabot St Homes	Beverly	9/21/2009			8				8
MBHP	Spencer Row 205-221 Spencer Ave	Chelsea	11/23/2009			3	5			8
SMOC	Cutler Heights	Holliston	1/15/2010			4	3			7
LHA	Washington Sq.	Lynn	2/1/2010				8			8
SSHDC	Ocean Shores	Marshfield	2/2/2010			8				8
RCAP	Tritown Landing I	Lunenburg	2/5/2010				8			8
RCAP	Southgate Place	Worcester	3/15/2010			3	3			6
HAP	Villa Borinquent	Springfield	5/1/2010			1	7			8

PBV New Units Projected for FY2012

RAA	Project	Community	AHAP Date	HAP Start Date	HAP End Date	Elderly or Disabled	Family	Description Homeless Individuals	Supp. Services	Total PBVs
SSHDC	Ingraham Place	New Bedford	6/1/2010						8	8
CTI	Powderhouse Village	Ipswich	6/7/2010			8				8
CTI	Steven's Corner Saunders School Apartments	North Andover	6/14/2010			1	7			8
CTI	Union Crossing 478-486 Moody St Unity House	Lawrence	6/15/2010						16	16
CTI	King St	Lawrence	7/2/2010					8		8
CTI	King St	Lowell	8/2/2010					2	6	8
HAP	King St	Northampton	9/1/2010						5	5
SMOC	Mayhew Court	Hopkinton	10/14/2010					12		12
MBHP	6 Fort Street Veterans Park Apts. Teaticket	Quincy	11/1/2010			3	5			8
HAC	Highway	Falmouth	12/24/2010			8				8
RCAP	Bowers Brook	Harvard	1/11/2011			4				4
FY 2012 New Unit Total						53	72	0	35	160

C. Waiting List Information

As of February 16, 2011 there were 94,071 households on the Housing Choice Voucher Program waiting list as summarized in Table 4 below. This reflects an increase of over 10,000 applicants over last year's waiting list totals. DHCD anticipates that the total number of waiting list households will continue to increase in FY 2012 due in part to statewide and national economic conditions.

As was described in the FY 2010 and FY 2011 Annual Plans, DHCD is in the process of making changes to the waiting list methods used for Project Based Voucher (PBV) developments. The changes will allow PBV owners to maintain their own site-based waiting lists. Some or all PBV waiting lists may be closed during the transition period. DHCD will issue public notices of waiting list openings and closings.

Table 4:
Waiting List Information for DHCD Housing Choice Voucher Program (February 2011)

	# of applicants in 2011	% of total applicants in 2011
Waiting List Total	94,071	
Income (1)		
Extremely low income <30% AMI	85,506	90.9%
Very low income >30% but <50%	7,672	8.2%
Low income >50% but < 80%	836	0.9%
Family Type		
Families with children (2)	60,587	64.4%
Elderly families (3)	4,402	4.7%
Families with disabilities (3)	29,278	31.1%
Race/ethnicity (4)		
White/hispanic	10,826	11.5%
White/non-hispanic	30,400	32.3%
White/no ethnicity specified	4,021	4.3%
Black/African american/hispanic	1,547	1.6%
Black/African american/non-hispanic	16,810	17.9%
Black/African american/no ethnicity specified	3,803	4.0%
American Indian/Alaskan Native/hispanic	210	0.2%
American Indian/Alaskan Native/non-hispanic	1,066	1.1%
American Indian/Alaskan Native/no ethnicity specified	165	0.2%
Asian or Pacific Islander/hispanic	138	0.1%
Asian or Pacific Islander/non-hispanic	1,597	1.7%
Asian or Pacific Islander/no ethnicity specified	464	0.5%
Native Hawaiian/Other Pacific Islander/hispanic	764	0.8%
Native Hawaiian/Other Pacific Islander/non-hispanic	569	0.6%
Native Hawaiian/Other Pacific Islander/no ethnicity specified	122	0.1%
Hispanic, no race specified	19,829	21.1%
Non-hispanic, no race specified	2,554	2.7%
No race or ethnicity specified	1,275	1.4%

(1) Based on HUD income limits effective of 5/14/10.

(2) This number represents households with more than one member

(3) Includes households with only one member

(4) Applicants may specify more than one race therefore an applicant may be counted more than once

III. Non-MTW Information

In Fiscal Year 2012, DHCD will continue to administer the VASH, Enhanced Vouchers and Five Year Mainstream programs, which are not included in the MTW program. Enhanced Vouchers will be moved into the MTW Program after the first year.

Sources and Uses of Non-MTW Funds

Table 5 provides a projection of Non-MTW sources and uses for Fiscal Year 2011. Note that HUD funding is based on calendar year 2011. The amounts listed below may change based on HUD funding allocations. Actual figures will be provided in the MTW Annual Report.

Table 5: Non-MTW Sources and Uses

Sources	Estimated Amount
HUD Subsidy – VASH	\$1,436,168
HUD Subsidy – FUP FY 2008 and 2009	\$925,128
HUD Subsidy – Five Year Mainstream	\$715,000
HUD Subsidy Enhanced Vouchers	\$2,062,606
HUD Administrative	\$624,960
Non-MTW Sources Total	\$5,763,862
Uses	
HAP Payments	\$5,138,902
Administrative	\$624,960
Non-MTW Uses Total	\$5,763,862

Description of Proposed Non-MTW Activities

Non-MTW activities include special purpose programs not included in the MTW program, i.e. VASH, Enhanced Vouchers, Mainstream, FUP, as well as any other activity that does not require MTW flexibility to implement. Enhanced Vouchers are classified as Non-MTW during the first year. The following non-MTW activities are proposed for implementation in FY 2012:

Increased Minimum Rents – DHCD will implement a minimum rent of \$50 for its entire portfolio, including both MTW and non-MTW vouchers.

Change in Mainstream and Designated Housing Admissions Policies – Upon exhausting current waiting lists for these programs, turnover vouchers will be issued to eligible, disabled households selected off of the main HCV Waiting List. Approximately one-third of applicants currently on the Waiting List self-identify as disabled.

Discontinue Former Federal Preferences for Applicants Between 30-50% of AMI – DHCD will discontinue the practice of requiring applicants who earn between 30-50% of AMI to meet one of the former Federal preferences in order to obtain a voucher.

IV. Long Term MTW Plan

The MTW Agreement offers a unique and important opportunity to improve and enhance the HCV program. Building on lessons learned and successes of the existing small-scale MTW demonstration programs, DHCD intends to utilize MTW flexibility to test out the efficacy of new approaches in support of MTW statutory objectives and the Commonwealth's housing goals.

DHCD intends to fully explore the potential benefits of MTW: 1) to demonstrate that housing stabilization can be the foundation for economic self-sufficiency for extremely and very low-income households; and, 2) to demonstrate that administrative costs savings can be redirected to provide meaningful assistance and, potentially, subsidies to additional program participants and owners. DHCD believes that affordable housing can provide the foundation that allows extremely and very 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 guide MTW planning for the long term include:

- All MTW activities must relate to one or more of the three MTW 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; supporting project-based affordable housing for extremely low income households; supporting those who have one or more disabilities and stabilizing neighborhoods.
- 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.
- New MTW program initiatives will respond to differences among regional and local housing markets.

In order to explore the feasibility of various MTW initiatives, DHCD convened a series of planning meetings in FY 2011. Working groups were composed of staff members from DHCD and its RAAs. Outside experts were invited to inform discussions on rent simplification, services and workforce development. The new initiatives proposed in the FY 2012 Annual Plan reflect the input of the working groups.

One outcome of the working groups was a vision for a new pilot program mentioned in the Introduction. The new work-readiness and job placement initiative would focus on providing an intensive investment by DHCD and community partners (i.e., social service organizations, community colleges, other state-sponsored programs) for a limited period of time for work-able families being selected from the Waiting List. Given the experience gained from its original MTW pilot, DHCD would expand the time frame, and provide additional services to improve outcomes for participating families. Because of the intensive nature of the services being provided, DHCD anticipates that families will be able to contribute a greater share of the cost of their housing

during later years of participation and secure employment allowing them to access mainstream housing opportunities. Because of the complicated nature of developing a new program, this initiative remains in the planning stages, but is anticipated to be officially proposed as an MTW Activity in the FY13 Plan after DHCD and its regional administering agencies as well as prospective community partners have the opportunity to further develop the details of this planned initiative. DHCD is committed to continuing to provide opportunities for broad-based input both from its regional administering agencies and outside stakeholders to inform the design of DHCD's MTW initiatives.

V. Proposed MTW Activities

Beginning in FY 2012, DHCD proposes to implement a range of new MTW activities as described below. As required by HUD, for each activity, the following information is provided:

- Description of MTW activity
- Relationship to MTW statutory objective
- Projected impact
- Baseline, benchmarks and metrics
- Data collection process
- MTW authorization
- Rent reform hardship policies and other information, if applicable

Ongoing, previously approved MTW activities are described in Chapter VI.

Description of Proposed MTW Activities

Activity 2012-1

Description of MTW Activity: In FY 2012, DHCD plans to implement a simplified Utility Allowance schedule, and to cease Utility Assistance Payments of \$25 or less.

While the revised Utility Allowance schedules are still under development, DHCD expects that any changes to the Utility Allowance schedule will simplify the existing schedule. This may be done by removing multiple building types and fuel type categories. In the model DHCD is currently exploring, the revised tables would identify households as responsible for “All Utilities,” “Some Utilities, Including Heat,” and “Some Utilities, Not Including Heat.” Regardless of the final model, the goal of these revised schedules will be twofold: in addition to simplifying the designation for staff and reducing Utility Allowance calculation (and potentially rent calculation) errors, a simplified Utility Allowance Schedule will enable clients to better understand the rent calculation process and seek an appropriately priced unit at lease-up.

DHCD has found that clients receiving UAPs for very small amounts are less likely to deposit or cash the checks that they receive. This results in bookkeeping issues for the finance staff at the RAA and DHCD level which demand time and resources out of proportion to the relatively small amounts of money. By terminating the issuance of UAPs of \$25 or less, DHCD hopes to reduce the incidence of outstanding checks, and alleviate the need for finance staff to spend time and resources reconciling these accounts.

Relationship to MTW Statutory Objective: This activity addresses the statutory objectives to reduce costs and achieve greater cost effectiveness in federal expenditures.

Projected Impact: The revised Utility Allowance will reduce staff time spent on Utility Allowance calculation and is anticipated to reduce errors in Utility Allowance and therefore rent calculations. Fewer RFTAs will be rejected by agency staff for the gross rent being too high above the Payment Standard, saving tenants, landlords and agency staff time and effort. The termination of UAPs of \$25 or less will reduce expenditures by the agency as well as reduce the incidence of un-deposited payments to clients which must be reconciled by agency staff.

