



Housing Authority of the
County of San Bernardino
Building Opportunities Together

2023
Report

MOVING
to **WORK**

Board of Commissioners



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Our Mission

The Housing Authority of the County of San Bernardino empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

Our Vision

The Housing Authority of the County of San Bernardino is committed to creating a world in which all people have a stable and enriched quality of life.

Our Core Values

Respect

We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.

Safety

We believe that all residents deserve a safe and secure living environment that is crime- and distraction-free and where families can feel good about raising their children and seniors can enjoy a high quality of life.

Integrity

We believe that there is a strong, mutually reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity-building within our organization is key to fulfilling our mission statement.

Service

We believe that, in order to be successful, we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.

Innovation

We believe that improvement is the outcome of purposeful, collaborative effort that leverages talent, research, and technology to create solutions and enhance our potential to serve the community.

HACSB Leadership Team



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I. Introduction

Who We Are

Our core work is to provide rental assistance to prevent homelessness among low-income households. As the largest provider of affordable housing in San Bernardino County, the Housing Authority of the County of San Bernardino (HACSB) proudly assists approximately 27,000 people, most of whom are seniors, individuals with disabilities, veterans, and children. Since 1941, we have helped low-income families attain safe and stable housing through a variety of rental assistance programs funded by the U.S. Department of Housing and Urban Development (HUD). More than 11,400 families are served through housing assistance payments made to landlords on behalf of the families or reside in units owned and managed by HACSB. The affordable rental housing programs we administer provide a critical safety net for households in San Bernardino County, where it takes nearly twice the minimum wage to afford rent for a two-bedroom apartment.

We also assist households to move from renting to purchasing a home through our Homeownership Program, and, along with many partners, we help individuals who were formerly homeless through two Permanent Supportive Housing communities and special purpose voucher programs such as Veterans Affairs Supportive Housing (VASH) and the Emergency Housing Voucher (EHV) program.

Our service to the community is built upon our Vision, Mission, and Core Values. These principles direct our efforts and guide our interactions with every customer.

Our Vision

HACSB is committed to creating a world in which all people have a stable and enriched quality of life.

Our Mission

HACSB empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

Our Core Values

Respect | Safety | Integrity | Service | Innovation



Rental Assistance Programs

10,300 households

90% of households served



Subsidized Homeownership

100 households

1% of households served



Supportive Housing

1,000 households

9% of households served

The Moving to Work Designation

Moving to Work (MTW) is a national demonstration program for housing authorities. Contrary to its name, the Moving to Work demonstration is not a work requirement program. Instead, the intent of the MTW demonstration is to provide policy and regulatory flexibility to housing agencies to design and test affordable housing strategies and related policies. MTW-designated agencies are required to develop local policies and programs targeting at least one of the three MTW Statutory Objectives:

1. Reduce program costs and increase cost efficiency

2. Encourage assisted families to pursue economic self-sufficiency

3. Increase housing choice for low-income families

Roughly 2% of housing authorities across the country are designated as MTW agencies. The lessons learned by MTW agencies can influence national housing policy to improve housing programs and services for all families.

As a testament to our high performance, HACSB was designated by Congress in 2008 as a MTW agency, allowing HACSB to waive some HUD program requirements to develop policies targeting at least one of the three Statutory Objectives of the MTW program. The MTW designation does not provide any additional funding. However, it has allowed us to modify some administrative processes to attain modest staff time and cost savings that have helped us weather ongoing funding cuts. Since receiving the MTW designation, HACSB has developed and received approval for 30MTW activities. More information about our MTW activities is provided throughout this Report.

Contents of This Report

This Annual Moving to Work Report provides detailed information on the planned use of MTW flexibilities during HACSB's fiscal year. Information is organized into the following sections following the format required by HUD as outlined in the Form HUD-50900:

- *Section I: Introduction* provides information about HACSB's short term and long-term goals and accomplishments.
- *Section II: General Housing Authority Operating Information* provides an overview of the agency's housing portfolio, leasing rates, and wait list information.
- *Section III: Proposed MTW Activities* includes no new information as no MTW activities are proposed through the MTW Report format.
- *Section IV: Approved MTW Activities* provides information on previously approved uses of MTW authority.
- *Section V: Sources and Uses of MTW Funds* describes the agency's use of the MTW single-fund flexibility and includes information about HACSB's local asset management program.
- *Section VI: Administrative* provides required administrative information, including information about reviews and audits of the Agency and third-party evaluation of HACSB's MTW activities.

MTW Plan	Approved by HUD
FY 2009	September 25, 2008
Amendment 1	June 29, 2009
FY 2010	September 30, 2009
Amendment 1	November 18, 2009
Amendment 2	February 22, 2010
Amendment 3	September 15, 2010
FY 2011	October 18, 2010
FY 2012	October 5, 2011
Amendment 1	November 4, 2011
FY 2013	September 27, 2012
FY 2014	May 14, 2014
FY 2015	February 13, 2015
Amendment 1A	May 11, 2015
Amendment 1B	N/A. Proposed changes moved to 2017 MTW Plan.
Amendment 2	N/A. Proposed changes moved to 2017 MTW Plan.
FY 2016	November 4, 2015
FY 2017	February 2, 2017
Amendment 1	April 3, 2017
Amendment 2	September 27, 2017
FY 2018	October 25, 2017
FY 2019	October 1, 2018
Amendment 1	May 7, 2019
Amendment 2	September 18, 2019
FY 2020	October 16, 2019
Amendment 1	March 18, 2020
Amendment 2	April 3, 2020
Amendment 3	August 10, 2020
FY 2021	April 14, 2021
Amendment 1	August 4, 2021
FY 2022	December 2, 2021
Amendment 1	June 22, 2022

MTW Plan	Approved by HUD
FY 2023	November 4, 2022
FY 2024	December 19, 2023

MTW Report	Accepted by HUD
FY 2009	April 22, 2010
FY 2010	March 21, 2011
FY 2011	March 20, 2012
FY 2012	July 19, 2013
FY 2013	December 31, 2013
FY 2014	December 31, 2014
FY 2015	December 22, 2015
FY 2016	August 16, 2018
FY 2017	October 9, 2018
FY 2018	October 10, 2019
FY 2019	February 28, 2020
FY 2020	June 8, 2021
FY 2021	March 24, 2022
FY 2022	February 27, 2023
FY 2023	This report

Long-Term Goals

In 2022 HACSB began the process of updating its long-term goals through a strategic planning process. Through this process, HACSB identified five Aspirational Statements that reflect the direction of the agency and align with the statutory objectives of the MTW designation and guide our work. HACSB's Aspirational Statements are:

Aspirational Statement #1

To ensure that our agency's culture empowers and values our team through effective communication, learning opportunities, work life balance, professional development, and a shared passion for the mission.

Aspirational Statement #2

To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.

Aspirational Statement #3

To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

Aspirational Statement #4

To utilize research and technology to drive innovative programming and operational processes that allow us to be more responsive and result in the advancement of the families we serve.

Aspirational Statement #5

To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing our resources by mobilizing the talents of our community partners.

The flexibilities provided through our MTW designation will continue to support our efforts to achieve our long-term goals.

Short-Term Goals

Goal 1 - Operational efficiency through innovation – Maximizing HACSB's economic viability and sustainability through the following strategies:

- Research, implement and maintain technology to improve service delivery and enhance external communication.
- Use software systems to enhance, streamline, and increase productivity.
- Use Moving to Work flexibilities and research-informed policy decisions to drive and expand innovation.
- The work environment is collaborative, diverse, equitable, and inclusive, and offers opportunities for interaction.
- Identify, reorganize, and implement financial processes to assist in monitoring HACSB's major programs and portfolio.

In addition to implementing non-MTW activities to address this goal, we have implemented twelve MTW activities that address this goal.

Goal 2 – Develop economically independent clients – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy through the following strategies:*

- Create an internal partnership management structure that supports, strengthens, and evaluates partnerships to improve program outcomes.
- Work alongside customers and staff to identify resource needs, gaps, and priorities to focus our pursuit of partnerships that most effectively address our customers' needs.

In addition to implementing non-MTW activities to address this goal, we have implemented nine MTW activities that address this goal.

Goal 3 – Ensure freedom of housing choice – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life through the following strategies:*

- Create a Road Map for real estate developments.
- Develop and implement an internal Repair and Replacement plan that assesses and prioritizes the needs of all properties and establish a finance plan to fund these needs.
- Ensure that leasing efforts align with voucher/funding utilization for all rental assistance programs.

In addition to implementing the above non-MTW activities to address this goal, we have developed or implemented nine MTW activities that address this goal.

II. General Operating Information

This section provides an overview of the Housing Authority of the County of San Bernardino's (HACSB) housing portfolio, leasing, and waiting list information.

A. Housing Stock Information

i. Actual New Project Based Vouchers

PROPERTY NAME	NUMBER OF VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
	PLANNED	ACTUAL			
Arrowhead Grove – Phase IV (previously listed as Phase III)	46	92	Committed	No	Faircloth to RAD, New Construction
Northport Village	0	29	Committed	No	Family Community, Existing Development
TOTAL	46	121			

ii. Actual Existing Project Based Vouchers

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS		STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
	PLANNED	ACTUAL			
Andalusia, LLC	17	17	Leased/Issued	No	Family Community, Existing Development
Arrowhead Woods	51	51	Leased/Issued	No	Senior Community, Existing Development
Barstow RAD	217	217	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Bloomington (Related Phase I)	11	11	Leased/Issued	No	Family & Senior Community, New Development
Bloomington (Related Phase II)	20	20	Leased/Issued	No	Family Community, New Development
Bloomington (Related Phase III)	20	20	Leased/Issued	No	Family Community, New Development
Colton/Chino RAD	174	175	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Day Creek Villas, Rancho Cucamonga	8	8	Leased/Issued	No	Senior Community, New Development
Desert Haven (Queens Motel), Victorville	31	31	Leased/Issued	No	Chronically Homeless, Existing Development
Desert Village	46	46	Leased/Issued	No	Senior Community, Existing Development

Golden Apartments, San Bernardino	38	38	Leased/Issued	No	Chronically Homeless, Existing Development
Grandview Towers	40	40	Leased/Issued	No	Senior Community, Existing Development
Horizons at Yucaipa	50	50	Leased/Issued	No	Senior Community, New Development
Ivy at College Park, Chino	8	8	Leased/Issued	No	Family Community, New Development
Los Olivos, Upland - RAD	98	98	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Las Terrazas Apartments, Colton	9	9	Leased/Issued	No	Family Community, Existing Development
Maplewood Homes - RAD	296	296	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Meadowbrook	47	47	Leased/Issued	No	Senior Community, Existing Development
Mentone LLC	34	33	Leased/Issued	No	Family Community, Existing Development
NCLU- Scattered Sites (HACSB)	26	26	Leased/Issued	No	Project-Based Voucher Program
NCLU- Scattered Sites (Housing Partners I, Inc. – “HPI”)	10	10	Leased/Issued	No	Project-Based Voucher Program
NCLU- Scattered Sites (Summit Place)	4	4	Leased/Issued	No	Project-Based Voucher Program
Redlands/Highland - RAD	87	87	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Redwood Terrace	68	68	Leased/Issued	No	Senior Community, Existing Development
Rialto Metrolink, Rialto	8	8	Committed	No	Family Community, New Development
Robert O Townsend	47	47	Leased/Issued	No	Senior Community, Existing Development
Rosena Fountains, Fontana	8	8	Leased/Issued	No	Family Community, New Development
Scattered Site Units	229	229	Leased/Issued	No	Family Community, Existing Development (HPI)
Scattered Site Units	79	79	Leased/Issued	No	Family Community, Existing Development (HPI)
Scattered Sites - RAD	97	97	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Scattered Sites - RAD	34	34	Leased/Issued	Yes	RAD Conversion, Existing Public Housing Community
Sunrise Vista	108	79	Leased/Issued	No	Family Community, Existing Development
Sunset Pointe	117	70	Leased/Issued	No	Family Community, Existing Development
Valencia Grove, Redlands (Phase I)	85	85	Leased/Issued	No	Family Community, New Development

Valencia Grove, Redlands (Phase II)	104	8	Committed	No	Family Community, New Development
Victorville National CORE site – 17951 Dante St., Victorville	12	12	Leased/Issued	No	Family Community, Existing Development
Vista del Sol	53	53	Leased/Issued	No	Senior Community, Existing Development
Waterman Gardens Phase 1 - Valencia Vista	75	75	Leased/Issued	Yes	Family Community, New Development
Waterman Gardens Phase 2 - Olive Meadow	61	61	Leased/Issued	Yes	Family Community, New Development
Waterman Gardens Phase 3 – Crestview Terrace	116	116	Leased/Issued	Yes	Family Community, Existing Development
Yucaipa Crest	45	45	Leased/Issued	No	Senior Community, Existing Development
Total	2,688	2,516			

iii. Actual Other Changes to MTW Housing Stock in the Plan Year

The Public Housing portfolio began FY 2023 with 1 Public Housing Unit. This does not include the following:

- Eight (8) offline units that had previously been permanently converted to non-dwelling units for resident services purposes such as Head-Start centers, childcare, and education centers.
- Twelve (12) non-ACC units used for administrative purposes and resident amenities such as community rooms, laundry rooms, etc.