Baseline, Benchmarks and Metrics: Approximately 5% of files during internal audits are generally found to contain Utility Allowance errors. DHCD anticipates a reduction in errors by 10% in the year following implementation of the new schedule, and 20% in the second year of implementation.

DHCD pays an estimated \$1.9 million in Utility Allowance Payments to a total of approximately 1,911 participant households. On average, 85 Utility Allowance Payment checks per month (approximately 1,020 checks annually) are not cashed or deposited by recipients. DHCD anticipates a reduction by 50% in the number of outstanding checks upon the discontinuance of UAPs of \$25 or less.

Data Collection Process: DHCD will utilize internal reporting systems to collect and analyze data on the number of households impacted, the change in error rates and changes to Utility Allowance Payments.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.2.a.

Activity 2012-2

Description of MTW Activity: In FY 2012, DHCD plans to implement the following Rent Simplification strategies:

- Using the Payment Standard in effect at the effective date of the regular recertification regardless of any change in the Payment Standard.
- Using the Utility Allowance and Payment Standard in effect at the effective date of the last regular recertification to calculate rents at interim recertifications.
- Discontinue the Earned Income Disregard. EID will be replaced by a similar disallowance that is more straightforward for staff to administer. The new initiative will allow households which would be eligible for EID to instead select a single period between regular recertifications to have additional earned income excluded from their rent calculation
- Exclude all Full-time student income for household members other than the Head, Spouse or Co-Head

Relationship to MTW Statutory Objective: These activities address the statutory objectives to reduce costs and achieve greater cost effectiveness in federal expenditures, as well as increase family self-sufficiency.

Projected Impact: The revised Payment Standard policy is anticipated to reduce errors in selected Payment Standard and therefore rent calculations. Discontinuing the Earned Income Disregard will reduce staff time spent on performing recertifications in which the EID is currently a factor and will reduce income, and therefore rent, calculation errors. Excluding all full-time student income will encourage household members who are full-time student to also be employed without the disincentive of having some of their earned income included in the family's subsidy calculation.

Baseline, Benchmarks and Metrics: DHCD proposes to measure reductions in the amount of time spent by staff performing recertifications and, as available, the error rates of staff based on internal quality control reviews. DHCD has established a benchmark of an average of 85 households which receive EID, approximately 1,000 households which would be affected by the change in the full-time student income exclusion, and 18,927 (all MTW households) which will be subject to the change in Payment Standard policy.

Data Collection Process: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative including data estimates from one or more RAAs on staff time spent on recertifications and error rates determined from quality control reviews.

Impact Analysis: DHCD has assessed the projected impact of this rent reform initiative. This initiative will not result in higher total tenant payments (TTP) for voucher holders as TTP will continue to be calculated at 30% of adjusted household income. In combination with the biennial recertification initiative, many participants may experience a slight reduction in TTP due to the fact that: a) full-time student income will no longer be factored into household income (there are presently an estimated 1816 FT students residing in participant households); and, b) typical annual income increases for public assistance and other transfer benefits will only be factored into income calculations every 24 months. The EID change will not impact any households who have an EID in place prior to January 1, 2012. Those households will continue to have the EID applied according to regulatory requirements.

Annual Re-evaluation of Policy: As required, DHCD will conduct an annual evaluation of the rent reform initiative.

Hardship Policy: Given that participants will not experience a rent increase or other hardship as a result of this policy, DHCD does not anticipate the need to establish hardship exemptions. Participants may appeal income and rent determinations through the existing informal hearing processes.

Transition Period: DHCD will phase in implementation of these policies beginning in 2012 as part of the regular annual recertification process.

Board Approval/Public Hearing: DHCD does not have a Board of Commissioners; however, this policy has been approved by the authorized PHA official (Undersecretary Tina Brooks) as certified in the Certifications of Compliance included in Appendix A. Two public hearings were held on this policy as part of the MTW Annual Plan Hearing process described in Appendix D.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.2.a.

Activity 2012-3

Description of MTW activity: DHCD will modify the Project Based Voucher program guidelines to establish reasonable limits on discretionary moves. DHCD believes that this policy will promote efficiency in the operation of the PBV program, while also ensuring that tenant-based vouchers continue to be available to eligible households on the waiting list. Except as noted below, PBV participant households will be able to terminate the assisted lease and receive priority for an available tenant-based voucher only after the second year of occupancy provided that they remain in good standing with their lease and HCV program responsibilities. In addition, for each RAA, DHCD will establish an annual target number of vouchers available to PBV participant households who have requested a tenant-based voucher. The annual target number will be equal to the total number of turnover vouchers from the prior year for each RAA multiplied by the percentage of PBV units managed by the RAA. For example, CTI administers 2,205 regular vouchers, of which 217 (or 10%) are PBVs. CTI had approximately 135 turnover vouchers for the most recent one year period. Thus, for this RAA, DHCD will establish a target number of 13 vouchers for PBV tenants who wish to move with a tenant-based voucher during the current year. If demand exceeds supply over the course of the year, those additional PBV participants who wish to move will remain at the top of the waiting list until the following year.

These new guidelines will not apply to PBV households who meet one or more of the following criteria:

- Households which are over or under-housed;
- Households which are victims of domestic violence pursuant to the VAWA policy;
- Households which require tenant-based voucher to address an approved reasonable accommodation request;
- Non-disabled households that occupy an accessible unit and that have been requested to move to allow a disabled household to move into the accessible unit; and,
- Households that can document the need to move in order to obtain or maintain employment.
- Households that can document that a household member has been accepted into a higher education institution and can document the need to move in order to attend the institution.

PBV households who meet one or more of these criteria will continue to receive a priority for an available tenant-based voucher and these vouchers will not be counted towards the annual target limit.

Relationship to MTW statutory objective: This activity addresses the statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures by reducing the amount of time spent by staff on these activities.

Projected impact: DHCD anticipates that this policy will reduce the costs associated with processing turnover units including vacancy prep and applicant/participant processing costs. RAA staff process a high number of applicants in order to fill one vacant PBV unit. This policy will reduce the level of effort needed to process discretionary moves, while ensuring that essential moves (defined above) take place expeditiously.

Baseline, benchmarks and metrics: DHCD has established a benchmark of issuing 5% of turnover vouchers statewide to PBV households. The current baseline is estimated at 5.5%. Overall, the number of DHCD clients affected is small; however, two RAAs (CTI and MBHP) are disproportionately affected by PBV opt-outs and will benefit most from this policy. DHCD will also attempt to track the savings in staff time/costs associated with processing turnover vouchers.

Data collection process: DHCD will utilize data generated by RAAs to track and monitor actual performance under this policy.

MTW authorization: MTW Agreement, Attachment C, paragraph D.1.b

Activity 2012-4

Description of MTW activity: DHCD will implement an initiative which is designed to ensure the long-term affordability of expiring use properties. This affordable housing preservation tool will make 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 a 15 year affordability period.

The Community Economic Development Assistance Corporation (CEDAC) and the Preservation Advisory Committee (PAC) have both requested that DHCD make use of its MTW authority to address the expiring use problem facing the Commonwealth. CEDAC indicates that within the next 10 years, 13,200 units in 110 projects will be eligible to convert to market rate with no other affordability restrictions.³ By converting these units to Project-Based units, DHCD would be ensuring the affordability of this housing stock for at least the 15 year term of the Project-Based contract.

Projects would only be eligible for this initiative if they meet the following criteria:

- 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.
- 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.

In addition, tenants of the development who would be eligible to receive vouchers will be given the option to receive an Enhanced Voucher or to have their unit converted to a Project-Based voucher. DHCD anticipates significant participation from Project developers and community stakeholders in order to ensure that tenants are well-educated about the choice they have and what the impact will be on their families. The only Enhanced Voucher provision which will apply to tenants selecting the Project-Based option will be the initial income eligibility requirements. Otherwise, all DHCD PBV policies will apply upon the conversion action.

In order to encourage the feasibility of this initiative for a larger number of projects, DHCD will 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.

Relationship to MTW statutory objective: This activity addresses the statutory objective of housing choice by maintaining affordable units in communities which would otherwise likely be inaccessible to voucher holders due to high rents.

³ "The 40 Year Problem in Massachusetts—Analysis of the First Wave of Housing Projects." Authored by Bill Brauner, Housing Preservation Program Manager, CEDAC.

Projected impact: DHCD anticipates that this policy will preserve a valuable resource in the form of long-term affordable units in high-cost neighborhoods. Tenants may also benefit if they make the choice to convert to a Project-Based voucher, as all PBV rules will then apply, including limiting the tenant's contribution to 30% of their income.

Baseline, benchmarks and metrics: DHCD has established a baseline of zero out of 13,200 at-risk units being preserved for a period of at least 15 years. Due to the complexities inherent in the financing for these projects and the restrictions that DHCD has placed on which projects will be eligible, DHCD anticipates a benchmark of 1,000 units being preserved over the course of ten years; resulting in approximately 7.5% of the at-risk stock being preserved for a period of at least 15 years. The per unit replacement or rehabilitation cost of units that have been preserved by this initiative will also be measured.

Data collection process: DHCD will utilize data generated by DHCD and property owners to track and monitor actual performance under this policy including replacement or rehabilitation costs of units that have preserved if available.

MTW authorization: MTW Agreement, Attachment C, paragraph D.1.e, D.1.f, D.3.a, D.7.b, D.7.c.

Activity 2012-5

Description of MTW activity: DHCD plans to use its budgetary flexibility to use MTW funds to enhance the existing Family Self-Sufficiency (FSS) Program. These new 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.).

Relationship to MTW statutory objective: This activity addresses the statutory objective of encouraging self-sufficiency by encouraging participation in the FSS program.

Projected impact: DHCD anticipates that this policy will encourage more clients to participate in the FSS program, and will increase graduation rates by creating more incentives for participating families. DHCD believes that the existing FSS program is an important and useful tool in developing families' potential and seeks to further develop this important resource.

Baseline, benchmarks and metrics: DHCD anticipates that approximately 70 families per year (10% of the existing FSS population) will be able to take advantage of these new features, and that these new incentives will lower the termination rate from the FSS program by approximately 2 families (reflecting 3% of the 76 families terminated in FY10) per year. Additional metrics and benchmarks for this initiative include (assuming a current baseline of zero for all): increase by 10 the number of FSS participants who maintain employment, and by 15 the number who enter the workforce, as a result of accessing funds for transportation-related expenses; increase by 10 the number of FSS participants who enter a college level program, and by 15 the number who are able to continue their education, as a result of accessing funds for transportation-related expenses; and, increase by 10 the number of FSS participants who are able to continue their education, and by 10 the number who are able to enter the workforce, as a result of accessing funds for short-term/interim childcare expenses.

Data collection process: DHCD will utilize data generated by the FSS coordinators at each RAA to track and monitor actual performance under this policy.

MTW authorization: MTW Agreement, Attachment C, paragraph B.1.b, paragraph E.

VI. Ongoing MTW Activities

This section of the MTW Annual Plan provides information and updates on MTW activities that have been previously approved by HUD.

Description of Ongoing MTW Activities

Activity 2000-1

Description/Update of MTW Activity: DHCD's original MTW Agreement and Plan focused on implementation of a small-scale program administered in the Boston area by Metropolitan Boston Housing Partnership (MBHP) and in Worcester County by RCAP Solutions, Inc. (RCAP). This MTW activity tests an assistance model which provides a fixed annual stipend to eligible families, regardless of future income or family composition changes. Families exercise considerable decision-making in the utilization of the funds, within some guidelines. Case management and program coordination is provided by designated MTW Advisors at each agency, MBHP and RCAP, with target caseloads of 61 per advisor. Families may select any housing unit which they deem affordable and appropriate for their needs and which meets the occupancy requirements of the local Board of Health and Massachusetts Lead Laws where applicable. There is no HUD Housing Quality Standards inspection or rent-reasonableness test.

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

- 1) Receive, or have received in the past 12 months, public assistance: TAFDC, EA, Supplemental Nutritional Assistance Program (SNAP, formerly known as "foodstamps"), and
- 2) Are committed to maintaining employment and agree to provide information to assess the effectiveness of the program, and
- 3) In the Boston component only, are currently homeless in a shelter, hotel, or motel placement.

Families participating in the south Worcester County component (122 families) receive the following:

- Financial assistance package of \$5,500 per year, of which up to \$250/month can be applied toward the rent and, in some cases security/upfront costs, for the apartment (paid directly to owner), up to \$158/month is available for work-related, utility, or emergency expenses, and \$50/month is set aside in an escrow account that is receivable upon successful program completion.
- Case management support to assist the family in addressing employment, housing, or other issues.
- Financial literacy training and homebuyer preparation workshops.
- Support and resources to assist in home-buying, where desired and appropriate.

Families participating in the Boston component (61 families) receive the following:

- Financial assistance package of \$10,000 per year, of which up to \$700/month can be applied toward the rent and, in some cases, security/upfront costs for the apartment (paid directly to owner), up to \$83/month is available for work-related, utility, or emergency expenses, and \$50/month is set aside in an escrow account that is receivable upon successful program completion. Assistance levels may be slightly higher for very large families.
- Case management support to assist the family in addressing employment, housing, or other issues.
- Financial literacy training.
- Support and resources to assist in home-buying, where desired and appropriate.

Participating families recertify once annually, and participation is limited to three years of stipend assistance, or fewer if a family exceeds the low-income limit for the Boston MSA (80% of area median income), fails to meet ongoing program requirements, or the demonstration is concluded by HUD. In FY 2010, several changes were made to the program: the term of participation was increased from a three-year maximum to an initial three-year term with up to two one-year extensions for a total possible term of five years; as of September 1st 2009, DHCD changed the homeownership incentive structure from a matching funds program to a one-time \$500 grant; and if the contract rent for the unit the family chooses is less than the shallow rent subsidy provided, the family is required to contribute at least 30% of their adjusted income towards the rent, should the participant opt to pay an increased amount for rent, the remaining subsidy amount will be transferred to their escrow account.

In FY 2011, DHCD made a number of changes to the program design:

- The number of participating households and the amount of subsidy/stipend levels will be reviewed on an on-going basis throughout the calendar year and may, at DHCD's option, be increased or decreased.
- The program may be expanded to include additional regions of the state, but the expansion has not yet been implemented. DHCD maintains the prerogative to expand the program in future years.

Initial Plan Year: 2000

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW Authorization: Prior approval granted by HUD. Authorizations cited include MTW Agreement, Attachment C, paragraph D.1, D.2, D.3, D.4, D.5. The Broader Uses of Authority amendment was retroactively applied to this activity through HUD's letter of January 28, 2010.

Activity 2010-1

Description/Update of MTW Activity: Owner/managers of PBV developments authorized by DHCD will be responsible for all PBV waiting list intake and management functions. Generally, DHCD will require PBV owners to assume and manage these functions; however, exceptions may be made at DHCD's option. Under the new system, applicants will contact the owner/manager of a specific development in order to file an application. Application files and the waiting list itself will be maintained at the development site. Owner/managers will be 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.

For existing PBV developments, all current applicants will maintain their waiting list places; however, the waiting list will be updated prior to transitioning to the owner/managers. During the transition period, waiting lists may be temporarily closed. DHCD will either use existing staff or contract with a Fair Housing organization to conduct periodic reviews of the system to ensure compliance with DHCD's approved tenant selection plan for each respective project and conformance to fair housing guidelines.

All PBV developments utilizing the new waiting list management methods will be required to modify their tenant selection plans and other documents as needed. DHCD will modify its PBV Administrative Plan as well.

Transition activities began in July 2009. Procedures manuals and training materials are currently under development, and focus groups were conducted with existing PBV management companies. DHCD intends to roll out the new program to selected developments in FY 2012 upon finalizing the procedures manual and conducting training for management companies and RAA staff.

Initial Plan Year: 2010

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.4

Activity 2010-2

Description/Update of MTW Activity: DHCD may 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.

Additionally, DHCD may approve other documented and reasonable exceptions to payment standards without seeking HUD approval if such requests will support participants' ability to find suitable rental housing in "low poverty, high-opportunity" neighborhoods, and clearly achieve the statutory objectives of the MTW program.

Implementation is ongoing.

Initial Plan Year: 2010

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.2.a.

Activity 2010-3

Description/Update of MTW Activity: An Owner Incentive Fund pilot program was established to promote upgrades to the housing stock in areas of the state with a large percentage of older, deteriorated housing stock. When this type of housing is the prevailing housing available to HCV participants in a community/region, it has several undesirable consequences including: 1) limiting the tenants' ability to secure better quality housing in neighborhoods of lower concentrations of poverty; 2) resulting in inefficient use of the HCV inspection staffs' time by continually having to re-inspect units that frequently fall out of compliance; 3) resulting in few, if any, handicapped accessible units; and 4) discouraging new owners with better quality housing from making their units available to HCV households.

The program 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.

Initially, the program was piloted in Berkshire County. Given the success of the program in Berkshire County, DHCD may elect to expand it to other parts of the state. Participating owners were eligible for a flat fee financial incentive (initially established at \$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 were eligible for an additional one-time payment (initially established at \$500) if one or more of the following applied: the owner had not previously been part of the HCV program; the unit had not previously been 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. A program requirement that the tenant remains in occupancy, or the owner has agreed to lease to another HCV referral from the RAA was not implemented in the first year of the program in order to attract participation but will be implemented in this program year due to the level of success of the program in attracting owners and high quality units.

In order to be eligible for incentive payments, the unit must be compliant with HQS at all times during the HAP term. An agreement will be signed certifying that the incentive payments are not part of the monthly rent to owner.

DHCD established a cap on the number of units eligible for the Fund (7% of BHDC's units, or 38 units), as well as a cap on the number of units per individual owner (5 units per owner). Due to the success of the program in its inaugural year, these caps were raised slightly to 8% of units and 10 units respectively, to further encourage new owners and high quality units to enter the program. DHCD will adjust the program criteria and payment amounts as needed to respond to local market conditions.

Detailed policies and procedures for this initiative were developed for the initial year of the program and revised for the second year of the program. The program was successfully implemented during FY 2011, and will continue to operate throughout FY 2012.

Initial Plan Year: 2010

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.2.a.

Activity 2010-4

Description/Update of MTW Activity: Required HCV program forms will be modified as needed to streamline processing, utilize “plain language”, and address local housing market features. New forms will be rolled out as they are completed. A DHCD-RAA working group will review all existing HUD HCV forms, identify and vet proposed changes, and implement new forms. The forms to be evaluated for modification will include: Voucher, HAP Contract, RFTA and others. 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.

This activity has not been implemented to date because DHCD has not had an urgent and compelling need to modify the existing HUD forms; however, as DHCD moves forward with several of the major initiatives described in this Plan, the need to modify HUD forms is expected to arise. DHCD may elect to implement this activity in FY 2012 based upon need.

Initial Plan Year: 2010

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW Authorization: MTW Agreement, Attachment C, paragraph D.1.

Activity 2011-1

Description/Update of MTW Activity: In FY 2011, 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 be units in LIHTC, 236, and certain state funded developments, for example, where rents are generally set at or below 60% of AMI. For these 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. Other HCV program rules may also be waived for these vouchers. The value voucher would 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. Participating homeless households must agree to work with a housing stabilization and employment counselor for at least 18 months once housed. 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.

Due to the substantial level of activity associated with other MTW initiatives described herein, this program was not implemented in FY 2011, and DHCD does not anticipate its implementation during FY 2012. Further discussions with key state agency partners will be made during the coming year to determine an appropriate timetable for implementation.

Initial Plan Year: 2011

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW authorization: MTW Agreement, Amendment on Broader Uses of Authority; Attachment C, paragraphs B.2, D.1.a, D.2.a, D.2.b, D.4.

Activity 2011-2

Description/Update of MTW activity: DHCD will establish an “Opportunity Neighborhood” program in one or more selected neighborhoods in different regions throughout the Commonwealth. The majority of academic research and literature indicates that where a person lives determines (to various degrees), the opportunities afforded to them. In 2009, the Kirwan Institute completed an extensive mapping project of the geography of opportunity areas in Massachusetts. They looked at 19 different indicators of opportunity from three different categories of opportunity: educational, economic and neighborhood/housing. The purpose of DHCD’s “Opportunity Neighborhood” MTW initiatives to provide significant supports and encouragement to existing voucher participants and/or new voucher holders who wish to move to areas with empirically-documented improved educational systems, job opportunities, social services and other opportunities in the expectation that over time their need for housing and other subsidies will abate or diminish. 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 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. Where appropriate, participants will also be encouraged to participate in the Family Self Sufficiency Program. DHCD will identify Opportunity Neighborhoods using a framework developed by the Kirwan Institute for the Study of Race and Ethnicity at Ohio State University and other research and literature.

Due to the substantial level of activity associated with other MTW initiatives described herein, this program was not implemented in FY 2011, and DHCD does not anticipate its implementation during FY 2012. In the coming year, DHCD will re-evaluate the timetable for implementation of this initiative.

Initial Plan Year: 2011

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW authorization: MTW Agreement, Attachment C, paragraphs B.1.iii, D.2.a, D.4; Broader Uses of Authority amendment.