During FY 2023, no units were converted through the Rental Assistance Demonstration (RAD) program. HACSB’s Public Housing portfolio consists of 1 unit as shown in the following table.

MANAGEMENT POINT (AMP)	ACC UNITS
180	1
TOTAL PUBLIC HOUSING UNITS	1

iv. General Description of All Actual Capital Expenditures During the Plan Year

FY2023:

The conversion of HACSB’s public housing portfolio through the Rental Assistance Demonstration (RAD) program was completed in 2022. Rehabilitation work remains ongoing as the COVID-19 pandemic delayed construction activity at various sites. Furthermore, capital work as identified via the RAD Physical Condition Assessment (PCA) plan will continue.

The complete one-for-one replacement of public housing via RAD has been completed at the Waterman Gardens community and the remaining phases are slated to add new affordable housing units and community resources. Significant planning and fundraising for the 4th phase of development continued at the site.

FY 2024:

As mentioned above, the physical rehabilitation work at the RAD communities will continue as guided by the PCA’s. In addition, HACSB will look to enhance the communities with additional capital needs improvements outside of the PCA designated work as funding allows.

HACSB plans the second phase of its Redlands public housing redevelopment, Valencia Grove Phase II, to come online by the end of 2024. This phase will add 103 new units of affordable housing to the site, building on the 84 affordable units that were created via Phase I. Finally, HACSB plans to apply for low-income housing tax credits in FY 2024 for the development of the next phase of Arrowhead Grove to add 93 units of affordable housing and continue the redevelopment of the public housing community formerly known as Waterman Gardens.

B. Leasing Information

i. Actual Number of Households Served

HACSB does not have any local non-traditional MTW funded programs.

ACTUAL NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED		NUMBER OF HOUSEHOLDS SERVED	
	<i>PLANNED</i>	<i>ACTUAL</i>	<i>PLANNED</i>	<i>ACTUAL</i>
MTW Public Housing Units Leased	12	12	1	1
MTW Housing Choice Voucher (HCV) Utilized	113,283	111,747	9,440	9,948
Local, Non-Traditional: Tenant-Based	0	0	0	0
Local, Non-Traditional: Property-Based	0	0	0	0
Local, Non-Traditional: Homeownership	0	0	0	0
ACTUAL TOTAL HOUSEHOLDS SERVED	113,295	111,759	9,441	9,949

Description of Differences between the Planned and Actual Households Served

Leasing projections for the MTW Public Housing Program for FY 2023 were based upon the one remaining Public Housing unit in HACSB's portfolio. The reported number of households served reflects one household served through Public Housing in FY 2023.

For the voucher program, the reported number of unit months occupied/leased reflects the number of unit months reported through the Voucher Management System (VMS), while the reported number of households served reflects all households served in FY 2023, including those who were served for only a portion of the year. In October 2022, HACSB was allocated 99 new Incremental vouchers to be part of HACSB's regular HCV program. Shortly thereafter, HACSB was allocated three additional Incremental vouchers, bringing the total allocation to 102 Incremental HCV, of which all contributed to the number of households served. San Bernardino County continues to experience extremely tight rental market conditions with overall vacancy rates between 3 and 4 percent and below 2 percent in some areas of the County.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED		NUMBER OF HOUSEHOLDS SERVED	
		PLANNED	ACTUAL	PLANNED	ACTUAL
Tenant-Based	N/A	0	0	0	0
Property-Based	N/A	0	0	0	0
Homeownership	N/A	0	0	0	0
TOTAL		0	0	0	0

HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY	AVERAGE NUMBER OF HOUSEHOLDS PER MONTH	TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR
N/A	N/A	N/A

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

HOUSING PROGRAM	DESCRIPTION OF ACTUAL LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	None.
MTW Housing Choice Voucher	Over the last several years, the lack of available housing inventory and escalating rents have been significant factors affecting leasing. In response to these market challenges, HACSB implemented a Housing Navigation program in November 2022 (2022 Annual MTW Plan, Amendment 1). Additionally, HACSB implemented higher payment standards based on our market rent study. HACSB continued to provide a landlord signing bonus and damage mitigation program to encourage landlord participation and hosted landlord recruitment events. As a result of these efforts, voucher utilization increased from 91.7% at the end of 2022 to 97.6% at the end of 2023. HAP costs are now outpacing funding, and HACSB is examining ways to reduce HAP costs in order to maximize leasing.
Local, Non-Traditional	N/A.

C. Waiting List Information

i. Actual Waiting List Information

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN, OR CLOSED	WAS THE WAITING LIST OPENED DURING THE PLAN YEAR
Public Housing	Centrally managed, site-specific, by bedroom size	0	Closed	No, all but 1 unit converted to RAD PBV
Rental Assistance Demonstration Sites – PBV	Centrally managed, site-specific, by bedroom size	35,527	Partially Open	Yes, by bedroom size as needed
Housing Choice Voucher – Project-Based	Centrally managed, site/region-specific, by bedroom size	31,886	Partially Open	Yes, by bedroom size as needed
Housing Choice Voucher – Tenant-Based	Community-wide	24,425	Closed	No

DESCRIPTION OF DUPLICATION OF APPLICANTS ACROSS WAITING LISTS

33.93% of applications are duplicates, representing families who have applied to two or more waiting lists. There are 61,334 unduplicated families on HACSB’s waiting lists.

ii. Actual Changes to Waiting List in the Plan Year

WAITING LIST NAME	DESCRIPTION OF ACTUAL CHANGES TO WAITING LIST
Rental Assistance Demonstration Sites – PBV	Various site-based waiting lists were open and/or closed as needed to ensure a sufficient number of interested applicants to fill anticipated vacancies. Rialto Metrolink South PBV waitlist was opened, and applicants have been selected from the list to fill 8 new PBV units.
Housing Choice Voucher – Tenant-Based	The 2019 Tenant-Based Voucher (TBV) waitlist was depleted and began pulling from the 2022 TBV waitlist. Applicants were pulled from the waitlist to fill available Family Unification Program (FUP), Mainstream, and Tenant-Based program slots.

D. Information on Statutory Objectives and Requirements

i. 75 Percent of Families Assisted are Very Low-Income

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR
80% - 50% Area Median Income	0
49% - 30% Area Median Income	0
Below 30% Area Median Income	0
TOTAL LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED	0

ii. Maintain Comparable Mix

BASELINE MIX OF FAMILY SIZES SERVED (UPON ENTRY TO MTW)					
FAMILY SIZE	OCCUPIED PUBLIC HOUSING UNITS	UTILIZED HCVs	NON-MTW ADJUSTMENTS	BASELINE MIX NUMBER	BASELINE MIX PERCENTAGE
1 Person	442	2,801	-	3,243	34.7%
2 Person	338	1,619	-	1,957	20.9%
3 Person	279	1,187	-	1,466	15.7%
4 Person	222	1,003	-	1,225	13.1%
5 Person	142	567	-	709	7.6%
6+ Person	183	569	-	752	8.0%
TOTAL	1,606	7,746	-	9,352	100%

DESCRIPTION OF "NON-MTW ADJUSTMENTS" GIVEN ABOVE
N/A

MIX OF FAMILY SIZES SERVED (IN PLAN YEAR)				
FAMILY SIZE	BASELINE MIX PERCENTAGE	NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR	PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR	PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR
1 Person	34.7%	4,059	40.8%	17.6%
2 Person	20.9%	1,988	20.0%	-4.4%
3 Person	15.7%	1,554	15.6%	-0.5%
4 Person	13.1%	1,043	10.5%	-20.0%
5 Person	7.6%	721	7.2%	-4.6%
6+ Person	8.0%	583	5.9%	-26.7%
TOTAL	100%	9,948	100%	

DESCRIPTION OF JUSTIFICATION FOR ANY VARIANCES OF MORE THAN 5% BETWEEN THE PLAN YEAR AND BASELINE YEAR

Families are admitted to HACSB’s MTW voucher program from a wait list which is sorted through a lottery system. The families served during the year reflect the families who were selected from the wait list and, in the voucher program, successfully located a unit to lease. HACSB closely monitors the makeup of its waiting list, admissions, and families served by family size. The distribution of families by size in these three populations remained very similar throughout FY 2023, indicating that the families served are representative of families who apply to HACSB’s waiting lists and successfully enter a HACSB program.

iii. Number of Households Transitioned to Self-Sufficiency in the Plan Year

HACSB has adopted the definitions of self-sufficiency listed below for the activities that have the statutory objective of self-sufficiency and/or for which we are required to report on Standard Metric SS #8 (Households Transitioned to Self-Sufficiency). While the definitions differ, the overarching definition for the families in these activities is a voluntary termination of housing assistance and other forms of government assistance due to an increase in income, education, savings, and/or employment to enable transition to market-rate housing or homeownership. The criteria generally used to identify these individuals is:

- Voluntary termination of housing assistance;
- Total household income of 80% of AMI or greater at time of termination;
- Total household income from other forms of government assistance (TANF, cash aid, etc.) of \$0 at time of termination.

In 2023, a total of 124 families transitioned to self-sufficiency through our activities. While some MTW activities contribute to the families' transition away from housing assistance more than others, we believe that the number of self-sufficiency transitions is the combined result of all our MTW activities.

MTW ACTIVITY NAME/NUMBER	NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY	MTW PHA LOCAL DEFINITION OF SELF-SUFFICIENCY
4 – Biennial and Triennial Recertifications	28	Having a total gross household income at or above 80% of the Area Median Income for the family size at the time of end of participation.
10 – Minimum Rent	0	Having a total gross household income at or above 80% of the Area Median Income for the family size at the time of end of participation.
19 – Local Family Self-Sufficiency Program	0	Graduation from the Local FSS program.
20 – Term-Limited Lease Assistance Program	69	Termination of housing assistance and other forms of government assistance due to an increase in income and/or increased level of employment to transition to market-rate housing or homeownership in the five-year program timeframe.
22 – Streamlined Lease Assistance Program	41	Having a total gross household income at or above 80% of the Area Median Income for the family size at the time of end of participation.
23 – No Child Left Unsheltered	0	Having a total gross household income at or above 80% of the Area Median Income for the family size at the time of end of participation.
24 – Transition for Over-Income Families	33	Having a total gross household income at or above 80% of the Area Median Income for the family size at the time of end of participation.
HOUSEHOLDS DUPLICATED ACROSS MTW ACTIVITIES	44	
TOTAL (UNDUPLICATED) HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY	124	

The Biennial and Triennial Recertification Activity (No. 4) is not expected to directly result in any transitions to self-sufficiency. The goal of the activity is administrative efficiency, and HACSB believes it is unlikely that the activity will provide enough incentive or income retention to enable families to transition out of housing assistance. In FY 2023, 28 families with biennial or triennial recertifications transitioned to self-sufficiency. However, only four of the 28 families were not duplicated as self-sufficiency exits in other categories listed above, indicating that most exits were likely the result of other activities.

As anticipated, Activity 10, HACSB's Local Minimum Rent activity, did not result in any transitions to self-sufficiency. Through this activity the minimum rent was raised from the current regulatory maximum of \$50 to \$125. HACSB believes that this change is not enough to provide incentive for families to transition out of housing assistance.

Our local Family Self-Sufficiency (FSS) program, Activity 19, was implemented in July 2012. The program includes two groups of participants: a control group, which participates under the same rules as the traditional FSS program, and a local group, which participates under the rules of HACSB's Local FSS program. The Local FSS program requires participating families to voluntarily exit the Housing Choice Voucher or Public Housing program in order to graduate from the Local FSS program and receive the balance of their escrow account. The two groups allow HACSB to compare the results and identify advantages and disadvantages of each program type. In FY 2018 the definition of self-sufficiency for this activity was changed to eliminate the requirement for families to have \$0 of assistance income at the time they leave housing assistance. The definition was revised to "graduation from the Local FSS program". This modification will allow any Local FSS family who graduates and voluntarily exits housing assistance to be included in this count. Very few families choose to participate in the Local FSS program because of the requirement to voluntarily exit housing assistance. No families achieved self-sufficiency through the Local FSS program under the revised definition in FY 2023, as there were no households enrolled into this activity at the end of FY 2023. This activity is being closed out through this report.

Implemented on January 1, 2012, Activity 20, the Term-Limited Lease Assistance Program, included 1,841 households as of September 30, 2023, of which 69 transitioned to self-sufficiency in this reporting year. HACSB continues to work with Loma Linda University (LLU) to conduct the longitudinal study that examines participating families and their success over time, including a voluntary post-assistance evaluation component which allows LLU and HACSB to learn about program impacts up to two years after housing assistance has ended.

Activity 22 – The Streamlined Lease Assistance Program was implemented on February 1, 2015. This activity simplifies the rent calculation and eliminates interim recertifications for changes in income, thereby allowing the family to budget for rent and keep the entire amount of any increases to household income which occur between biennial recertifications.

No Child Left Unsheltered (Activity 23) has not resulted in any transitions to self-sufficiency. This activity targets chronically homeless families with school-age children, helping them to obtain stable housing and supportive services. HACSB's goal is that assisted families will achieve self-sufficiency with the assistance our affiliate non-profit, Knowledge and Education for Your Success (KEYS), which provides coaching and supportive service referrals for these families, and community partners providing additional resources such as mental health services. HACSB also partnered with Loma Linda University (LLU) for a longitudinal study of families participating in this program. The LLU research identified families' need for a safe-haven period after entering the NCLU program and found that two significant impacts of the program are improved family stability and reduced risk of developing a clinically significant behavioral program for children participating in the program. As a result of these findings, related modifications were made to this activity through HACSB's 2019 Annual MTW Plan.

III. Proposed Activities

All activities that have been previously granted approval by HUD are reported in Section IV, “Approved Activities”. No new activities are proposed through this Annual MTW Report.

IV. Approved Activities

This section provides HUD-required information detailing previously approved uses of MTW authority, including detailed information about ongoing MTW activities with an update on any changes taking place during the fiscal year (FY). In accordance with the requirements of the revised Form HUD 50900, activities are categorized as implemented (ongoing and active activities), not yet implemented, on hold, or closed out.

A. Implemented Activities

Activity 1: Single-Fund Budget

The flexibility granted under this activity is included in the statutory authorizations granted to MTW agencies. In accordance with HUD guidance, information related to this activity is included in Section V: Administrative.

Activity 4: Biennial and Triennial Recertifications

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial approval as a pilot program for elderly and disabled households in the Public Housing and Housing Choice Voucher programs with no other adult members and no earned income.
- FY 2012: Modified to expand the scope of the activity to apply to all families in both programs. The expanded initiative was implemented in 2012 with approximately half the households assigned to a biennial schedule. The remaining households were assigned to the biennial schedule in 2013.
- FY 2014: The first complete cycle of biennial certifications was completed in 2014.
- FY 2019: Modified to add triennial recertifications for elderly-only fixed-income families. Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.
- FY 2022: Authorization to apply this activity to participants of the Emergency Housing Voucher (EHV) program was received from HUD in July 2021 through a waiver request. That approval, though not granted through the HUD MTW Office, was included in our FY 2022 Annual MTW Plan for informational purposes.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

Current regulations require annual income recertifications for most participants of the Public Housing and Housing Choice Voucher programs. This MTW activity allows HACSB to conduct recertifications of MTW, VASH, and EHV households biennially or triennially. Elderly-only fixed-income families are recertified triennially; all other families are recertified biennially. Triennial recertifications for elderly-only fixed-income families began in September of 2019, with triennial recertifications for VASH families beginning in May 2020. EHV participants can request interim recertifications, should the household experience an income reduction.

Biennial/Triennial Recertification Process

- HACSB will perform a full recertification to examine family income and composition once every three years for elderly-only fixed-income families, and once every two years for all other families. No PHA-initiated updates will take place during the years between full recertifications.
 - An elderly-only fixed-income family is defined as having no members under the age of 57 AND having at least 90 percent of its income from fixed sources.
- This activity modifies the recertification schedule only. Families will continue to be subject to the interim reporting requirements, calculation of income and rent, and other components of their assigned program type (Term-Limited Lease Assistance, Streamlined Lease Assistance, etc.)

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement temporary change(s) to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic writing. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- HACSB will extend the validity of a family’s most recently completed biennial or triennial recertification by one year. The due date of the family’s next biennial or triennial recertification will be one year from the original due date, and future recertifications will follow the biennial/triennial schedule (taking place two/three years from the date of the extended recertification).

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

Activity 4: Biennial Recertifications
CE #1: Agency Cost Savings¹

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total Cost of Annual Recertifications (Public Housing and Housing Choice Voucher Combined).	\$462,964 \$445,954 staff cost + \$17,010 postage cost Staff Cost Calculation: 13,320 hours X \$33.48	\$231,482 per year \$222,977 staff cost + \$8,505 postage cost Staff Cost Calculation: 6,660 hours X \$33.48 per hour	\$129,208.85 \$121,130.64 staff cost + \$8,078.21 postage cost Staff Cost Calculation: 3,618 hours X \$33.48 per hour	Yes, the outcome meets the benchmark for this metric.

¹ The baseline and benchmark values for this metric were revised in HACSB’s FY 2017 Annual MTW Report using a comparison group of non-MTW recertifications to re-determine the time required to process recertifications.

Activity 4: Biennial Recertifications
CE #2: Staff Time Savings²

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total staff hours to conduct recertifications.	13,320 total hours 9,000 files x 1.48 hours/file.	6,660 total hours	3,618 total hours. Staff Time Calculation: 3,119 recertifications performed in PH and HCV programs x 1.16 hours per recertification.	Yes, the outcome meets the benchmark for this metric.

² The baseline and benchmark values for this metric were revised in HACSB’s FY 2017 Annual MTW Report using a comparison group of non-MTW recertifications to re-determine the time required to process recertifications.

Activity 4: Biennial Recertifications
CE #5: Increase in Tenant Rent Share

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars).	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share in dollars.	Average tenant rent share for biennial recertification households in FY 2011 prior to full implementation of the activity is \$281.	The average tenant rent share is not expected to change because of this activity.	The actual average tenant rent share is \$529.	The increase is believed to be the result of other MTW activities.

Activity 4: Biennial Recertifications
SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of households.	Average earned income of biennial recertification households in FY 2011 prior to full implementation of the activity is \$4,734.	The expected average earned income of households is not expected to change because of this activity.	The actual average earned income of biennial and triennial recertification households is \$9,212.	The increase is believed to be the result of other MTW activities.

Activity 4: Biennial Recertifications

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline ³	Benchmark	Outcome ⁴	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time	Head(s) of work-able households employed full-time in FY 2016 is 175.	The number of heads of work-able households employed full-time is not expected to change as a result of this activity.	Heads of work-able households employed full-time is 971.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities and/or additional data available in the outcome year compared to the baseline year.
	Percentage of total work-able households employed full-time in FY 2016 is 38%.	The percentage of total work-able households employed full-time is not expected to change as a result of this activity.	Percentage of total work-able households employed full-time is 29%.	No, the outcome does not meet the benchmark.

³ Pre-implementation data for categories 1, 2, 3, 4, and 6 of this metric is unavailable. Baseline figures represent FY 2016 data. Baseline data from 2016 reflects 10% of all work-able biennial reexamination families.

⁴ Outcomes for SS #3 are based upon self-reported data collected from families and may not include all active families.

Activity 4: Biennial Recertifications – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(2) Employed Part-Time	Head(s) of work-able households employed part-time in FY 2016 is 86.	The number of heads of work-able households employed part-time is not expected to change as a result of this activity.	Heads of work-able households employed part-time is 509.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities and/or additional data available in the outcome year compared to the baseline year.
	Percentage of total work-able households employed part-time in FY 2016 is 19%.	The percentage of total work-able households employed part-time is not expected to change as a result of this activity.	The percentage of total work-able households employed part-time is 15%.	No, the outcome does not meet the benchmark.
(3) Enrolled in an Educational Program	Head(s) of work-able households enrolled in an educational program in FY 2016 is 39.	The number of heads of work-able households enrolled in an educational program is not expected to change as a result of this activity.	Heads of work-able households enrolled in an educational program is 243.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities and/or additional data available in the outcome year compared to the baseline year.
	Percentage of total work-able households enrolled in an educational program in FY 2016 is 8%.	The percentage of total work-able households enrolled in an educational program is not expected to change as a result of this activity.	The percentage of total work-able households enrolled in an educational program is 7%.	No, the outcome does not meet the benchmark.

Activity 4: Biennial Recertifications – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(4) Enrolled in Job Training Program	Head(s) of work-able households enrolled in a job training program in FY 2016 is 9.	The number of heads of work-able households enrolled in a job-training program is not expected to change as a result of this activity.	Heads of work-able households enrolled in job training is 81.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities and/or additional data available in the outcome year compared to the baseline year.
	Percentage of total work-able households enrolled in a job training program in FY 2016 is 2%.	The percentage of total work-able households enrolled in a job-training program is not expected to change because of this activity.	The percentage of total work-able households enrolled in job training is 2%.	
(5) Unemployed	Head(s) of work-able households unemployed prior to implementation of the activity is 200.	The number of heads of household unemployed after implementation of the activity is not expected to change because of this activity.	Heads of work-able households unemployed is 1,884.	No, the outcome does not meet the benchmark for this metric.
	Percentage of total work-able households unemployed prior to implementation of the activity is 43%.	The percentage of total work-able households unemployed after implementation of the activity is not expected to change as a result of this activity.	Percentage of total work-able households unemployed is 56%.	

Activity 4: Biennial Recertifications – SS #3: Increase in Positive Outcomes in Employment Status (continued)

6) Other	Head(s) of work-able households engaged in other activities in FY 2016 is 22.	The number of heads of household engaged in other activities is not expected to change as a result of this activity.	Heads of work-able households engaged in other activities is 326.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities and/or additional data available in the outcome year compared to the baseline year.
	Percentage of total work-able households engaged in other activities in FY 2016 is 5%.	The percentage of total work-able households engaged in other activities is not expected to change as a result of this activity.	The percentage of total work-able households engaged in other activities is 10%.	

Activity 4: Biennial Recertifications				
SS# 4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving TANF assistance.	Number of households receiving TANF in FY 2011 prior to full implementation of the activity is 29.8% of all MTW households.	The number of households receiving TANF after implementation of the activity is not expected to change because of this activity.	Actual households receiving TANF is 2,297 (23%).	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities.

Activity 4: Biennial Recertifications
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for “self-sufficiency” to use for this metric. Each time the PHA uses this metric, the “Outcome” number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>Number of households transitioned to self-sufficiency.</p> <p>For purposes of this activity, “self-sufficiency” is defined as having a total gross household income at or above 80% of the Area Median Income for the family size (at the time of end of participation).</p>	<p>The number of households transitioned to self-sufficiency prior to implementation of the activity is 57.</p> <p>(FY 2015 data used to establish baseline as pre-implementation data is unavailable)</p>	<p>The number of households expected to be transitioned to self-sufficiency because of the activity is 0.</p>	<p>The number of households transitioned to self-sufficiency in FY 2023 is 9.</p>	<p>Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities.</p>

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

Standard metrics CE #5, SS #1, SS #3, SS #4, and SS #8 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost and staff time savings. As a result, HACSB does not anticipate that these metrics will reflect an increase in tenant rent share, household income, positive outcomes in employment status, households removed from TANF, or households transitioned to self-sufficiency as a direct result of this activity.

Pre-implementation baseline data for standard metric SS #8 is unavailable. In accordance with written instruction from HUD, data from FY 2015 was used to establish the baseline for this metric.

Beginning in FY 2019 HACSB applied a revised time study method. The previous time study method was retrospective and required staff to report on time previously spent. This process was changed to a real-time method which tracked the time staff spent on a randomly selected representative sample of files. Staff recorded time spent on the recertification process as they worked on the files, including time spent in specific categories relevant to MTW reporting and internal analysis. This process is believed to provide a more reliable and accurate evaluation of time spent on recertifications and other processes, and HACSB anticipates using this method for all future time studies.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 5: Simplified Income Determination

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial approval as “Local Verification Policies”. Implemented on October 1, 2009.
- FY 2019: Modified to rename this activity and merge the functions of the following previously approved activities:
 - Activity 5 – Local Verification Policies (the original name of this activity)
 - Activity 6 – Elimination of Assets: Originally approved in our FY 2009 Annual MTW Plan and implemented on October 1, 2009. This component was closed out as a separate activity in FY 2019.
 - Activity 9 – Elimination of Earned Income Disallowance: Originally approved in our FY 2009 Initial Annual MTW Plan and effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs. This component was closed out as a separate activity in FY 2019.
 - Activity 17 – Local Income Inclusions: Originally approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. The activity was modified through HACSB’s FY 2015 Annual MTW Plan. This component was closed out as a separate activity in FY 2019.
- Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes. All components of this activity except the elimination of the Earned Income Disallowance apply to VASH households.
- FY 2022: Authorization to apply this activity to participants of the Emergency Housing Voucher (EHV) program was received from HUD in July 2021, through a waiver request. That approval, though not granted through the HUD MTW Office, was included in our Annual MTW Plan for informational purposes. This activity applies to EHV customers with the exception of the exclusion of Earned Income Disallowance.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity includes four components: local verification policies, elimination of assets, elimination of the Earned Income Disallowance, and local policies for income inclusions and exclusions. The activity applies to all MTW families. All components of the activity except the elimination of the Earned Income Disallowance component also apply to VASH and EHV households. For all MTW households, HACSB uses anticipated income (based on current information) to calculate the family’s annual income during eligibility and recertification for purposes of determining tenant rent and total tenant payment (TTP), where applicable, to be received by the family during the 12-month period following admission or recertification.