Activity 2011-3

Description/Update of MTW activity: DHCD will modify its inspection policies and procedures to: 1) allow biennial inspections of units that are “A” and “B” grade, subject to a review of tenant and owner history, and, 2) allow for owner/tenant self-certification of routine repairs in lieu of a re-inspection. Units inspected biennially will be subject to quality control audits, and owners and tenants may elect to have annual inspections upon request. Self-certification of low-risk or in-progress repairs will be allowed at the discretion of the inspector, and the self-certification form must be signed by both the owner and the tenant. Further verification that repairs were completed will be done at the next scheduled annual or biennial inspection. In tandem with these initiatives, DHCD intends to expand the use of inspectors to provide tenant and landlord training related to HQS standards, unit upkeep, and other related maintenance matters. A key driver for this initiative is to more firmly establish DHCD’s statewide inspection staff as a valuable and accessible resource to property owners in their respective regions that will result in new owner participation and a continued listing of quality housing for program participants.

DHCD has not yet implemented this activity, but convened working groups throughout FY 2011 to further develop specific policies and procedures which are anticipated to be rolled out during FY 2012 or FY 2013.

Initial Plan Year: 2011

Proposed Changes to Activity: After further discussion amongst the working group developing the biennial inspection policies and procedures, DHCD proposes to remove the owner self-certification requirement in order to encourage further time-savings.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW authorization: MTW Agreement, Attachment C, paragraph D.5.

Activity 2011-4

Description/Update of MTW activity: DHCD did not implement its original initiative to modify its initial and annual recertification policies to allow biennial recertifications for households on fixed incomes, i.e. households whose only source of income is Social Security, SSI, retirement pensions, or some combination of the three. However, the facet of this initiative that allowed household self-certification of assets valued up to \$50,000 was implemented during FY 2011. As noted below, DHCD intends to fully implement this activity in FY 2012 including expanding it to the entire participant portfolio.

Initial Plan Year: 2011

Proposed Changes to Activity: DHCD proposes to apply the biennial recertification initiative to its entire MTW portfolio. Allowing biennial recertifications for its entire portfolio will further encourage the administrative efficiencies enabled by the original proposal and will simplify procedures for staff. Port-in vouchers will not be included in the biennial cycle because of anticipated complications with non-MTW agencies.

In addition, DHCD proposes limiting the number of voluntary interim recertifications a family may complete between biennial recertifications to one every six months. Required interim recertifications (i.e., for changes in family composition or otherwise required by the agency) will not count against the limit. This initiative is designed to maintain the administrative efficiencies gained by completing regular recertifications every other year. Elderly and disabled households will be exempt from this provision and will be able to complete an interim recertification at any time.

DHCD also proposes not only self-certification of assets of up to \$50,000, but also the exclusion of the income from these assets. When assets are valued at over \$50,000, verification will be required; however, the income from these assets will be calculated by applying the HUD passbook savings rate.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW authorization: MTW Agreement, Attachment C, paragraph D.1.c.

Activity 2011-5

Description/Update of MTW activity: Among the most often cited concerns for youth aging out of foster care is the lack of adequate and affordable housing. Youth who lack housing may have difficulty staying in school and/or maintaining employment. These youth are expected to succeed on their own long before a vast majority of their peers. By the time they receive their FUP voucher, they have already experienced more challenges than many people experience in a lifetime.

DHCD, through its MTW program intends to design and implement a time-limited pilot 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 18 month expiration date. Designed similarly to the current stipend program DHCD currently administers in MBHP and RCAP's region, this initiative 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. Up to 25 current participants in good standing who are no longer eligible for a FUP voucher, are making progress toward their education and employment goals will be eligible to participate.

DHCD did not implement this initiative during FY2011, but plans to develop policies and procedures to further implementation during FY 2012.

Initial Plan Year: 2011

Proposed Changes to Activity: No changes are proposed.

Evaluation: DHCD will utilize internal plans, reports and staff resources to evaluate this initiative.

MTW authorization: MTW Agreement, Attachment C, paragraphs D.1.a, D.1.b, D.1.c, D.2.d, D.3.b, D.4; Broader Uses of Authority amendment.

VII. Sources and Uses of Funding

DHCD's operates an MTW program that involves only Housing Choice Vouchers. Table 6 below provides a projection of sources and uses for the MTW program for Fiscal Year 2012. 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 drafting of this Plan, DHCD has not been notified of its CY2011 or CY2012 funding; thus, the amounts listed below are likely to change based on actual funding levels. DHCD will provide information on actual source and use amounts as part of the MTW Annual Report.

Table 6: MTW Sources and Uses

Sources	Estimated Amount
HUD Subsidy – MTW Tenant Based *	\$206,341,101
Administrative	\$19,193,000
Agency Reserves	\$5,547,899
MTW Sources Total	\$231,082,000
Uses	
HAP Payments	\$211,020,861
Administrative	\$20,061,139
MTW Uses Total	\$231,082,000

**Includes all PBV units*

VIII. Appendices

Appendix A is the required signed Resolution adopting the FY 2012 MTW Annual Plan Certification of Compliance.

Appendix B provides a description of DHCD's planned and ongoing MTW evaluation efforts.

Attachment C provides a listing of each DHCD regional administering agency.

Attachment D includes the public hearing notice, sign-in sheets, written testimony and summary comments received as part of the MTW Annual Plan and proposed Amendment to the MTW Agreement public hearing process.

Appendix A: Resolution Adopting Certification of Compliance

**Annual Moving to Work Plan
Certifications of Compliance**

**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, 2011, 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 and conducted a public hearing to discuss the Plan and invited public comment.
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;
3. 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.
4. The PHA will affirmatively further fair housing by examining their 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.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. 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.
7. 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.
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
9. 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.
10. 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.
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. 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.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

16. 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.).

17. 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.

18. 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.

Mass. Dept. of Housing and Community Development
PHA Name

MA901
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)

Tina Brooks
Name of Authorized Official

Undersecretary
Title

Signature

Date

Appendix B: Evaluation

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.

Appendix C: Listing of Regional Administering Agencies

<p>Berkshire Housing Development Corp. 74 North Street Pittsfield, MA 01201 (413) 439-4887</p>	<p>Community Teamwork, Inc. 167 Dutton Street Lowell, MA 01852 (978) 458-0551</p>	<p>Housing Assistance Corporation 480 West Main Street Hyannis, MA 02601 (508) 771-5600</p>	<p>HAP, Inc. 322 Main Street Springfield, MA 01105 (413) 293-1500</p>	<p>Metropolitan Boston Housing Partnership 125 Lincoln Street Boston, MA 02111-2583 (617) 859-0400</p>	<p>RCAP Solutions, Inc 205 School Street, PO Box 69 Gardner, MA 01440-9159 (978) 630-6900</p>	<p>South Middlesex Opportunity Council 300 Howard Street Frammingham, MA 01702 (508) 628-2335</p>	<p>South Shore Housing Development Corporation 168 Sumner Street Kingson, MA 02364 (781) 422-4200</p>						
<p>Adams Alford Berkley Cheshire Clarksburg Dalton Dunry Epsom Florida Great Barrington Hancock Hinsdale Houstonic Lanesborough Lee Lenox Lenoxdale Mill River Monterey Mount Washington New Ashford New Marlborough North Adams Otis Peru Pittsfield Richmond Sandisfield Savoy Sheffield Southfield Stockbridge Tyringham Washington West Stockbridge Williamstown Windsor</p>	<p>Amebury Andover Beverly Belchita Berkley Bradford Byfield Chalmers Danvers Dracut Dunstable Essex Georgetown Gloucester Groveland Hamilton Haverhill Ipswich Lawrence Lowell Lynnfield Manchester Marblehead Marlboro Methuen Middleton Nahant Newburyport North Andover Peabody Rockport Rowley Salem Salisbury Swampscott Tewksbury Topsfield</p>	<p>Barnstable Bass River Bourne Brewster Buzzards Bay Cataumet Centerville Chatham Chilmark Craigville Crauet Cummquid Dennis Dennisport East Dennis East Falmouth East Orleans East Sandwich Eastham Edgartown Falmouth Forestdale Gay Head Gosnold Hawthorn Hawthornport Hyannis Massons Mills Marshpee Mashpee Menssaba Monument Beach Nantucket North Chatham North Falmouth North Turo Oak Bluffs Orleans Osterville</p>	<p>Agawam Amherst Ashfield Belchertown Berkshires Blanford Bondsboro Brimfield Brookfield Chatham Chester Chicopee Colrain Conway Dummerston Dunfield East Longmeadow Easthampton Egging Feeding Hills Florence Gill Goshen Granby Greenfield Hadley Hampden Hartford Hawley Heath Holland Holyoke Huntington Indian Orchard Lake Pleasant Leeds Leverett Lynden</p>	<p>Alston Allington Aster Back Bay Bedford Belmont Boston Brighton Brookline Burlington Cambridge Charlestown Chelsea Chestnut Hill Dorchester East Boston Everett Forest Hills Franklin Park Hyde Park Lexington Long Island Lynn Malden Malden Medford Milton Navy Yard Newton Newville North Reading Quincy Reading Reading West Springfield Westfield Westhampton Whately Wilmington Worthington</p>	<p>Alston Allington Aster Back Bay Bedford Belmont Boston Brighton Brookline Burlington Cambridge Charlestown Chelsea Chestnut Hill Dorchester East Boston Everett Forest Hills Franklin Park Hyde Park Lexington Long Island Lynn Malden Malden Medford Milton Navy Yard Newton Newville North Reading Quincy Reading Reading West Springfield Westfield Westhampton Whately Wilmington Worthington</p>	<p>Alston Allington Aster Back Bay Bedford Belmont Boston Brighton Brookline Burlington Cambridge Charlestown Chelsea Chestnut Hill Dorchester East Boston Everett Forest Hills Franklin Park Hyde Park Lexington Long Island Lynn Malden Malden Medford Milton Navy Yard Newton Newville North Reading Quincy Reading Reading West Springfield Westfield Westhampton Whately Wilmington Worthington</p>	<p>Ashtaburham Ashby Athol Auburn Ayer Baldwinville Barre Bellingham Blackstone Bolton Boylston Brookfield Chatham Cherry Valley Clinton Douglas Dudley East Brookfield Fiskdale Fitchburg Franklin Gardner Gilbertville Grafton Grafton Hardwick Harvard Hobson Hopkinton Hubbardston Jefferson Lancaster Leicester Leicester Lincoln Village Linwood Lunenburg Mendon Worcester</p>	<p>Ashtaburham Ashby Athol Auburn Ayer Baldwinville Barre Bellingham Blackstone Bolton Boylston Brookfield Chatham Cherry Valley Clinton Douglas Dudley East Brookfield Fiskdale Fitchburg Franklin Gardner Gilbertville Grafton Grafton Hardwick Harvard Hobson Hopkinton Hubbardston Jefferson Lancaster Leicester Leicester Lincoln Village Linwood Lunenburg Mendon Worcester</p>	<p>Ashtaburham Ashby Athol Auburn Ayer Baldwinville Barre Bellingham Blackstone Bolton Boylston Brookfield Chatham Cherry Valley Clinton Douglas Dudley East Brookfield Fiskdale Fitchburg Franklin Gardner Gilbertville Grafton Grafton Hardwick Harvard Hobson Hopkinton Hubbardston Jefferson Lancaster Leicester Leicester Lincoln Village Linwood Lunenburg Mendon Worcester</p>	<p>Acton Acushnet Assonet Attleboro Berkley Brent Rock Bridgewater Brookton Bryantville Carver Cohasset Dedham Dighton Duxbury East Bridgewater East Freetown Easton Fairhaven Fall River Freetown Green Harbor Greenbush Halifax Haver Hanson Higham Hobbrook Hull Hummack Kingston Lakeville Manomet Mansfield Marion Marshfield Mattapoisett Middleborough Monson New Bedford</p>	<p>Acton Acushnet Assonet Attleboro Berkley Brent Rock Bridgewater Brookton Bryantville Carver Cohasset Dedham Dighton Duxbury East Bridgewater East Freetown Easton Fairhaven Fall River Freetown Green Harbor Greenbush Halifax Haver Hanson Higham Hobbrook Hull Hummack Kingston Lakeville Manomet Mansfield Marion Marshfield Mattapoisett Middleborough Monson New Bedford</p>	<p>Acton Acushnet Assonet Attleboro Berkley Brent Rock Bridgewater Brookton Bryantville Carver Cohasset Dedham Dighton Duxbury East Bridgewater East Freetown Easton Fairhaven Fall River Freetown Green Harbor Greenbush Halifax Haver Hanson Higham Hobbrook Hull Hummack Kingston Lakeville Manomet Mansfield Marion Marshfield Mattapoisett Middleborough Monson New Bedford</p>	<p>Acton Acushnet Assonet Attleboro Berkley Brent Rock Bridgewater Brookton Bryantville Carver Cohasset Dedham Dighton Duxbury East Bridgewater East Freetown Easton Fairhaven Fall River Freetown Green Harbor Greenbush Halifax Haver Hanson Higham Hobbrook Hull Hummack Kingston Lakeville Manomet Mansfield Marion Marshfield Mattapoisett Middleborough Monson New Bedford</p>