This activity has simplified the process for our families and the housing staff, reducing staff time spent on verifications, calculation of assets, processing the Earned Income Disallowance, and related agency costs.

Local Verification Policies

The verification standard used by HACSB was modified in FY 2011 to establish the following local verification hierarchy:

1. Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) is the highest standard of verification.
2. Documents provided by the household and observed to be satisfactory to verify income are the second tier of verification.
3. Third-party written verification is requested as the third tier of verification if additional verification is necessary.
4. Third-party oral verification is permitted as the lowest ranking type of income verification.

Applicant verifications may not be more than 120 days old (from the date received) at the time of orientation. For participants, verifications remain valid for six months (180 days) from the date received.

Elimination of Assets

Assets are fully excluded from the calculation of annual income for the purpose of determining the tenant rent portion. Asset information is verified at initial eligibility for the purpose of determining income eligibility for assistance. Thereafter, information related to assets is not collected or verified and income from assets is not considered as part of the income/rent calculation formula or ongoing program participation.

Elimination of Earned Income Disallowance

HACSB has eliminated the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment. This component does not apply to VASH program participants.

Local Income Inclusions and Exclusions

HACSB has established local policies to include or exclude certain income sources that are currently excluded or included under regulation. The modifications to the rent calculation are:

- Foster care income is fully included.
- Sanctioned Temporary Assistance to Needy Families (TANF) income, whether due to non-compliance with self-sufficiency requirements, fraud or any other sanction reasons authorized by CALWORKS, except term limits, is fully included.
- Adoption assistance payment income is fully included (effective at each family's first biennial recertification effective on or after October 1, 2015).
- Earned income of full-time students other than the Head of Household, spouse, and co-head of household is fully excluded (effective at each family's first biennial recertification effective on or after October 1, 2015); and
- Student Financial Assistance is fully excluded.

Activity 5: Simplified Income Determination
CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total combined costs: <ul style="list-style-type: none"> • of income verification process • to collect and calculate asset income for both PH and HCV • of staff time spent to process EID 	\$296,512 in 2009	\$160,117 Agency Cost Calculation: 4,580 hours for verifications X \$34.96 staff cost per hour. \$0 for calculation of assets or application of the EID	\$113,200 Staff Cost Calculation: 3,238 hours X \$34.96 staff cost per hour.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 5: Simplified Income Determination
CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total hours to conduct verifications	8,483.4 total hours 6,947 hours for verifications (1,133 hours in Public Housing; 5,814 in HCV) 1,478 hours to calculate assets. 58.4 hours to process the EID	4,580 total hours Staff Time Calculation: 705 hours to process verifications in PH; 3,875 in HCV. 0 hours for calculation of assets or application of EID	3,238 total hours.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 5: Simplified Income Determination
CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual average error rate of task after implementation of the activity (percentage).	Whether the outcome meets or exceeds the benchmark.
Total combined average error rate in: <ul style="list-style-type: none"> • completing verifications • calculating assets • processing the earned income disallowance 	Average error rate of prior to implementation of the activity is 44%. (FY 2011-2012 used to establish the baseline for this metric)	The average error rate is expected to be less than 44%.	The actual average error rate is 2%.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 5: Simplified Income Determination
CE #5: Increase in Tenant Rent Share

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars).	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share in dollars for households with the earned income disallowance and/or local income inclusions.	Average tenant rent share prior to implementation of the activity is \$473. (FY 2015 data used to establish baseline as pre-implementation data is unavailable)	The average tenant rent share is not more than \$720.	The actual average tenant rent share is \$897.	No, the outcome does not meet the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

The time study method was revised for the FY 2019 MTW Report. A sample of files was selected for the study and tracked in real-time to determine the total time spent completing verifications, calculating asset income, and processing the Earned Income Disallowance for MTW actions. HACSB intends to use this method for all future time studies.

Through our FY 2019 Annual MTW Plan, HACSB received approval to merge four previously approved MTW activities under this activity with the title “Simplified Income Determination”. Beginning with the 2019 Annual MTW Report, the outcomes of these activities are reported as combined totals.

Standard metric CE #3 was added in HACSB’s 2015 Annual Plan per HUD’s request. The objective of the activity is to achieve agency cost and staff time savings. As a result, HACSB does not anticipate that the metric CE #3 will reflect a decrease in the average error rate related to verifications as a direct result of this activity.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 8: Local Policies for Portability

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval. The initial implementation of this activity began on October 1, 2009.
- FY 2010: Modified to add a work requirement for portability. The work requirement was implemented on August 1, 2010.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures.

Through this activity, HACSB applies the requirements of its ongoing MTW activities to inbound portability participants.

This activity has resulted in significant staff time savings, achieving a reduction in staff hours to process ports-in each year since implementation. All benchmarks for this activity have been fully or partially met since FY 2010.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement temporary change(s) to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic, which is ongoing at the time of this writing. The pandemic has created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB has taken steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and screening customers for in-person customer service. HACSB implemented the following emergency operations change for this activity:

- HACSB temporarily suspended acceptance of Housing Choice Voucher Program ports-in from other housing authorities. HACSB maintained a contact list of the families who expressed interest in porting to San Bernardino County during the temporary suspension and those families were notified when the suspension was lifted effective December 1, 2020.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 8: Local Policies for Portability				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total cost of portability in dollars.	\$70,060 in FY 2009 Staff cost calculation: 2,004 hours X \$34.96 average staff cost per hour	\$35,029 in FY 2015 and beyond.	\$10,663 Staff Cost Calculation: 305 hours X \$34.96 average staff cost per hour	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 8: Local Policies for Portability				
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total hours of staff time spent annually to process in-bound portability	2,004 hours in FY 2009	1,002 hours in FY 2010 and beyond.	305 hours. Staff Time Calculation: 2.31 hours per port-in x 132port-ins.	Yes, the outcome meets and exceeds the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 10: Minimum Rent

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval. The activity was implemented on October 1, 2009, for recertifications of currently served families and on January 1, 2010, for all new families.
- FY 2019:
 - A non-significant modification was made to require families paying the minimum rent to participate in supportive services offered by HACSB.
 - Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.
- FY 2022:
 - Authorization to apply this activity to participants of the Emergency Housing Voucher (EHV) program was received from HUD in July 2021, through a waiver request. That approval, though not granted through the HUD MTW Office, was included in our Annual MTW Plan for informational purposes.
 - A non-significant modification was made to allow HACSB to reduce or postpone the minimum rent for HACSB developments or programs serving extremely vulnerable populations.

ii. Description/Impact/Update

This activity addresses the MTW statutory objectives to reduce costs and achieve greater effectiveness in federal expenditures, and to give incentives to families with children whose head 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.

This activity allows HACSB to increase the minimum rent from the current regulatory maximum of \$50 to \$125 per month for all households in both the Public Housing and Housing Choice Voucher Programs. The activity applies to MTW, VASH, and EHV households.

The minimum rent may be reduced or postponed for HACSB developments or programs serving extremely vulnerable populations. For example, HACSB reduced the minimum rent for all families residing at the Desert Haven and Golden Apartments permanent supportive housing sites for homeless and chronically homeless individuals and families to \$0. The family will pay the applicable Streamlined Lease Assistance (MTW Activity 22) rent, with a minimum rent of \$0.

Supportive Services Requirement

This activity also permits HACSB to require career-able (non-elderly and non-disabled) families paying the minimum rent to participate in services offered through HACSB's Family Empowerment Services (FES) team. The Head of Household will be required to sign an individual training and services

plan (ITSP) with the primary objective of increasing the family’s earned income. This component was approved in HACSB’s FY 2019 Annual MTW Plan. However, implementation of this requirement was on hold due to capacity within the FES team.

Activity 10: Minimum Rent				
CE #5: Increase in Tenant Rent Share				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars).	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share in dollars for minimum rent households	Average tenant rent share for minimum rent households prior to implementation of the activity is \$33.	The average tenant rent share for minimum rent households will increase by \$40 to \$73.	The actual average tenant rent share for minimum rent households is \$141.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 10: Minimum Rent				
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of households with TTP at or less than \$125 in dollars.	The average earned income for PH and HCV households with TTP at or less than \$125 prior to implementation of this activity is \$718.	The average earned income for households with TTP at or less than \$125 will increase to \$774.	The average earned income for households with TTP less than or equal to \$125 is \$1,362.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 10: Minimum Rent

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline⁵	Benchmark	Outcome⁶	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time	Head(s) of work-able households employed full-time in FY 2016 is 6.	The number of heads of household employed full-time is not expected to change as a result of this activity.	Heads of work-able households employed full-time is 21.	Yes, the outcome meets and exceeds the benchmark for this metric. The outcome is believed to be the result of other MTW activities.
	Percentage of total work-able households employed full-time in FY 2016 is 9%.	The percentage of work-able households employed full-time is not expected to change as a result of this activity.	Percentage of total work-able households employed full-time is 9%.	Yes, the outcome meets and exceeds the benchmark for this metric. The outcome is believed to be the result of other MTW activities.

⁵ Pre-implementation data for categories 1, 2, 3, 4, and 6 of this metric is unavailable. Baseline figures represent FY 2016 data. Baseline data from 2016 reflects 7% of all minimum rent families and 7% of work-able minimum rent families.

⁶ Outcomes for SS #3 are based upon self-reported data collected from families and may not include all active families.

Activity 10: Minimum Rent – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(2) Employed Part-Time	Head(s) of households employed part-time in FY 2016 is 14.	The number of heads of household employed part-time is not expected to change because of this activity.	Heads of work-able households employed part-time is 25.	Yes, the outcome meets and exceeds the benchmark for this metric. The outcome is believed to be the result of other MTW activities.
	Percentage of total work-able households employed part-time in FY 2016 is 22%.	The percentage of work-able households employed part-time is not expected to change because of this activity.	Percentage of total work-able households employed part-time is 10%.	No, the outcome does not meet the benchmark for this metric.
(3) Enrolled in an Educational Program	Head(s) of households enrolled in an educational program in FY 2016 is 8.	The number of heads of household enrolled in an educational program is not expected to change because of this activity.	Heads of work-able households enrolled in an educational program is 12.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities.
	Percentage of total work-able households enrolled in an educational program in FY 2016 is 12%.	The percentage of work-able households enrolled in an educational program is not expected to change because of this activity.	Percentage of total work-able households enrolled in an educational program is 5%.	No, the outcome does not meet the benchmark for this metric.

Activity 10: Minimum Rent – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(4) Enrolled in Job Training Program	Head(s) of households enrolled in a job training program in FY 2016 is 2.	The number of heads of household enrolled in a job-training program is not expected to change as a result of this activity.	Heads of work-able households enrolled in a job training program is 5.	Yes, the outcome meets the benchmark for this metric. The outcome is believed to be the result of other MTW activities.
	Percentage of total work-able households enrolled in a job training program in FY 2016 is 3%.	The percentage of work-able households enrolled in a job-training program is not expected to change as a result of this activity.	Percentage of total work-able households enrolled in a job training program is 2%.	No, the outcome does not meet the benchmark for this metric.
(5) Unemployed	Head(s) of households unemployed prior to implementation of the activity is 45.	The number of unemployed minimum rent heads of household is expected to be no more than 90% of all minimum rent heads of household.	Heads of work-able households unemployed is 196 (81%).	Yes, the outcome meets the benchmark for this metric.
	Percentage of total work-able households unemployed prior to implementation of the activity is 69%	The percentage of work-able unemployed minimum rent households is expected to be no more than 90% of all work-able minimum rent heads of household.	Percentage of total work-able households unemployed is 81%	Yes, the outcome meet the benchmark for this metric.

Activity 10: Minimum Rent – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(6) Other	Head(s) of households engaged in other activities in FY 2016 is 8.	The number of heads of household engaged in other activities is not expected to change as a result of this activity.	Heads of work-able households engaged in other activities is 19.	Yes, the outcome meets and exceeds the benchmark for this metric
	Percentage of total work-able households engaged in other activities in FY 2016 is 12%.	The percentage of work-able households engaged in other activities is not expected to change as a result of this activity.	Percentage of total work-able households engaged in other activities is 8%.	No, the outcome does not meet the benchmark for this metric.

Activity 10: Minimum Rent				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number).	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of minimum rent households receiving TANF assistance.	Number of minimum rent households receiving TANF assistance prior to implementation of the activity is 30 of 286 (10.5% of all minimum rent households).	The number of minimum rent households receiving TANF after implementation of the activity is expected to be no more than 50%.	Number of minimum rent households receiving TANF is 36 (9%).	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 10: Minimum Rent
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for “self-sufficiency” to use for this metric. Each time the PHA uses this metric, the “Outcome” number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>Number of minimum rent households transitioned to self-sufficiency. For purposes of this activity, “self-sufficiency” is defined as having a total gross household income at or above 80% of the Area Median Income for the family size (at the time of end of participation).</p>	<p>The number of minimum rent households transitioned to self-sufficiency prior to implementation of the activity is 0.</p>	<p>The number of minimum rent households expected to transition to self-sufficiency after implementation of the activity is 0.</p>	<p>The number of minimum rent households transitioned to self-sufficiency is 0.</p>	<p>Yes, the outcome meets the benchmark for this metric.</p>

Activity 10: Minimum Rent

Local Metric: Number of Participants with Flexibility to Reduced or Postponed Minimum Rent

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of Permanent Supportive Housing (PSH) minimum rent participants with reduced or postponed minimum rent.	The number of PSH minimum rent participants with reduced or postpone minimum rent prior to implementation of activity is 0.	The expected number of PSH minimum rent participants with reduced or postponed minimum rent after implementation is less than 90% of PSH units (69 units).	The number of PSH minimum rent participants with flexibility to reduced or postponed minimum rent is 24 (34.8%).	Yes, the outcome does meet the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

In FY 2023 we added a local metric in the MTW Report to report on the families who are paying less than \$125 due to the minimum rent reduce and postpone flexibility.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 11: Local Project-Based Voucher Program

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval.
- FY 2010: Clarified components of the activity through FY 2010 Annual MTW Plan, Amendment 3. Implemented September 2010.
- FY 2015: Modification proposed through our FY 2015 Plan, Amendment 1B, but not approved by HUD. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 MTW Plan.
- FY 2018: Modification to expand unit types eligible for project-based vouchers and add a work and/or supportive services requirement.
- FY 2019: Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes. A modification to allow HACSB to apply alternative occupancy standards in special circumstances was included in our FY 2019 Annual MTW Plan, Amendment 1.
- FY 2022: Modified to consider all PBV units included under a single contract as one building for purposes of determining the number of HQS inspections to be performed.
- FY 2023: Modification to allow PBV units to remain on the PBV contract even if the unit is not leased or no Housing Assistance Payment (HAP) paid for more than 180 days.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to increase housing choices for eligible low-income families.

HACSB's Local Project-Based Voucher (PBV) program is intended to increase the availability of quality housing units. The expansion of our housing authority and/or our affiliate nonprofit-owned housing stock will allow us to continue to reinvest net income into the acquisition of additional affordable housing units. The flexibilities included under this activity are:

- Up to 100% percent of units in any development may be project-based;
- Up to 30% of HACSB's MTW baseline number of units may be allocated for PBV (including RAD-PBV units);
- PBV will be allocated to all of the public housing units approved for disposition other than 27 units to be rehabilitated in conjunction with the County Department of Behavioral Health (308 PBV units);
- Households residing in PBV units will not have automatic priority to receive tenant-based vouchers after one year, but instead will have such a priority after two years;

- A local PBV HAP contract which modifies the terms and conditions of the HAP contract, including the ability to execute PBV HAP contracts for groupings of non-contiguous scattered-site properties and to contract for a total number of units by bedroom size within a development rather than for specific units;
- An over-housed household residing in a Public Housing unit that is disposed of and converted to a project-based voucher may remain in its unit and HACSB will subsidize the household based on the size of the unit, not the qualifying voucher size;
- HACSB may require an under-housed household residing in a Public Housing unit that is disposed of and converted to a Project-Based Voucher to move with a voucher for the number of bedrooms for which the household qualifies;
- For a unit other than former Public Housing units, HACSB may designate the unit as a PBV unit and allow an in-place household for which the unit is a wrong-sized unit to remain in occupancy for up to one year, if the owner agrees to accept a PBV contract rent that does not exceed the HACSB subsidy standard for the household for the initial term of the lease.
- Initial contract rent for units owned by HACSB as defined in the PBV regulations may be determined using an HACSB market study that will consider local rental submarkets, in lieu of the requirement to use an independent entity with rents based on an appraisal by a state-certified appraiser.
 - This flexibility is applied to the first two phases of the Waterman Gardens public housing revitalization project, where single-fund flexibility is utilized to increase RAD contract rents to match local market rent levels, thereby allowing us to generate more private debt and equity necessary for new construction.
 - This component does not apply to the third and final phase of the Waterman Gardens RAD conversion and redevelopment (please see Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments for more information about the rent and subsidy calculations applicable to phase three.)
- The rents for Rental Assistance Demonstration (RAD) units will equal the maximum specified under the RAD Notice. This component does not apply to the third and final phase of the Waterman Gardens RAD conversion and redevelopment (please see Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments for more information about the rent and subsidy calculations applicable to phase three.)
- HACSB may project-base vouchers for unit types which are not allowable under traditional regulatory PBV. The types of housing which may be assisted through PBV include the following:
 - Shared housing (up to one person per bedroom);
 - Units on the grounds of a penal, reformatory, medical, mental health, or similar public or private institution;
 - Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care;
 - Manufactured homes;

- Transitional housing;
 - Single-room occupancy;
 - Congregate housing;
 - Other housing types as needed.
- Where appropriate, HACSB will partner with universities, state and local government, and other stakeholders to develop housing and service delivery programs which leverage HACSB and partner resources. Where appropriate and feasible, programs will include both housing and related health care, education, job preparedness, and/or other necessary supportive services for individuals assisted through the programs.
 - To ensure that assisted families receiving on-site supportive services through an HACSB partner continue to reside at the location where the services are provided, HACSB may not provide a tenant-based voucher upon completion of the initial two-year term of assistance. Assisted families will be notified at move-in as to whether they will be eligible to receive a tenant-based voucher.
 - HACSB will utilize flexibility in applying occupancy standards for existing and/or new project-based voucher developments. The flexibility will be applied at HACSB's discretion based on a determination of need and circumstances related to a specific development, and will include the following components:
 - Alternative Occupancy Standards: Project-based voucher units are subject to HACSB's traditional occupancy standards, which are currently set at a minimum of two persons per bedroom. However, in certain circumstances, HACSB will permit certain project-based units to be occupied using an alternative occupancy standard of up to two persons per bedroom. This flexibility will allow a family to be over-housed by occupying a larger unit than would normally be permitted under the occupancy standards. (Example: a two-person family may lease a two-bedroom unit.)
 - Written Agreement: Prior to exercising this flexibility, HACSB and the PBV owner/manager will enter into a written agreement which specifies the circumstances under which the alternative occupancy standards may be used, including a requirement for the owner/manager to first undertake and demonstrate a reasonable effort, as defined by HACSB, to lease the subject unit to a family using the traditional occupancy standards.
 - Alternative Subsidy Standards: in the event that the alternative occupancy standards are applied, the HAP for the subject project-based unit will be based on the actual unit size.

This modification is used to prevent under-utilization of project-based vouchers in certain circumstances. For example, the flexibility offered by this modification allows the Loma Linda Veterans Village apartment development to provide housing to low-income veteran families. The development is comprised of 87 units, 18 of which are three-bedroom project-based voucher (PBV) units for veteran families. Under the traditional occupancy standards, the three-bedroom units may only be occupied by five- or six-person families. The development began leasing in Fall of 2018, and management had great difficulty in identifying large veteran families to occupy the three-bedroom units under the current traditional occupancy

standards. As a result, the units were held vacant while the owner/manager attempted to recruit a five- or six-person family. The flexibility permitted through this component of this activity permitted the three-bedroom units to be leased to smaller low-income veteran families who are in dire need of housing and aligns with HACSB's strategic goal to ensure that no eligible family waits longer than ten days for assistance.

- HACSB may allow all PBV units to remain on the PBV contract even if the unit is not leased or no housing assistance payment (HAP) is made for more than 180 days. During the term of the HAP contract, HACSB will not temporarily remove units from the contract that are vacant for over 120 days or in which no HAP has been paid for 180 days. Unit substitutions may occur when possible. HACSB may permanently remove units during the term of the HAP contract if the owner has failed to make good faith efforts to fill vacancies or is in violation of Housing Quality Standards. Regulations currently require units to be removed from the PBV contract if no HAP has been paid for more than 180 days. This modification will allow an increase in accessibility to housing for some of our most vulnerable population, such as No Child Left Unsheltered (NCLU) customers, by allowing HACSB to keep units under PBV contract that will in turn allow rapid housing options for these customers, rather than removing and re-adding units numerous times through a time-consuming process and the PBV unit remaining vacant during that process.

Rent Reasonableness, HAP, and Vacancy Payments (Shared Housing Units)

HACSB will use its Local Payment Standard (LPS) to determine rent reasonableness and maximum HAP. If a shared housing unit is not fully occupied, HACSB will pay the full HAP for the unit for up to sixty days. After sixty days, the HAP will be prorated to reflect the percentage of occupied bedrooms.

Housing Quality Standards (HQS) Inspections Standards – Number of Inspections to be Performed

HACSB will allow all project-based voucher (PBV) units included under a single contract to be grouped as a single building for the purpose of determining the number of HQS inspections to be performed. Currently, regulations require that 20% of the units in each building in a project be inspected annually or biennially. For scattered site projects and those that include multiple buildings on one site, the inspection requirement results in HACSB inspecting more than 20% of the total units under PBV contract. For example, a PBV contract that includes ten duplex buildings (20 total PBV units) would currently require one inspection per duplex (ten inspections). Under this modification, HACSB will instead inspect 20% of the 20 total units (4 inspections).

Additional Requirements

Our approved FY 2018 Annual MTW Plan included the addition of a requirement for the PBV project developer/manager to administer a work requirement and/or supportive services program for some project-based voucher (PBV) contract awards. This component has not yet been implemented but is expected to be utilized in the future.

The requirement will apply only if the number of PBV units exceeds a reasonable number or percentage of the total units in the development. The requirement will not apply to developments where conflicting regulation or law exists. HACSB intends to apply this requirement only to new PBV awards. A work requirement and/or supportive services requirement would not be applied to existing PBV contracts unless agreed upon by the owner.

When a PBV award includes a work requirement, the work requirement will apply only to non-elderly and non-disabled (career-able) families residing in PBV units. Adult family members will be required to participate in work-related activities for a minimum of fifteen hours per week. Work-related activities shall include activities removing barriers to gainful employment, activities leading to gainful employment, and employment. HACSB will require the developer/manager to provide supportive services to these families. Supportive services may include but are not limited to: job skills/employment coaching and job search services, life skills classes, and other services designed to help families meet the work requirement.

For some PBV awards, HACSB may include a supportive services requirement only. Supportive services may include but are not limited to: educational and employment services, life skills classes, assistance accessing community resources, and other services.

Activity 11: Local Project-Based Voucher Program				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total cost of awarding PBV contracts.	Total average cost of awarding PBV contracts prior to implementation of the activity is \$3,438.60. Cost calculation: 60 hours X \$57.31 hour (2015 loaded labor rate)	The expected average cost of awarding PBV contracts after implementation of this activity is \$1,719.30 (50% of baseline).	Actual average cost of awarding PBV contracts is \$687.72. There were no PBV Requests for Proposal in FY 2023. Cost calculation: 12 hours per contract X \$57.31/hour	Yes, the outcome meets and exceeds the benchmark for this activity.

Activity 11: Local Project-Based Voucher Program
CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total average staff time to award PBV contracts.	Total average amount of staff time dedicated to awarding PBV contracts prior to implementation of the activity is 60 hours per contract.	The expected average amount of staff time to award PBV contracts under this activity will decrease by 50%.	The actual average amount of staff time to award PBV contracts under this activity is 12 hours per contract. There were no PBV Requests for Proposal in FY 2023.	Yes, the outcome meets the benchmark for this activity.

Activity 11: Local Project-Based Voucher Program
HC #4: Displacement Prevention

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	Households losing assistance/moving prior to implementation of the activity (number).	Expected households losing assistance/moving after implementation of the activity (number).	Actual households losing assistance/moving after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households at or below 80% AMI that would lose assistance or need to move.	Households losing assistance/moving prior to implementation of the activity is 0. (FY 2015 data used to establish baseline as pre-implementation data is unavailable)	Expected households losing assistance/moving after implementation of the activity is 0.	Displacement was prevented for 1,121 households with income at or below 80% of AMI residing in HACSB PBV units at the end of FY 2023.	Yes, the outcome meets the benchmark for this metric.

Activity 11: Local Project-Based Voucher Program				
Local Metric: Units of Project-Based Voucher Assistance Added to the HACSB Portfolio				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of units added to the HACSB portfolio because of this activity.	349 units. At the time of implementation 3.76% of the HACSB portfolio consisted of PBV units.	1,856 units. Total PBV units, including units owned by HACSB or its affiliates, will increase to no more than 30% of the HACSB portfolio.	2,637 current and committed PBV units. HACSB has increased its PBV units to 27% of its MTW portfolio (2,637 current and committed units/9,836 MTW baseline units)	Yes, the outcome meets the benchmark.

iii. Actual Non-Significant Changes

None. iv. Actual Changes to Metrics/Data Collection

The benchmark for the local metric was revised through the FY 2019 MTW Report to align with the 30% PBV unit cap established through this activity.