Appendix D: Public Hearing/Public Comment Materials

DHCD published notices and made available the MTW Annual Plan for Fiscal Year 2012 for a thirty day comment period. DHCD conducted two public hearings on the MTW Annual Plan on March 24 and March 25, 2011. Based on input received during the public comment period and the public hearings, DHCD made modifications to the Annual Plan. Copies of relevant materials are included in this attachment: public notice; public hearing sign-in sheets; a summary of the comments received and copies of the written testimony received.

A total of 40 persons attended the Public Hearings, representing 15 separate organizations and DHCD. These organizations include:

RCAP Solutions, the Metropolitan Boston Housing Partnership (MBHP), the Regional Housing Network (RHN), HAP Housing, the Pine Street Inn, St. Mary's Center, Homes for Families, Housing Assistance Corporation – Cape Cod (HAC), Lynn Shelter Association – Bridge House Family Shelter, Friends of the Homeless, the Planning Office for Urban Affairs, Crossroads Family Shelter, Central Mass Housing Alliance, Berkshire Community Action Council and Edgemere Consulting Corporation.

Written testimony was received from 8 organizations, including: the Preservation Advisory Committee (PAC), Crittenton Women's Union, Greater Boston Legal Services, the Boston Center for Independent Living, MBHP, RCAP, HAP Housing and the Home for Little Wanderers.

Below are the suggestions we received during the public hearing process, and DHCD's response.

Preservation Advisory Committee (PAC):

Comment: Requests that DHCD consider implementing a preservation initiative similar to the initiative in the Cambridge Housing Authority's 2011 Plan. The proposed initiative would enable DHCD to convert Enhanced Vouchers to Project-Based vouchers and preserve the affordability of Expiring Use properties.

DHCD Response: DHCD included a new initiative in the FY 2012 Plan to address this request.

Crittenton Women's Union (CWU):

Comment: Welcomes the implementation of biennial recertifications and rent simplification activities. Suggests the following elements to be included in the work-able family initiative under development for inclusion in the FY 2013 Plan: a minimum five-year timeframe, one-on-one advising, aggressive goal-setting and monitoring for the duration of participation, peer support, incentive-based reimbursement for goal attainment, asset matching and rigorous outcome measurement.

DHCD Response: DHCD will take these suggestions under advisement when drafting a proposed initiative for the FY 2013 Plan. DHCD also appreciates CWU's offer of support in the development and implementation of this initiative and plans to involve various stakeholders throughout the process.

RCAP Solutions:

Comment: Supports the expansion of the original MTW pilot program, simplification of utility allowance schedules, rent simplification initiatives, changes to the PBV opt-out policy and biennial recertification and inspections. Suggests that DHCD consider the inspection of all MTW-related units (including those which are part of the original pilot program by HQS inspectors, that the service area for the original MTW pilot's service area be expanded to include all of Worcester County, increase the monthly "support" account funds to assist with paying for utilities for the months November-March, and to engage in careful planning prior to implementation of the planned FY 2013 initiative for work-able families.

DHCD Response: DHCD will consider the expansion of the original pilot program to a larger geographic area. DHCD acknowledges RCAP's request that all MTW units be inspected by HQS inspectors. DHCD plans to maintain the inspection of units selected by tenant-based voucher holders by HQS inspectors but declines at this time to have units leased by participants in the original pilot program inspected by HQS inspectors. Part of the goal of the pilot is to mirror the private rental market as closely as possible and DHCD has therefore exempted the units in this program from HQS inspections and rent reasonable determinations. At this time, DHCD is opting not to increase the supports budget to include utility assistance and will instead encourage MTW case managers to refer families facing challenges paying their utility bills to take advantage of other programs such as LIHEAP. DHCD has been engaged in a long-term planning process to develop an effective and meaningful program for work-able families and welcomes participation in the planning process by its regional partners.

Greater Boston Legal Services (GBLS):

Comment: Joins PAC in requesting that DHCD propose a preservation initiative which would enable DHCD to convert Enhanced Vouchers to Project-Based vouchers. Encourages DHCD to include in its Plan a commitment to provide future opportunities for tenants and advocates to participate in initiative planning.

DHCD Response: As noted above, DHCD included an initiative in the revised Plan which is being submitted which would allow DHCD to convert Enhanced Vouchers to Tenant-Based vouchers. DHCD will also consider how best to include stakeholders in planning initiatives to be included in later plans. DHCD does encourage comments and questions from its HCV program participants and other stakeholders during the planning and public comment periods.

Boston Center for Independent Living:

Comment: Commends DHCD for listing support for people with disabilities as a core principle in developing its MTW program, supports exception Payment Standards for Reasonable Accommodations, the Landlord Incentive Program and the exception to the PBV opt-out policy for tenants who may require a Reasonable Accommodation. Requests that DHCD implement the proposed and approved Value Voucher program, and suggests that any changes made to the Mainstream and Designated Housing Admission policy should target people with disabilities transitioning out of institutional settings.

DHCD Response: DHCD will continue the planning process for the Value Voucher program, and will consider implementation as soon as reasonably possible given the uncertainties regarding DHCD's budget in the coming year(s). DHCD will also make an effort to work with the Executive Office of Health and Human Services to best plan for how to make use of available Mainstream and Designated Housing vouchers.

The Home for Little Wanderers:

Comment: Suggests setting aside vouchers in the under-development work-able initiative specifically for young adults aged 18-25, expanding the target population for the original pilot to include low-income working adults between the ages of 18-25 and expand the “homeless” requirement in the Boston demonstration to include individuals who lack a fixed, regular and adequate nighttime residence. Supportive of the FUP youth assistance extension and would like to see the initiative implemented as soon as possible. Also suggests issuing Project-Based Vouchers in the City of Boston again.

DHCD Response: DHCD will take under advisement the suggestion to create a set aside specifically for young adults in the work-able initiative, and will consider whether to expand its definition of “homeless” for the Boston component of the original pilot. DHCD is currently developing policies and procedures in order to implement the FUP youth program, and hopes to be in a position to roll out this important program during FY 2012. DHCD acknowledges the request to issue PBVs in the City of Boston, and currently includes in its PBV NOFA an exception which would allow the creation of up to 20 PBVs within the City each year. However, given that the Boston Housing Authority has project-based a significant number of units, DHCD generally feels that its clients are better served by creating Project-Based units in under-served areas of the Commonwealth.

Metropolitan Boston Housing Partnership (MBHP):

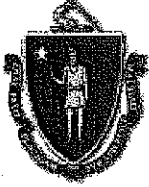
Comments: Supports simplified Utility Allowance schedule and terminating Utility Allowance Payments of \$25 or less, rent simplification activities, the new PBV Opt-out policy, Site-Based Waiting Lists for PBV developments, the FUP youth extension initiative, the proposed non-MTW initiatives, biennial inspections and recertifications. Requests that DHCD consider implementing a policy to allow the use of the UA in effect at the time of the regular recertification for all interim recertifications until the next regular recertification, and limiting interim recertifications between regular recertifications. Also requests that DHCD consider amending the policy limiting PBV units to 110% of FMR when there are fluctuations in the Utility Allowance or the Payments Standard, as well as creating an alternative escrow in order to encourage participation in the FSS program.

DHCD Response: DHCD has incorporated a policy to allow the use of Utility Allowances in effect at the last regular recertification for all interim recertifications until the next regular recertification, and to limit the number of voluntary interim recertifications families may complete between regular recertifications. DHCD has determined at this time to not implement a policy to allow PBV units to receive greater than 110% of FMR. DHCD has also included an initiative which would create financial incentives (escrow, short-term assistance payments or goal-specific financial rewards) to encourage participation and successful completion of the FSS program.

HAP Housing:

Comments: Supports simplified Utility Allowance schedule and ceasing Utility Allowance payments of \$25 or less, the proposed rent simplification strategies, the modified PBV guidelines which limit discretionary moves; on-going initiatives to implement PBV Site-Based Waiting Lists, biennial recertification and inspections. Recommend that DHCD consider modifying the PBV opt-out initiative to give priority to clients who wish to move to pursue higher education, and modifying the biennial inspection initiative to not require an owner self-certification.

DHCD Response: DHCD has modified the PBV opt-out initiative to permit clients moving to pursue higher education to not be included under the cap for voluntary opt-outs. DHCD has modified the Biennial Inspections initiative to reflect HAP Housing’s request to eliminate the owner self-certification requirement.



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
 COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

SIGN-IN SHEET

PUBLIC HEARING FOR DHCD'S DRAFT MTW PROGRAM ANNUAL PLAN

Boston, MA

March 25, 2011

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Jesse Potter	^{Bridge House} Lynn Shelter Assoc	Jesse.Potter@LSAHome.org
Duelyn	DHCD	
Jennie Lawski	DHCD	
Tom Graham	DHCD	
Pamela Brown	DHCD	
Ed Sto	Friends of the Harbor	Weymouth MA
Molly Grant	Planning office of the City of Boston	mecpova.org
Andrey Samokas	Crossroads Family Shelter	andrey.samokas@crossroads.org
Gezhen Weissmann	DHCD/BRA	

Sign-In Sheet

MA DHCD's FY2012
Draft MTW Plan
Public Hearing - Springfield, MA
March 24, 2011

<u>Name</u>	<u>Organization</u>
Lynn Milette	Central MA Housing
Helen Plant	HAP Housing
Nancy E. RIVERA	HAP Housing
Logan Porcino	HAP Housing
Kat Ryones	HAP
Cibeen Josado	HAP Housing
Tom Gratson	DHCD
Amy Gorton	Edgemere Consulting
Lizbeth Heier	DHCD
James McKenna	DHCD
Alex Hatzakei	HAP
Barbara Bonnett	BCAC
Roby Frichette <small>lerricetto@bcac.org</small>	BCAC

April 1, 2011

Bureau of Rental Assistance
Massachusetts Department of Housing and Community Development
100 Cambridge Street - Suite 300
Boston, MA 02114
Attention: MTW Annual Plan Comments

RE: Request for Inclusion of Preservation Vouchers in FY 2012 MTW Annual Plan

Dear Mary-Anne Morrison:

The Preservation Advisory Committee (PAC) requests that DHCD include a new Proposed Activity in its FY 2012 MTW Annual Plan that would create Section 8 "preservation vouchers" to promote the preservation of existing affordable housing.

Preservation Advisory Committee

The Preservation Advisory Committee was formed in 2009 as part of a MacArthur Foundation funded initiative to promote the preservation of existing affordable housing throughout the Commonwealth. PAC members were appointed by DHCD and represent a broad cross section of the affordable housing industry including nonprofit developers, for profit developers, tenant advocates, public agencies, and housing professionals.

Problem Statement

Since late 2005, the Commonwealth has lost over 2,000 affordable housing units at projects with maturing governmental mortgages¹. Many of these projects received tenant-based Enhanced Vouchers that protected the existing residents from displacement. However, since they are tenant-based, the Enhanced Vouchers are lost as tenants move away from the property. Over time these apartments are therefore lost from the affordable housing stock since residents moving in must pay market rents. Recent research from CEDAC indicates that if there were a mechanism to project-base these Enhanced Vouchers, many owners would continue operating their projects as long term affordable housing.²

Request to DHCD

The PAC requests that the DHCD MTW Annual Plan include a new Proposed Activity that would utilize the regulatory flexibility in MTW to convert tenant-based Enhanced Vouchers into project-based preservation vouchers. In FY 2011 the Cambridge Housing Authority included in its MTW Annual Plan an "Expiring Use Preservation Initiative"³. The PAC urges DHCD to follow a similar model, understanding that the MTW agreements that the two housing authorities have are not identical. The new Proposed Activity should allow DHCD, at the request of an owner, to provide project-based Section 8 vouchers to

¹ To put this number in perspective, according to CHAPA the Commonwealth produced 7,800 affordable rental units during this period, so the units lost represent over 25% of the units produced.

² CEDAC paper entitled "The Year 40 Problem in Massachusetts" is available at <http://cedac.org//preservation.html>

³ See CHA Revised FY 2011 MTW Annual Plan, p. 54 which is available here: <http://www.cambridge-housing.org/getdoc/30841d6a-47d3-487d-a970-604e52653857/Revised-FY-2011-MTW-Plan--Liberated-Assets-Approv.aspx>

the owner of an affordable housing project in lieu of Enhanced Vouchers. The Plan should also include appropriate tenant participation, communication and protections.

If DHCD agrees to consider this Proposed Activity, the PAC would be happy to form a committee to work with DHCD on issues relating to implementation of the changes in the Plan.

Thank you for your consideration of this public comment.

Sincerely,



Vincent O'Donnell
Chair

Endorsed by:

<u>Name</u>	<u>Affiliation</u>
Emily Achtenberg	Housing Policy and Development Consultant
Amy Anthony	Preservation of Affordable Housing, Inc.
Bill Brauner	Community Economic Development Assistance Corporation
Kathy Brown	Boston Tenant Coalition
Paul Bouton	Nixon Peabody LLC
Howard Cohen	Beacon Communities LLC
Mark Curtiss	Massachusetts Housing Partnership
Elaine DeRosa	Cambridge Economic Opportunity Committee
Aaron Gornstein	Citizens Housing and Planning Association
Roger Herzog	Community Economic Development Assistance Corporation
Jonathan Klein	Klein Hornig LLP
Joseph Kriesberg	Massachusetts Association of CDC's.
Vincent O'Donnell	Local Initiatives Support Corporation
Greg Vasil	Greater Boston Real Estate Board
Carolyn Villers	Mass Senior Action
Clark Ziegler	Massachusetts Housing Partnership



Received

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March 25, 2011

Tina Brooks

Undersecretary

Massachusetts Department of Housing and Community Development

100 Cambridge Street - Suite 300

Boston, MA 02114

Attention: MTW Annual Plan Comments

Dear Undersecretary Brooks:

Thank you for the opportunity to comment on the Department of Housing and Community Development's Moving to Work Annual Plan for 2012. As an organization whose mission is to transform the course of low-income women's lives so that they can attain economic independence, we are deeply interested in public programs that support economic mobility. We believe that the Moving to Work program has the potential to be the catalyst for real economic improvement for a significant number of low-income families in the Commonwealth and may also serve as a template for how voluntary flexible deployment of other public resources such as TAFDC or child care assistance could be used to promote increased self-sufficiency.

CWU wishes to comment and support two proposals included in the 2012 plan: the implementation of biennial recertification for all households and the new initiative for work-able families.

Biennial recertification - As you know, the Massachusetts Asset Development Commission recommended in its June 2009 final report strategies to restructure and coordinate work support programs to respond to cliff effects stating, "People who work should not face barriers that greatly hinder financial stability." (pg. 17) We applaud any movement toward simplifying the eligibility and recertification process for work support programs and are pleased that this will include both rent and utility calculations. Not only do these efforts save precious time and energy, they can also promote stability for families whose incomes may regularly fluctuate (both up and down). We are particularly pleased that DHCD's plan to implement biennial

recertification will include the temporary removal of disincentives to work or increased earnings and urge the department to further flesh out the details of how this will be accomplished.

New Initiative for work-able families – DHCD’s 2012 plan includes a new initiative for work-able families who are selected from the waiting list. The plan would feature a time-limited housing subsidy which will decrease over the course of participation and which will be accompanied by intensive supportive services tailored to individual needs including education, job training, work readiness and job placement and support with the goal of assisting families to attain to housing self-sufficiency by the end of participation.

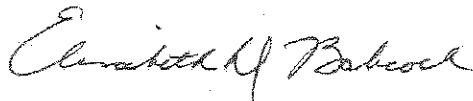
CWU is developing a body of research and experience in partnering with families in public housing to reach a set of financial, education and employment goals leading to economic self-sufficiency through the Career Family Opportunity programs located in Boston and Cambridge public housing. A few key elements, based on our experience, that would like to see incorporated into this new MTW program would be setting a minimum five-year time frame for the program, one-on-one advising, aggressive goal setting and tracking for length of the program, consistent peer support, incentive-based reimbursement for goals attainment, asset matching, and rigorous outcomes measurement. Together these tools help participants facilitate concurrent improvements in the five areas CWU has identified as critical to economic mobility and necessary for achieving independence from public or private supports:

- **Family Stability** (especially housing and dependents’ care);
- **Well-being** (including physical health, mental health, and social supports);
- **Financial Management** (including financial literacy and asset/debt management);
- **Education** (including two-year and four-year colleges); and
- **Career Management** (including knowledge of self-sufficiency careers and job readiness).

We are hopeful that DCHD can achieve its goal to establish this new program in 2013 and we offer our support in the development and deployment of this promising program.

Thank you for the opportunity to comment on this important plan.

Sincerely,



Elisabeth D. Babcock, MCRP, PhD

President & CEO



**MOVING TO WORK ANNUAL PLAN FOR FY 2012
TESTIMONY**

**By
Karen A. Koller, CAE, President & CEO**

As one of the original regional administering agencies involved in the Moving to Work (MTW) demonstration program, RCAP Solutions strongly supports the Massachusetts Department of Housing and Community Development's (DHCD) Moving to Work Program Annual Plan for Fiscal Year 2012 (The Plan), as well as the eventual transition toward an expansion of the MTW Program within the Housing Choice Voucher Program (HCV).

The long term plan for expansion of MTW Demonstration Program within the Housing Choice Voucher Program can, over time, help meet two critical goals. First, the MTW Program uses housing stabilization as a platform to help families work their way out of poverty toward economic independence. It does this, in part by increasing administrative efficiencies, by providing in-depth case management services and access to training and educational resources, and by providing a flexible subsidy structure that removes the disincentives for HCV clients to increase their earned income. Second, as clients work towards self-sufficiency, additional resources may be freed up, thereby providing additional resources to families on the DHCD HCV Waiting Lists that are living in unaffordable, overcrowded and/or substandard housing conditions.

RCAP Solutions also supports the new Activities in the Plan. This includes:

- **Simplification of Utility Allowance Schedules:** RCAP Solutions supports simplification of the Utility Allowance Schedules. We anticipate that the simplified schedule will reduce utility and rent share calculation errors and will provide a more transparent process so that clients can make more informed housing choice decisions.
- **Implementation of the Rent Simplification Strategies:** RCAP Solutions supports the proposed Rent Simplification. We anticipate that this simplification will reduce errors in rent calculations and allow program staff to more clearly explain rent share calculations to tenants and landlords. In addition, excluding full-time student income (for non-head-of-household members) creates an incentive for further education, consistent with the goals of increasing family self-sufficiency.
- **Modifications to of the Project Based Voucher Program:** RCAP Solutions believes that the current Project Based Voucher discretionary moving policy creates in inequity to families and individuals on the waiting list. This Modification helps to address this

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inequity. RCAP Solutions also supports the transfer of the waiting list for Project Based Vouchers over to the property owners.

- Biennial re-certifications and inspections: RCAP Solutions supports the eventual implementation of biennial inspections and re-certifications and to expand the role of inspectors into training and education related activities. RCAP Solutions believes that this change offers the potential of increasing participation rates of landlords and housing choices to additional communities and neighborhoods.