The previously reported standard metric (HC #1: Additional Units of Housing Made Available) was removed per HUD’s request during the approval process for HACSB’s 2015 Annual MTW Plan. The data previously reported using HC #1 will now be reported using the local metric listed above.

Pre-implementation baseline data for standard metric HC #4 is unavailable. In accordance with written instruction from HUD, data from the first fiscal year for which this metric was reported (FY 2015) was used to establish the baseline.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 12: Local Payment Standards and Alternative Flat Rents

i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial approval.
- FY 2011: Implemented on July 1, 2011, for all new lease ups and recertifications.
- FY 2012: Modified to use the maximum subsidy as determined through HACSB's annual market rent study as the guideline in determining the contract rent for voucher units.
- FY 2015: Modification proposed but not approved via Amendment 1B to our FY 2015 Plan. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 Annual MTW Plan.
- FY 2017: Modified to apply Local Payment Standards as the maximum flat rent for Public Housing units.
- FY 2019: Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.
- FY 2022: Authorization to apply this activity to participants of the Emergency Housing Voucher (EHV) program was received from HUD in July 2021, through a waiver request. That approval, though not granted through the HUD MTW Office, was included in our FY 2022 Annual MTW Plan for informational purposes.
- FY 2023: Modified to allow HACSB to conduct mid-year revisions to the Local Payment Standards.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to increase housing choices for eligible low-income families.

The activity applies to MTW, VASH, and EHV households.

This MTW activity allows HACSB to conduct a market assessment to identify submarket areas and develop Local Payment Standards for those submarket areas in lieu of the HUD-prescribed Fair Market Rents (FMR). The resulting Local Payment Standards accurately reflect the diverse rental submarkets that exist across the geographically vast and diverse San Bernardino County. Additionally, a non-significant modification made through our approved FY 2023 Annual MTW Plan allows HACSB to revise the LPS mid-year, if necessary, based on local rental market conditions.

Our FY 2017 Annual MTW Plan expanded the use of Local Payment Standards to replace the HUD-published FMR as the indicator for establishing flat rents in the HACSB public housing portfolio. The annually established Local Payment Standards by submarket and bedroom size are used to determine the maximum flat rent that can be charged to Public Housing residents. The actual flat rent may fall below the Local Payment Standard based on a comparison of like units in the same area consistent with standard industry rent comparable practices. If an annual review of the Local Payment

Standards indicates an increase or decrease of more than 10% from the current rate, the public housing flat rent will be re-assessed. The new flat rents will be applied in accordance with the rent increase process as detailed in our Admissions and Continued Occupancy Policy and related Codes of Federal regulation that govern our Public Housing program.

Since implementation, this activity has shown a significant improvement in the number of families able to move to areas of opportunity. We have met or exceeded the benchmarks for our local metric, which measures the number of households residing in the two submarkets with the highest poverty and minority concentration. This change reflects an increase in the number of families that have relocated out of these submarkets into other areas of greater opportunity. HACSB anticipates that the number of families relocating to areas of greater opportunity will continue as a result of this activity.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the general public, HACSB may implement temporary change(s) to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- The 2020 annual review and update to the Local Payment Standards was delayed due to the limited availability of a third-party consultant to perform the market assessment. Additionally, the availability of market data for vacant units was limited by the extremely low vacancy rates, which ranged from two to four percent in different areas of the County.
- On January 20, 2022, HACSB received authorization for a temporary waiver through Notice PIH 2021-34 to establish payment standards up to 120% of the HUD-published FMR to support HACSB’s leasing efforts. Temporary Local Payment Standards were implemented using this waiver authority effective March 9, 2022, and expired December 1, 2022.

Emergency operations have ended, and normal operations have resumed. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 12: Local Payment Standards
CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total cost to calculate and apply payment standards.	Total cost to calculate and apply payment standards prior to implementation of the local payment standards activity is \$15,754.70. Cost calculation: 470.43 hours X \$33.49 (2015 loaded labor rate) (FY 2015 data used to establish baseline)	The cost to calculate and apply payment standards in future years is not expected to change. (The baseline value is based on FY 2015, and the activity is fully implemented)	\$17,247.35. Cost calculation: 515 hours X \$33.49	No, the outcome does not meet the benchmark for this activity.

**Activity 12: Local Payment Standards
CE #2: Staff Time Savings**

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total staff time to calculate and apply payment standards.	470.43 hours spent in FY 2015. (FY 2015 data used to establish baseline as pre-implementation data is unavailable) Staff Time Calculation: 2.7 minutes per file to identify/apply payment standard X 10,454 total actions (recertifications, moves, interims, and port-ins)	No change is anticipated in future years. (The baseline value is based on FY 2015, and the activity is fully implemented)	515 Hours.	No, the outcome does not meet the benchmark for this activity.

Activity 12: Local Payment Standards
HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	Households losing assistance/moving prior to implementation of the activity (number).	Expected households losing assistance/moving after implementation of the activity (number).	Actual households losing assistance/moving after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households at or below 80% AMI that would lose assistance or need to move.	Households losing assistance/moving prior to implementation of the activity is 308. (FY 2015 data used to establish baseline)	The expected number of households losing assistance/moving after implementation of the activity is not expected to change.	The number of households that would have lost assistance or had to move without this activity is 1,312.	Yes, the outcome meets the benchmark for this activity.

Activity 12: Local Payment Standards
Local Metric: Average HAP Cost

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average HAP cost for MTW units.	The average HAP cost of MTW units prior to implementation of this activity is \$535.87. (FY 2015 data used to establish baseline as pre-implementation data is unavailable)	The average HAP cost for MTW units is not anticipated to change in future years as a direct result of this activity. The baseline value is based on FY 2015, and the activity is fully implemented at this time.	The average HAP of MTW units is \$1,254.	No. However, the change is believed to be the result of increasing market rents and annual updates to payment standards, which are unrelated to the flexibility authorized through this activity.

Activity 12: Local Payment Standards				
Local Metric: Households Able to Move from Areas of Poverty and/or Minority Concentration				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Percentage of households residing in submarkets 2 and 6	The percentage of households residing in submarkets 2 and 6 prior to implementation are: Submarket 2: 25% Submarket 6: 21%	The percentage of households residing in submarkets 2 and 6 will decrease by a total of 8% in three years (2014). Submarket 2: 21% Submarket 6: 17%	The percentage of households residing in submarkets 2 and 6 reflect a 17.5% total decrease: Submarket 2: 18.5% (6.5% decrease) Submarket 6: 10% (11% decrease)	Yes, the outcome meets and exceeds the benchmark for this activity.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

The time study method was revised for the FY 2019 MTW Report. A sample of files was selected for the study and tracked to determine the total time spent identifying and applying the correct Local Payment Standard. HACSB intends to use this method for all future time studies.

Standard metrics CE #1 and CE #2 were added in HACSB’s 2015 Annual Plan per HUD’s request. The objective of the activity is to increase housing choices for low-income families and has resulted in some additional staff time spent to establish and apply the local payment standards. As a result, HACSB does not anticipate that these metrics will reflect a decrease in agency cost savings or staff time savings as a direct result of this activity.

The previously reported metric *HC #5: Increase in Resident Mobility* was corrected per HUD’s comments during the approval process for HACSB’s 2015 Annual MTW Plan. The data previously reported using HC #5 is reported using the local metric *Households Able to Move from Areas of Poverty and/or Minority Concentration*. HC #5 reflects the number of households whose contract rent exceeds 110% of the HUD-Published Fair Market Rent (FMR) and therefore would not be able to lease the selected unit without the HACSB Local Payment Standard Activity. The baseline for this metric was corrected in FY 2018.

Pre-implementation baseline data for standard metrics CE #1, CE #2, and the first local metric is unavailable. In accordance with written instruction from HUD, data from the first fiscal year for which these metrics were reported (FY 2015) was used to establish the baseline.

The local metric *Average HAP Cost* was added through our FY 2015 Annual MTW Report to identify potential HAP savings related to this activity.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 13: Local Inspection Policies

i. Plan Year Approved, Implemented, Amended

- FY 2010: Initial approval. Implemented on May 1, 2011.
- FY 2015: Modified to expand biennial inspections to all MTW units.
- FY 2016 and FY 2017: Expanded biennial inspections implemented across all MTW units.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.
- FY 2022: Authorization to apply this activity to participants of the Emergency Housing Voucher (EHV) program was received from HUD in July 2021, through a waiver request. That approval, though not granted through the HUD MTW Office, is included in our Annual MTW Plan for informational purposes.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity allowed HACSB to develop and implement local inspection standards for the Housing Choice Voucher (HCV) program that have increased operational efficiencies and ensured better housing options for low-income families. All MTW and EHV units are inspected biennially through this activity.

In FY 2013, HACSB completely outsourced our HCV inspections. This change resulted in additional staff time and cost savings. We continue to perform quality checks of our portfolio for accuracy, inspection standards, and customer satisfaction. We anticipate that the cost and time savings will continue in future years.

A modification to this activity was approved via our FY 2015 Annual MTW Plan. The percentage of units that met our quality standards to qualify for biennial inspections was well above the expected outcome. As a result, the property rating system used to determine the frequency of inspections for each unit was eliminated. Assisted units that were previously inspected annually were moved to a biennial inspection schedule, with 50% of those units inspected in FY 2016 and the remaining 50% inspected in FY 2017. No change was made to HACSB's enhanced local inspection standards.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement temporary change(s) to this activity ("emergency operations") to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with

the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HASCB implemented the following emergency operations for this activity:

- HACSB extended the validity of a family’s most recently completed biennial HQS inspection by one year. The due date of the family’s next biennial HQS inspection was reset to one year from the original due date.
- HACSB deferred in-person initial HQS inspections. While this modification was in place, HACSB accepted self-certification by the family and property owner/manager that the unit met all HQS requirements to allow the family to move in without delay. In some circumstances, HACSB required photographs to accompany the self-certification for some HQS components.
- Inspections were resumed effective March 15, 2021, and HACSB will conduct an in-person HQS inspection to confirm that units meet HQS requirements. Deferred initial HQS inspections are prioritized for processing. If the unit does not pass the in-person HQS inspection, HACSB will follow the same policies and procedures applicable to failed biennial inspections.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 13: Local Inspection Policies				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total annual cost to conduct inspections	Total expenses for inspections is \$707,551	Total expenses for inspections is \$579,392 in two years	\$468,078. Calculation of Cost: \$2,700 Staff cost, \$465,378 Contract cost	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 13: Local Inspection Policies
CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total time to complete HQS inspections in staff hours.	Total amount of staff time to complete HQS inspections prior to implementation of the activity was 15,571 hours. Staff Time Calculation: 1.3 hours per inspection X 11,978 inspections performed.	Expected amount of total staff time dedicated to the task after implementation of the activity is 12,282 hours.	80.64 hours. Staff Time Calculation: 0.64 hours per inspection X 126 inspections performed.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 13: Local Inspection Policies
CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual average error rate of task after implementation of the activity (percentage).	Whether the outcome meets or exceeds the benchmark.
Average error rate in inspections.	Average error rate of inspections prior to implementation of the activity is 19% (4 errors in 21 files). (FY 2015 data used to establish baseline as pre-implementation data is unavailable)	The average error rate of inspections is not expected to change in future years. (Baseline data is post-implementation)	Actual error rate is 5.6% (7 errors in 126 files).	Yes, the outcome meets and exceeds the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

The time study method was revised for the FY 2019 MTW Report. A sample of files were selected for the study and were tracked in real-time to determine the total time to conduct and process the inspection. HACSB intends to use this method for all future time studies. However, a time study could not be performed for FY 2020 or FY 2021 due to the COVID-19 pandemic and the postponement of most in-person inspections. HACSB did not use an in-person time study for inspections for FY 2022 and this year as well. Instead, HACSB utilized data from FY 2019, adding a time inflation factor based on the change in recertification time from FY 2022 to FY 2023, as determined through the time study conducted for recertifications. Standard Metric CE #3 reflects only HACSB staff time. Prior to the FY 2020 Annual MTW Report, the total staff time also included time spent by contracted inspectors.

Standard metrics CE #2 and CE #3 were added in HACSB’s 2015 Annual Plan per HUD’s request. The objective of the activity is to achieve agency cost savings. As a result, HACSB does not anticipate that these metrics will reflect a decrease in error rates related to this task or an increase in staff time savings as a direct result of this activity.

Pre-implementation baseline data for standard metric CE #3 is unavailable. In accordance with written instruction from HUD, data from the first fiscal year for which this metric was reported (FY 2015) was used to establish the baseline.

The previously reported standard metric *HC #1: Additional Units of Housing Made Available* was removed per HUD's comments during the approval process for HACSB's 2015 Annual MTW Plan.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 14: Local Asset Management Program

i. Plan Year Approved, Implemented, Amended

- FY 2010: Initial approval.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

The First Amendment to the Standard MTW agreement executed on May 21, 2009, allowed HACSB to design and implement a local asset management program. As per our FY 2012 MTW Annual Plan and in accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elected to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. Detailed information is provided in Appendix A.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 18: Property Management Innovation

i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on January 1, 2012.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity allowed HACSB to develop a property management innovation program that reflects private sector property management principles. This activity applies to all Public Housing units, including units converted under the Rental Assistance Demonstration (RAD) program. The objective is to implement policies used in the private sector to decrease management costs, improve the quality of our units, and assist our tenants in becoming familiar with private sector property management principles. All residents signed a new lease which incorporated all the changes proposed in the activity. The lease reflected the following changes approved through our FY 2011 plan:

- a. 3-Day Notice to Pay or Quit (previous policy was 14 days). This component was eliminated due to the RAD conversion of our Public Housing portfolio.
- b. NSF fees of \$25.00 for first and \$35 for additional items (previous policy was \$25.00).
- c. Late fees increased from \$20 to \$50.
- d. Security deposits equal to one month's market rent (current security deposit charged is \$500.00).
- e. Implement a holding deposit of \$200.00.
- f. Agency will choose lower of flat rent, or 30% income rent for residents.
- g. Grievance Process – Previous two step process was replaced with a single on-site settlement conference with staff for timely and effective resolutions to issues. This component was eliminated due to the RAD conversion of our Public Housing portfolio.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement the following temporary change to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our

offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HASCBS implemented the following emergency operations for this activity:

- HASCBS will use remote meeting options whenever possible for actions within this activity which require a meeting between HASCBS employees and assisted families, such as the modified grievance process (settlement conference).

Emergency operations have ended and have returned to normal operations. However, HASCBS continues to offer remote and virtual service options for some interactions. Emergency operations may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

Activity 18: Property Management Innovation				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total cost for arbitration services (decrease)	Cost of task prior to implementation of the activity is \$6,550.	Expected costs for arbitration services after implementation of the activity is \$0.	Actual arbitration services cost is \$0.	Yes, the outcome meets the benchmark for this metric.
Average per unit contract vacancy turnaround expenses (decrease)	Cost of task prior to implementation of the activity is \$14 per unit month. (9/30/2011)	Expected average per unit contract vacancy turnaround expenses after implementation of the activity is \$45 per unit month.	Actual average per unit contract vacancy turnaround expenses is \$37.58 per unit month.	Yes, the outcome meets the benchmark for this metric.

**Activity 18: Property Management Innovation
CE #2: Staff Time Savings**

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total staff hours to complete settlement conferences (formerly Grievance Processes).	Staff time spent on informal hearings in CY 2011 is 5.4 hours per hearing (76 hours total / 14 hearings).	Expected amount of staff time spent on informal hearings will decrease by 2.7 hours per hearing (50%).	0 Hours in FY 2023.	Yes, the outcome meets and exceeds the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

As a result of the conversion of HACSB’s Public Housing sites through the Rental Assistance Demonstration (RAD) program, families residing at the formerly Public Housing sites may choose to exercise mobility with a tenant-based voucher. This change has resulted in increased vacancies at the sites, which has increased total unit turnaround expenses. HACSB anticipated that the RAD conversions would result in increased unit turnover and requested from HUD authorization to apply its MTW Activity #7, Controlled Program Moves, to mitigate the impact of the conversions by permitting families to exercise mobility after two years of residence. This request was not granted. Through its FY 2021 Annual MTW Plan, HACSB revised the benchmark for the average per unit vacancy turnaround expenses component of metric CE #1 from \$11 per unit month to \$45 per unit month. Overall, the cost associated with vacancy turnaround expenses have increased as well as a drastic increase in the number of vacancies/evictions after the COVID-19 eviction moratoriums had expired. In FY 2023, HACSB completed 31 backlog vacancies at one of our properties that were on hold since

2018. The backlog vacancies for this property were due to the RAD conversion rehab plan that was later not approved by HUD for the additional funding. Therefore, the units had to be turnaround in-house. HACSB will continue to monitor turnaround expenses resulting from the increased unit turnover and determine if strategy revisions are needed.

Activity 19: Local Family Self-Sufficiency Program

i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on July 1, 2012.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head 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. This activity was closed out through our FY 2024 Annual MTW Plan. As of September 30, 2023, there were no participants enrolled in the Local FSS program.

HACSB has developed a pilot Local Family Self-sufficiency (FSS) program to help families in their self-sufficiency efforts. Through our Local FSS program, program participants are eligible to receive the balance of their escrow savings account at the end of their FSS contract if they voluntarily terminate their assistance from the Housing Choice Voucher or Public Housing program due to self-sufficiency efforts. Families may also withdraw a portion of their FSS escrow savings balance during participation in the Local FSS program for certain self-sufficiency-related activities.

Activity 19: Local FSS Program
SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of households participating in HACSB's FSS program.	The average earned income of households participating in HACSB's Local FSS program prior to implementation of this activity is \$0. (No families were participating in the Local FSS program prior to implementation)	The expected average earned income of households participating in HACSB's local FSS program is \$8,000 within two years of implementation.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023. .	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program
SS #2: Increase in Household Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy in dollars (increase).	Average savings/escrow amount of households affected by this policy prior to implementation of the activity (in dollars). This number may be zero.	Expected average savings/escrow amount of households affected by this policy after implementation of the activity (in dollars).	Actual average savings/escrow amount of households affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of FSS escrow of households participating in the Local FSS Program.	Average amount of FSS escrow of households participating in the Local FSS Program prior to implementation of this activity is \$0. (No families were participating in the Local FSS program prior to implementation)	Expected average escrow amount of households participating in the Local FSS Program after implementation of the activity is \$702.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome ⁷	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time	Head(s) of work-able households with full-time employment prior to implementation of the activity is 0.	Expected head(s) of households with full-time employment after implementation of the activity is 20.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able households with full-time employment prior to implementation of activity is 0%.	Expected percentage of total work-able households with full-time employment after implementation of the activity is 10%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

⁷ Outcomes for SS #3 are based upon self-reported data collected from families and may not include all active families.

Activity 19: Local FSS Program – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(2) Employed Part-Time	Head(s) of work-able households with part-time employment prior to implementation of the activity is 0.	Expected head(s) of households with part-time employment after implementation of the activity is 22.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able households with part-time employment prior to implementation of activity is 0%.	Expected percentage of total work-able households with part-time employment after implementation of the activity is 11%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	
(3) Enrolled in an Educational Program	Head(s) of work-able households enrolled in an educational program prior to implementation of the activity is 0.	Expected head(s) of households enrolled in an educational program after implementation of the activity is 9.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able enrolled in an educational program prior to implementation of activity is 0%.	Expected percentage of total work-able households enrolled in an educational program after implementation of the activity is 5%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	

Activity 19: Local FSS Program – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(4) Enrolled in Job Training Program	Head(s) of work-able households enrolled in job training program prior to implementation of the activity is 0.	Expected head(s) of households enrolled in job training program after implementation of the activity is 3.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able enrolled in job training program prior to implementation of activity is 0%.	Expected percentage of total work-able households enrolled in job training program after implementation of the activity is 4%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

(5) Unemployed	Head(s) of work-able households unemployed prior to implementation of the activity is 0.	Expected head(s) of households unemployed after implementation of the activity is 27.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able unemployed prior to implementation of activity is 0%.	Expected percentage of total work-able households unemployed after implementation of the activity is 14% (percent).	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program – SS #3: Increase in Positive Outcomes in Employment Status (continued)

(6) Other	Head(s) of work-able households participating in other activities, leading to positive outcomes in employment status prior to implementation of the activity is 0.	Expected head(s) of households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 17.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.
	Percentage of total work-able participating in other activities, leading to positive outcomes in employment status prior to implementation of activity is 0.	Expected percentage of total work-able households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 9%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number).	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Percentage of households participating in HACSB's Local FSS program receiving TANF assistance.	The number of households participating in HACSB's Local FSS program receiving TANF assistance prior to implementation of the activity is 0.	The percentage of households participating in HACSB's Local FSS program and receiving TANF assistance is expected to be less than 50%.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program

SS #5: Households Assisted by Services that Increase Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number).	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual number of households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase self-sufficiency	The number of households receiving self-sufficiency services via HACSB's Local FSS program prior to implementation of the activity is 0.	The number of households receiving self-sufficiency services through HACSB's Local FSS program after implementation of the activity is expected to be 125 by 2017.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program

SS #6: Reducing Per Unit Subsidy Costs for Participating Households

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of HAP per household for households participating in HACSB's Local FSS program	The average HAP per HCV household participating in HACSB's Local FSS program prior to implementation of the local FSS program is \$0.	Expected average HAP per household participating in HACSB's Local FSS program after implementation of the activity is \$579.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program

SS #7: Increase in Tenant Rent Share

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share in dollars for households participating in HACSB's Local FSS program.	Average tenant rent share for households served by HACSB's Local FSS program prior to implementation of the activity was \$0.	Expected tenant rent share per household for households participating in HACSB's Local FSS program after implementation is \$443.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

Activity 19: Local FSS Program				
SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households transitioned to self-sufficiency. For this activity, HACSB defines self-sufficiency as graduation from the Local FSS program, which consists of "Termination of housing assistance through the Public Housing or Housing Choice Voucher program due to self-sufficiency efforts."	0 households transitioned to self-sufficiency prior to implementation of the activity.	Expected households transitioned to self-sufficiency under this activity is 1 per year in FY 2014 and beyond.	No families were participating in the Local FSS program at the close of the fiscal year, September 30, 2023. The cumulative total is 6. 0 in FY 2014, 0 in FY 2015, 2 in FY 2016, 1 in FY 2017, 2 in FY 2018, 1 in FY 2019, 0 in FY 2020, 0 in FY 2021, 0 in FY 2022, 0 in FY 2023.	This activity is closed out and no families were participating in the activity as of FYE 2023.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

Standard metrics SS #2, SS #4, SS #5, SS #6, and SS #7 were added in HACSB's 2015 Annual Plan per HUD's request. The baselines for all metrics are zero because no families were participating in HACSB's Local FSS Program prior to implementation.

v. Actual Significant Changes

HACSB has closed out the activity through our FY 2024 Annual MTW Plan.

vi. Challenges in Achieving Benchmarks and Possible Strategies

Although HACSB had enhanced its recruitment efforts over the years for new Local FSS families, very few families opted to join HACSB's traditional FSS program. The activity presented consistent challenges with enrolling new Local FSS participants due to its voluntary nature and requirement to exit housing assistance as a condition of graduation from the program. HACSB has elected to close out this activity through our FY 2024 Annual MTW Plan and is in planning stages for development of a new Local FSS initiative.

Activity 20: Term-Limited Lease Assistance

i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on January 1, 2012. Note: This activity was originally proposed as activity 21 under the title “Term Limits”. It was renumbered as activity 20 with our FY 2012 Plan.
- FY 2013: Renamed from “Term Limits” to “Five-Year Lease Assistance.”
- FY 2015: Modified to include potential termination from the program for noncompliance with the household’s Supportive Services Agreement.
- FY 2016: Modified to include an intake hardship exemption for extremely low-income and Triage Step 3 households and to expand the end-of-term hardship exemption. This modification was not implemented.
- FY 2017: Modified to include income-based subsidy calculation for new families joining the program, requirement for families to lease a unit with no more than one bedroom more or less than their voucher size, a post-assistance tracking survey process, approval to implement incentives for families to move to areas of opportunity and expanded applicability to include career-able ports-in, project-based families exercising mobility, and non-legacy RAD families exercising mobility.
- FY 2018: Modified to include right-size unit restriction, limitation on the approvable amount of rent increases, and a limitation on the amount of subsidy paid on behalf of over-housed families. Title changed to Term-Limited Lease Assistance.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head 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.

The goal of this activity is to enable the families we serve to focus on self-sufficiency efforts while we assist them with their housing needs for a limited term. Families served through this activity are provided with up to five years of housing assistance and supportive services, with the possibility for extension through a hardship exception that may provide up to two years of additional assistance.

This activity applies to new non-elderly and non-disabled households admitted to the Housing Choice Voucher program from HACSB’s waiting list, porting in from another jurisdiction, or exercising mobility from HACSB project-based voucher sites. Currently assisted families who are selected from the wait list during their term of participation in the program may continue their current term of participation but will not be provided a new or extended term of assistance. In such circumstances, the application will be removed from the wait list.

Since implementation, HACSB has partnered with Loma Linda University to conduct a longitudinal study to monitor the families served through this activity, tracking their goals and accomplishments. More information about this study is included in section VI.B. of this Report.

Subsidy Calculation:

Families participating in the activity before November 1, 2017: the housing subsidy is set at 50% of the applicable payment standard for the unit selected by the family.

Families joining the activity on or after November 1, 2017: the subsidy calculation mirrors the Streamlined Fixed Assistance Program for New Non-Elderly/Non-Disabled Households. Under that calculation, the family's rent share is the greatest of 30% of their gross income, the minimum rent, or baseline rent, for the duration of assistance.