In terms of proposed alterations to 'The Plan,' we suggest that DHCD consider the following recommendations:

- The inspection of all MTW Program-related units (including MTW Demonstration Program) should be done by HQS Inspectors and not by MTW Case Managers.
- RCAP's MTW service area for Worcester County should be expanded beyond the City of Worcester and 'South County' to incorporate all of Worcester County. This change would provide for expanded housing choices, net of referrals and case management services to an increased number of low income working families, without significantly affecting the scale or scope of the existing program.
- The increase of the monthly funds for the "support account" to \$300 (actually \$158) from November to March, to be used as a supplement to Fuel Assistance (if there is documented need).
- While we support both the proposed modifications to 'The Plan' as well as the long-term goal for promoting family self-sufficiency, we believe that the transition toward an expanded MTW for 'work-able families' needs to occur slowly and carefully in a planned and scaled fashion. As the economy recovers, it is likely that unemployed workers with more skills and experience will be the first to fill preferable positions. This will make it difficult for less experienced, less skilled, and less educated individuals to find good paying jobs, and it is clear that most low skill entry-level jobs will not provide enough income for many households, especially single parent households, to achieve economic self-sufficiency. For a successful full-scale transition to an MTW model to occur, the connections between housing and workforce development need to be strengthened, additional programmatic pathways, partnerships and resources may need to be designed and developed, and labor market conditions must improve to absorb the unemployed as well as those entering the workforce.

We are strongly committed to modifications contained in The Plan and look forward to continuing to work with DHCD on the successful expansion of MTW in the future.

Thank you for your consideration of this testimony.

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April 5, 2011

BY FAX: (617) 573-1345

Mary-Anne Morrison
Bureau of Rental Assistance
Mass. Department of Housing and Community Development
100 Cambridge Street – Suite 300
Boston, MA 02114

RE: DHCD's Draft MTW Annual Plan for FY 2012

Dear Ms. Morrison:

We are submitting these comments based on our many years of experience representing low income tenants participating in DHCD's Section 8 programs and based on our experience with proposals of the Cambridge Housing Authority (CHA), which is also a Moving to Work (MTW) authority.

First, we join with the Preservation Advisory Committee (PAC) in requesting DHCD to include, in its MTW Annual Plan, a proposal for allowing conversion of tenant-based enhanced vouchers to project-based vouchers. (See PAC comments of April 1, 2011). In addition, we want to expand on PAC's comments that the Plan include appropriate tenant protection and participation to urge that any such conversion be at the tenant's election (as HUD required of CHA in approving a similar activity) and that actions be taken to allow for maximum mobility for those tenants who do elect to project-base their enhanced vouchers.

For almost a year, our office has worked closely with tenants in two "expiring use" buildings in Cambridge. This work involved extensive negotiations with the Cambridge Housing Authority, owners, city staff, consultants, and others to craft proposals to inform and encourage tenants to elect to convert their enhanced voucher to a project-based voucher. We understand that, by necessity, the MTW Annual Plan does not contain many details of DHCD's proposals, but would urge that the Plan include, as HUD previously has required, the authority to allow tenants to decide whether or not to project base their enhanced vouchers. Interested tenants in each development should have the opportunity to negotiate the specifics concerning the election, mechanisms for increased mobility, and the like.

Second, we urge that DHCD include, in its MTW Plan, a commitment to provide for future opportunities for input from tenants and their advocates. In its Plan, DHCD proposes, among other things, to implement biennial rent recertifications (page 4), a simplified utility allowance (pages 4, 17), \$50 minimum rent (page 14), a new earned income disregard (page 19),

Mary-Ann Morrison
April 5, 2011
Page 2

a new time-limited progressively decreasing subsidy program for work-able families (pages 5, 15-16), and new program forms (page 26), all of which may have a major impact on Section 8 tenants' lives. We understand that, by necessity, few details of these proposals are provided in the Plan.^{1/} In some sections (e.g. pages 16, 26), DHCD does indicate that a DHCD-RAA working group will provide input. Similarly, the Plan should provide for opportunities for interested tenants and their advocates to have further input into the various proposals via working sessions. This is particularly important now that DHCD has greatly expanded its MTW authority from a small program of under 200 tenants to a program that affects close to 19,000 households. Cambridge Housing Authority engaged in "working sessions" with tenants and advocates on various proposals, and it proved to be a productive consensus-building process.

Thank you for your consideration of these comments.

Sincerely yours,

Susan Hegel
Susan Hegel

Cambridge and Somerville Legal Services'
Office of Greater Boston Legal Services

Ellen Shachter
Ellen Shachter

Cambridge and Somerville Legal Services'
Office of Greater Boston Legal Services

Ann Jochnick (CSH)
Ann Jochnick
Greater Boston Legal Services

^{1/} For example, when DHCD implements a biennial recertification, what will the policy be regarding interim rent reductions? What are the specifics of the hardship policy for a work-able family who becomes disabled or loses employment while participating in the new subsidy program? Will DHCD account for the large difference in cost for oil and gas heat when revising its utility allowance?

ARLS

April 6, 2011

Bureau of Rental Assistance
Massachusetts Department of Housing and Community Development
100 Cambridge Street - Suite 300
Boston, MA 02114

Fax: 617-573-1345

Attention: MTW Annual Plan Comments

Dear Bureau of Rental Assistance:

We are submitting comments, as the executive directors of the state's eleven independent living centers, on the DHCD Annual Plan for FY 2012 for the Moving to Work Program. The plan is well designed and includes a number of elements of importance to people with disabilities that we highlight. We also suggest actions that would make the Initiative even stronger. Please consider these points (our emphasis added):

- We commend DHCD for explicitly listing support for people with disabilities as one of its core principles in administering the program: "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; supporting project-based affordable housing for extremely low income households; **supporting those who have one or more disabilities** and stabilizing neighborhoods." (Page 15)
- We strongly support the Payment Standards for Reasonable Accommodation: "DHCD may 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. Additionally, DHCD may approve other documented and reasonable exceptions to payment standards without seeking HUD approval if such requests will support participants' ability to find suitable rental housing in 'low poverty, high-opportunity' neighborhoods, and clearly achieve the statutory objectives of the MTW program." (page 24)
- We strongly support the Landlord Incentive Program, which has as one of its goals increasing the number of units accessible to households with disabled members. The program, by allowing DHCD to approve payment standard exceptions without HUD for among other things, reasonable accommodation requests and expansion of housing choice options in "low-poverty, high-opportunity" neighborhoods, is a major positive step. (page 25)

Boston Center
Indep. Living

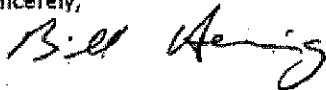
- We also commend DHCD for allowing an exception to the Turnover Policy for households which require tenant-based vouchers to address an approved reasonable accommodation request. (page 26)

Commensurate with these positive steps, we also request that DHCD implement the Value Voucher program (page 27). We are concerned that delayed implementation means fewer affordable units available for persons transitioning out of nursing homes. The independent living centers have worked hard to get people out of institutions and this past year successfully assisted approximately 190 people to leave a nursing facility. Fundamentally all these individuals needed affordable and accessible housing, and the biggest barrier to increased numbers in this area is the challenge of finding affordable units.

Lastly, we wish to state that we strongly believe that any changes to the Mainstream and Designated Housing Admission Policy (page 14) should specifically target people with disabilities transitioning out of institutional settings, particularly those served under the state's Community First/Money Follows the Person initiative with CMS. This would address a serious need—and would positively impact housing waiting lists and all DHCD initiatives.

Thank you for the opportunity to comment and for DHCD's efforts to promote affordable, accessible, and integrated housing.

Sincerely,



Bill Henning, Boston Center for Independent Living
Joe Castellani, Ad Lib Center for Independent Living (Pittsfield)
June Cowen, Northeast Independent Living Program (Lawrence)
Paul Spooner, Metrowest Center for Independent Living (Framingham)
Coreen Brinckerhoff, Cape Organization for Rights of the Disabled (Hyannis)
Ann Ruder, Center for Living and Working (Worcester)
Jim Kruidenier, Stavros Center for Independent Living (Amherst & Springfield)
Lisa Pita, Southeast Center for Independent Living (Fall River)
Mary Margaret Moore, Independent Living Center of the N. Shore & Cape Ann (Salem)
Derrick Dominique, Multicultural Independent Living Center (Dorchester)
Steve Higgins, Independence Associates (Brockton)

BCIL



To: Bureau of Rental Assistance
Massachusetts Department of Housing and Community Development
100 Cambridge Street - Suite 300
Boston, MA 02114
Attention: MTW Annual Plan Comments
FAX: (617) 573-1345

From: Renee Yourk, Director of Business and Strategic Partnerships
The Home for Little Wanderers

With regard to the work-readiness and job placement initiative referenced in the fourth bullet on page 5 and in the last paragraph on page 15, we would like to expand the target population to also include young adults between the ages of 18-25. When the initiative is piloted, we would like to see specific slots set aside for this added population.

With regard to the assistance model referenced on page 21, we would like to: (1) expand the target population to also include low-income working young adults between the ages of 18-25 and (2) expand eligibility criteria #3 to also include those who lack a fixed, regular and adequate nighttime residence.

With regard to the time-limited pilot program for youth aging out referenced on page 31, we completely support this program and would like to see it launched as soon as possible.

Would also like to see DHCD consider issuing project-based vouchers in Boston again.



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**Metropolitan Boston Housing Partnership's Comments
Department of Housing and Community Development
Moving To Work Program Annual Plan for FY 2012
by
Susan Nohl, Director of Leased Housing**

April 6, 2011

On behalf of Metropolitan Boston Housing Partnership (MBHP), thank you for the opportunity to present comments regarding the Department of Housing and Community Development's Moving to Work Program Annual Plan for FY 2012.

MBHP is a regional nonprofit housing agency. We administer a wide range of programs to low-income populations in Boston and 29 surrounding communities. Our customers include a cross-section of the local population: people who are homeless and disabled veterans; elders struggling to maintain their independence; and young families trying their best to make ends meet with minimum wage jobs. We provide rental assistance to 7,600 households, work with 4,300 property owners, and respond to more than 12,000 housing inquires each year. We are one of nine agencies comprising the Regional Housing Network serving as a vital link in the Commonwealth's housing delivery system. Our largest program is administering the Section 8 Housing Choice Voucher program on behalf of the Department of Housing and Community Development (DHCD). MBHP currently administers more than 5,700 Section 8 Housing Choice Vouchers.

Our mission is to ensure that individuals and families with low and moderate incomes have choice and mobility in finding and retaining decent affordable housing. Our programs and initiatives are designed to encourage housing stability, increase economic self-sufficiency, and enhance the quality of the lives of those we serve. To achieve our mission and to promote efficient service delivery, we work collaboratively with a broad array of service providers and neighborhood-based organizations.

The department's transition of their HCVP program to a Moving to Work (MTW) program is consistent with MBHP's mission. We look forward to continuing to work with the department in creating changes to the program that not only meet the three statutory objectives of the MTW program but also continue to allow us to use our largest program to meet our mission.

MBHP supports the new initiatives and the ongoing activities of the program that are part of the FY 2012 MTW Plan as described below. We appreciate the work that the

everyone deserves a place to call home

department has already done during the first two years of this transition and have appreciated the opportunity to actively participate in the planning of these changes.

MBHP supports implementing a simplified Utility Allowance (UA) schedule and ceasing Utility Assistance Payments (UAP) of \$25 or less. We are confident that the simplification of the utility allowance schedule will make it easier for program participants who are searching for housing to find housing within an acceptable rent range as the current utility allowance schedule is quite cumbersome and adds confusion for both participants and prospective owners. A simplified utility allowance will also improve the integrity of the program by minimizing calculation errors that are made with the current, more complex schedule. The elimination of the UAP checks of \$25 or less will be a program efficiency that will reduce staff time in managing stale checks that are not cashed. In addition to these two proposed changes, MBHP requests that DHCD also consider implementing a policy that would allow the utility allowance in effect at the time of the annual re-certification to be used for all subsequent interim changes until the next re-examination. We are currently required to implement the most recent UA at every interim re-examination. If applied to both the tenant based and project based components, this change would provide the participants more consistency in how their rent is calculated during the interim changes, would be an administrative efficiency and would reduce the likelihood of calculation errors.

The three areas identified under the Rent Simplification activity will allow MBHP staff to administer the program with greater administrative efficiency. The change in the applicable payment standard will allow bi-ennial re-certifications and interim certifications to be completed with less chance of errors and will not negatively impact a program participant should the payment standard change between bi-ennial re-examinations or bi-ennial and interim re-examinations. Discontinuing the Earned Income Disregard is an administrative efficiency that will provide the program participants who are eligible for EID a better understanding of how this deduction is applied and they will benefit by being able to self-determine when to have their income disregarded. The exclusion of the income of full-time students is an administrative efficiency that has no impact on the tenant share of the rent. The current policy allows MBHP to count only the first \$480 of any full-time student income but then we give a deduction of \$480, thus zeroing out any income. However, this change would create an administrative efficiency as MBHP would no longer have to verify such income. It will also be easier for program participants to understand how their tenant rent share is being calculated.

MBHP currently administers Section 8 Project Based vouchers (PBV) for 322 units of housing. The proposed activity that would increase the amount of time that a program participant must remain in the assisted unit and the development of a target number of

vouchers available to PBV participants is a step in the right direction in minimizing the impact that the PBV "opt-outs" have on MBHP's availability of mobile vouchers that can be issued. Since October, 2010, MBHP has already issued 25 "opt-out" vouchers out of a total of 39 total vouchers issued. With over 27,000 applicants on our Section 8 waiting list, some having been on the list for over 8 years, MBHP strongly supports limiting the "opt-out" vouchers to allow for a more equitable distribution of the limited number of vouchers available each year for re-issuance.

Given the significant number of Project Based vouchers that MBHP currently administers, 322 in 36 developments, and with several more projects that have been approved and are in process, we believe that the previously proposed changes to the administration of the PBV waitlist are significant and very positive. Our experience has been that the current Section 8 PBV waiting lists have hindered the ability of both MBHP and the individual properties to quickly and efficiently fill vacant units. We have worked closely with DHCD, other Regional Administering Agencies (RAA's) and our partner property management companies in finalizing the changes and look forward to the implementation of these changes in FY '12. We are confident that the new changes will reduce administrative costs on both sides and also, and more importantly, allow us to work collaboratively to more quickly house a family in a unit that is vacant.

During FY '11, MBHP participated in several planning meetings as it relates to the design and implementation of the bi-ennial inspection for units that are "A" and "B" grade. On an annual basis, MBHP conducts roughly 17,400 inspections for the HCV Program. Of these, approximately, 15% of them would be eliminated with biennial inspections for A and B graded units. The reduction in staff time to complete the inspections would be redeployed to work with our Property Owner Outreach team, allowing additional resources for outreach, training, and customer service for the property owners that are vital to the success of our program and therefore, MBHP supports this proposed activity and encourages DHCD to begin more focused planning of this activity in an effort to begin in conjunction with, or shortly after, the implementation of the bi-ennial re-examinations.

MBHP is optimistic that DHCD will fully implement bi-ennial re-examinations for all MTW households in FY '12. We are anxious to begin this process and anticipate, if the plan is approved, that we will be prepared to implement this activity in July 2011, for re-examinations effective October, 2011. MBHP appreciates the opportunity to be closely involved in the design of this activity and we are committed to working with DHCD and the other RAA's to implement this as soon as possible. MBHP suggests that DHCD also consider limiting the number of interim re-examinations that a participant can request for

changes in income in order to achieve maximum efficiency. We suggest allowing one income related interim every 6 months between annual re-examinations.

As one of the RAA's that is currently administering the Family Unification Program – Adolescent Outreach Program (FUP-AOP), MBHP is encouraged to see that DHCD has committed to re-visit the program pilot that will provide a “safety net” for the youth who are participating in FUP-AOP. Having administered this program for more than one year, our biggest concern is what happens to a FUP-AOP participant at the end of the 18 month time limit. The proposed activity of creating a pilot to allow these youth to continue to move towards self-sufficiency, without the threat of losing their housing, addresses this concern.

MBHP supports the Non-MTW Activities proposed in the plan. The Increased Minimum Rent, the Change in Mainstream and Designated Housing Admissions Policies and the discontinuation of the Former Federal Preferences for Applicants Between 30-50% of AMI are all program efficiencies that will improve the administration of the program.

MBHP requests that the DHCD also consider amending the policy regarding the need to adjust contract rents for PBV units under contract when there is a change in the utility allowance and/or the applicable payment standard in order to keep the gross rents within 110% of Fair Market Rent. A change to this policy would ensure that contract rents that are set at the initial signing of the Housing Assistance Payment (HAP) contract or after any approved rent increase would not be subject to change based on a fluctuation of the utility allowance chart or the published FMR's.

In an effort to increase the participation of HCVP participants in the Family Self-Sufficiency (FSS) Program, MBHP requests that DHCD consider developing a program that would allow for creating an escrow component for participants who would otherwise not have the opportunity to escrow funds due to the level of their earned income at the time that they join FSS. We have identified a population of current HCVP participants who chose not to participate in FSS because they will not benefit from the escrow component of the program. Although the escrow account is a key component, MBHP knows that there are other, equally important components of the FSS program, including the case management support and access to resources that these participants would benefit from if there was a financial incentive for them to enroll.

Thank you for this opportunity to submit comments. MBHP looks forward to our continued partnership with the Department of Housing and Community Development, the other Regional Administering Agencies, and various stakeholders, to administering the Moving to Work Program.

from Nancy
Rivera
Springfield, MA
3.24.11



HAPHousing's Testimony on
Department of Housing and Community Development
Moving To Work Program Annual Plan for FY 2012
By Nancy E. Rivera, Associate Executive Director
Submitted on March 24, 2011

On behalf of HAPHousing, we want thank you for the opportunity to submit testimony regarding the Massachusetts Department of Housing and Community Development (DHCD)'s Moving to Work (MTW) Program Annual Plan for Fiscal Year 2012.

HAPHousing is a regional non-profit agency serving Hampden and Hampshire Counties in Western Massachusetts. We administer a wide range of programs for low income families and individuals. Our customer base includes people who are homeless or at risk of becoming homeless, disabled veterans, elders struggling to maintain their independence, homeowners who are facing foreclosure, and young families who are trying to make ends meet with minimum wage jobs. Under contract with DHCD, we administer a variety of rental assistance programs including the Section 8 Housing Choice Voucher Program. We provide rental assistance to approximately 4500 households in our region, and work with 2400 property owners who receive rental payments from HAPHousing on behalf of program participants.

HAPHousing supports this plan and appreciates the Department's continued effort to expand its Moving to Work program and its careful approach to implementation. We believe that the increased flexibility available through the statutory and regulatory relief proposed in this document will help agencies across the Commonwealth assist more families achieve greater economic self sufficiency, increase housing choice for low income families, and strengthen DHCD's commitment to support the statutory objectives under the MTW program.

Our mission is to ensure that individuals and families with low and moderate income have maximum choice and mobility in finding and retaining decent affordable housing. Our programs and initiatives are designed to encourage housing stability, increase economic self-sufficiency, and enhance the quality of life of those we serve. To achieve our mission and to promote an efficient service delivery, we offer an array of services and resources through our Housing Consumer Education Center and work collaboratively with other service providers and neighborhood-based organizations.

We believe that the Department's continued efforts to transition their HCV program to a Moving to Work program is consistent with our mission. We appreciated the opportunity to participate on the various statewide MTW sub-committees convened by the Department, in creating changes to the program to meet the MTW program's three statutory objectives. We look forward to working closely with the Department and other stakeholders on implementation of these changes now and in the future.

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Comments on Proposed New Initiatives

HAPHousing supports the new initiatives and the ongoing activities that are outlined in the FY 2012 MTW Plan as described below, which specifically relate to the federal MTW goals of: reducing costs and achieving greater efficiencies in the administration of the program; giving incentives to families who are working, seeking rent work or participating in education, employment and training programs that will lead to greater economic self sufficiency; and increase housing choice and mobility.

Activity 2012-1

HAPHousing supports the Department's plans to implement a simplified Utility Allowance schedule and cease utility allowance payments of \$25 or less. We agree that this goal will help clients understand the rent calculation process and increase their opportunities to locate affordable units. It will also reduce potential staff rent calculation errors. We appreciate the Department's goal to terminate utility allowance payments that are \$25 or less. This will reduce staff time and effort as well as eliminate the cost incurred by the clients to cash these checks which at times are more than the actual utility allowance payment.

Activity 2012-2

We support the Department's efforts to implement the Rent Simplification strategies that are outlined in the plan. We agree that these efforts will increase efficiencies, reduce potential staff calculation errors and provide incentives to families who are working toward self sufficiency.

Activity 2012-3

HAPHousing applauds the Department's efforts to modify the Project Based Vouchers program guidelines to establish limits on discretionary moves. These modifications will allow us to target our limited resources, while balancing the needs of applicants who have been on our waiting list for years and of those participants in our PBV projects.

We recommend that the Department consider an exception for clients who wish to move to pursue higher education as a part of the criteria that would not count toward the limit on moves.

Comments on On-going Activities

We support the Department's efforts to continue to implement on-going activities and/or modifications that will reduce costs, improve efficiencies, increase families' self-sufficiency and provide housing choice and mobility by:

- Implementing a plan that will transition waiting list and management functions to owners/managers of PBV developments
- Implementing the biennial re-examination process that will be expanded to all of DHCD's MTW portfolio
- Implementing the biennial inspection process for all A and B graded units. HAPHousing's goal is to focus our attention on working with owners to improve the quality of their units and begin to reduce the number of re-inspections. In an effort to continue to reduce costs and increase efficiencies, we recommend that DHCD consider some modifications to this process such as elimination of the owner self-certification process.

Thank you for this opportunity to testify. HAPHousing looks forward to our continued partnership with the Department of Housing and Community Development, the other Regional Administering Agencies and other stakeholders as we move ahead with implementation and expansion of the MTW program.

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