Subsidy Limitation:

This component has not been implemented as of December 2022, but may be implemented if needed to mitigate rising Housing Assistance Payment (HAP) costs. HACSB is authorized to apply a subsidy limitation to families participating in the TLA activity. To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB will apply a subsidy limitation to over-housed families. Over-housed families are those who have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher who has chosen to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the applicable HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount. Through this activity, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

HACSB intends to implement this component only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families.

Supportive Services:

During the term of assistance, HACSB also provides supportive services to the family through its Family Empowerment Services (FES) department (formerly known as Career Development Initiatives). Families are required to meet with their FES caseworker at least annually to review their action plan and progress. Services provided to families through the FES team include:

- Needs assessment at intake to identify barriers and areas of need, such as education, job training, childcare, transportation, and other areas;
- Development of an individualized action plan to overcome barriers and needs as identified;
- Access to a Family Stabilization Specialist and Employment Services Specialist through HACSB's partnership with the San Bernardino County Transitional Assistance Department;
- Access to other resources designed to provide the family with meaningful support and tools to enhance the family's chances for success.

Mobility:

For families who initially leased under this activity prior to September 21, 2015, and who port to another jurisdiction during the term of assistance, the term limit will continue to apply unless the household is absorbed by the receiving agency. For families who initially lease under this program on

or after September 21, 2015, the administration of the voucher will be in accordance with the receiving PHA's policies in accordance with the Federal Register notice published September 21, 2015.

Hardship Exemptions:

HACSB recognizes that the expiration of assistance may present a hardship for some families, and has developed hardship exemptions in four categories:

- **Completion of Self-Sufficiency Activity:** to allow the family to complete an educational, job training, or other approved self-sufficiency activity.
- **Unforeseen and Involuntary Loss of Income**
- **Near-Elderly Family:** if the head of household will reach age 62 no later than six (6) months after the end of term or any applicable extension, the household may request a transfer to HACSB's Streamlined Lease Assistance for Elderly/Disabled Families.
- **Other Reasons:** this category allows HACSB to approve an extension of assistance for rare or unusual circumstances, such as PHA error.

To be eligible for a hardship exemption, the family must have complied with all requirements of the program, including the Supportive Services Agreement. Any approved extension shall not exceed two years and shall be approved in increments of six or twelve months as determined by HACSB.

Total Term:

The total term of assistance under the program, including any approved hardship exemption, shall not exceed seven years. Note: This total term limit may be exceeded for families whose end of term was scheduled to take place between April 1, 2020, and September 30, 2020, and who received an automatic six-month extension of assistance through HACSB's emergency operations in response to the COVID-19 pandemic.

Unit Size Limitation:

Beginning July 1, 2021, households admitted to or moving to a new unit under the Term-Limited Assistance (TLA) Program must select a unit whose number of bedrooms is not greater than their voucher size. For example, a family with a two-bedroom voucher may not lease a three-bedroom or larger unit. The intent of this component is to ensure that households choose a unit that is appropriately sized and affordable for their income situation. Over-housed families are also more costly to house than families in right-sized units. HACSB may suspend this requirement in order to improve leasing success, and has done so as of January 2022.xx

Incentive to Move to Areas of High Opportunity:

HACSB may provide incentive to families in the term-limited lease assistance program to move to areas of high opportunity, as identified by HACSB. This component has not been implemented as of May 2023. We continue to monitor and balance program costs with leasing success to determine if implementation of this component is appropriate.

Post-Assistance Tracking Incentive:

HACSB has partnered with Loma Linda University (LLU) to evaluate Term-Limited Lease Assistance families at exit and annually for two years after assistance has concluded. Information is collected through a questionnaire that is returned directly to LLU. Although participation in the survey is

voluntary, a monetary incentive is provided for families completing the survey. Families receive the incentive payment upon completion of each survey. Feedback obtained through the exit study helps HACSB to understand the family perspective and experience in the TLA program.

Rent Increase Limitation:

HACSB was granted authorization through its 2018 Annual MTW Plan to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. This modification would permit HACSB to cap the rent increase at a value less than 10% of the previous contract rent. This modification will provide HACSB with a mechanism to slow the HAP cost increases resulting from continued rent increases.

This component has not yet been implemented. HACSB intends to implement this component only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families, and we continue to monitor leasing success and program costs to determine if implementation of this component is appropriate.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement the following temporary changes to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- To the extent possible, HACSB will conduct annual meetings between TLA participants and their FES caseworker by telephone or using virtual meeting technology. If this is not possible, HACSB will defer the annual meetings until it is safe, feasible, and practical to conduct them in accordance with normal procedures;
- The end of term (EOT) for any TLA participant with an EOT scheduled to occur between April 1 and September 30, 2020, was delayed by six months.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 20: Term-Limited Lease Assistance Program
SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of families affected by this policy in the Term-Limited Lease Assistance Program.	Average earned income of families affected by this policy Year 1 of the activity was \$12,181.	Expected average earned income of affected families will increase by 45% to \$17,662 by 9/30/2015 and by 75% to \$21,317 by 9/30/2018.	Actual average earned income of affected families is \$15,753.	<p>No, the benchmark for 9/30/2018 has not yet been reached. However, there was an overall increase in average income from FY 2022 to FY 2023</p> <p>Note: HACSB is looking into re-benchmarking this metric as it does not capture the full outcome of household progress overtime.</p>

Activity 20: Term-Limited Lease Assistance Program
SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome ⁸	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
(3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

⁸ Outcomes for SS #3 are based upon self-reported data collected from families participating in the TLA program and may not include all active TLA families.

Activity 20: Term-Limited Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(1) Employed Full-Time	Head(s) of work-able households with full-time employment prior to implementation of the activity is 219 in year 1 of this activity.	Expected head(s) of households with full-time employment after implementation of the activity is 271 by FY 2015 and thereafter.	Actual heads of work-able households with full-time employment is 429.	Yes, the outcome meets the benchmark for this metric.
	Percentage of total work-able households with full-time employment prior to implementation of the activity is 32% in year 1 of this activity.	Expected percentage of total work-able households with full-time employment after implementation of the activity is 39% by FY 2015 and thereafter.	Actual percentage of total work-able households with full-time employment is 34%.	No, the outcome does not meet the benchmark for this metric.
(2) Employed Part-Time	Head(s) of work-able households with part-time employment prior to implementation of the activity is 164 in year 1 of this activity.	Expected head(s) of households with part-time employment after implementation of the activity is 172 by FY 2015 and thereafter.	Actual head(s) of work-able households with part-time employment is 162.	No, the outcome does not meet the benchmark for this metric.
	Percentage of total work-able households with part-time employment prior to implementation of activity is 24% in year 1 of this activity.	Expected percentage of total work-able households with part-time employment after implementation of the activity is 29% by FY 2015 and thereafter.	Actual percentage of total work-able households with part-time employment is 13%.	No, the outcome does not meet the benchmark for this metric.

Activity 20: Term-Limited Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(3) Enrolled in an Educational Program	Head(s) of work-able households enrolled in an educational program prior to implementation of the activity is 43 in year 1 of this activity.	Expected head(s) of households enrolled in an educational program after implementation of the activity is 100 by FY 2015 and thereafter.	Actual head(s) of work-able households enrolled in an educational program is 98.	No, the outcome does not meet the benchmark for this metric.
	Percentage of total work-able enrolled in an educational program prior to implementation of activity is 6% in year 1 of this activity.	Expected percentage of total work-able households enrolled in an educational program after implementation of the activity is 14% by FY 2015 and thereafter.	Actual percentage of total work-able households enrolled in an educational program is 8%.	No, the outcome does not meet the benchmark for this metric
(4) Enrolled in Job Training Program	Head(s) of work-able households enrolled in a job training program prior to implementation of the activity is 30 in year 1 of this activity.	Expected head(s) of households enrolled in a job training program after implementation of the activity is 50 by FY 2015 and thereafter.	Actual head(s) of work-able households enrolled in a job training program is 49.	No, the outcome does not meet the benchmark for this metric.
	Percentage of total work-able enrolled in a job training program prior to implementation of activity is 4% in year 1 of this activity.	Expected percentage of total work-able households enrolled in a job training program after implementation of the activity is 7% by FY 2015.	Actual percentage of total work-able households enrolled in a job training program is 4%.	No, this outcome does not meet the benchmark for this metric.

Activity 20: Term-Limited Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(5) Unemployed	Head(s) of work-able households unemployed prior to implementation of the activity is 329 in year 1 of this activity.	Expected head(s) of households unemployed after implementation of the activity is 270 by FY 2015 and thereafter.	Actual head(s) of work-able households unemployed is 681.	No, the outcome does not meet the benchmark for this metric.
	Percentage of total work-able unemployed prior to implementation of activity is 47% in year 1 of this activity.	Expected percentage of total work-able households unemployed after implementation of the activity is 39% or less by FY 2015 and thereafter.	Actual percentage of total work-able households unemployed is 54%.	No, the outcome does not meet the benchmark for this metric.
(6) Other	Head(s) of work-able households participating in other activities, leading to positive outcomes in employment status prior to implementation of the activity is 0 in year 1 of this activity.	Expected head(s) of households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 54 by FY 2015 and thereafter.	Actual head(s) of work-able households participating in other activities, leading to positive outcomes in employment status is 183.	Yes, this outcome meets the benchmark for this metric.
	Percentage of total work-able participating in other activities, leading to positive outcomes in employment status prior to implementation of activity is 0% in year 1 of this activity.	Expected percentage of total work-able households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 8% by FY 2015 and thereafter.	Actual percentage of total work-able households participating in other activities, leading to positive outcomes in employment status is 14%.	Yes, this outcome meets the benchmark for this metric.

Note: We expect that these outcomes will improve as these families increase their income and employment levels during their terms of assistance, and as the local and national economy recover from the fiscal impacts of the pandemic.

Activity 20: Term-Limited Lease Assistance Program				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Percentage of Term-Limited Lease Assistance households receiving TANF assistance.	The number of Term-Limited Lease Assistance households receiving TANF assistance in year 1 of the activity is 267.	The expected number and percentage of Term-Limited Lease Assistance households receiving TANF is less than 600 (50%) ⁹ .	Actual number of Term-Limited Lease Assistance households receiving TANF after implementation of the activity is 740 (40%).	Yes, the outcome meets and exceeds the benchmark for this metric.

⁹ The expected number of Term-Limited Lease Assistance (TLA) households receiving TANF was added to the benchmark and outcome for this metric beginning with HACSB's FY 2017 report. The number is not an accurate representation of the outcomes related to this activity due to fluctuations in the number of households participating in the program. Therefore, the percentage of TLA households receiving TANF is also provided in order to provide a more accurate representation of the changes.

Activity 20: Term-Limited Lease Assistance Program
SS #5: Households Assisted by Services that Increase Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number).	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual number of households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase self-sufficiency (increase)	Households receiving self-sufficiency services in Year 1 of the activity is 695.	The expected number of households receiving services aimed to increase self-sufficiency after implementation of the activity is 100% of families participating in the Term-Limited Lease Assistance Program.	Actual households receiving self-sufficiency services is 1,359 (73%) (1,854 TLA participants for FY 2023)	No, the outcome does not meet the benchmark for this metric. However, there is a significant increase from 2022 to 2023.

Activity 20: Term-Limited Lease Assistance Program
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>For this activity, HACSB defines self-sufficiency as "Termination of housing assistance and other forms of government assistance (TANF, CalWORKs, cash aid, etc.) due to an increase in income in attainment of and/or increased level in employment to transition to market-rate housing or homeownership in the 5-year program timeframe."</p>	<p>Households transitioned to self-sufficiency prior to implementation of the activity is 0.</p>	<p>Expected households transitioned to self-sufficiency after implementation of the activity is 174 or 25% of participating families by September 30, 2017.</p>	<p>Actual households transitioned to self-sufficiency under this activity in FY 2023 is 69. The cumulative total is 786. 0 in FY 2014, 6 in FY 2015 36 in FY 2016, 163 in FY 2017, 217 in FY 2018, 79 in FY 2019, 127 in FY 2020, 11 in FY 2021, 78 in FY 2022, and 69 in FY 2023</p>	<p>No, the outcome does not meet the benchmark for this metric.</p>

Note: The outcome may not fully represent all households meeting the definition of self-sufficiency due to some households do not finish their recertification packet if they were over-income.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 22: Streamlined Lease Assistance

i. Plan Year Approved, Implemented, Amended

- FY 2013: Initial approval.
- FY 2015: Implemented February 1, 2015.
- FY 2016: Modified to add “Streamlined Fixed Lease Assistance for New Non-Elderly/Non-Disabled Households”.
- FY 2017: Modified to add a unit size limitation for tenant-based voucher programs.
- FY 2018: Modified the rent tiers for career-able families currently participating in the Streamlined Tiered Lease Assistance program from 21/24/27/30% to 30/33/36%.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures and the MTW statutory objective to give incentives to families with children whose head 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.

Through this activity, HACSB has implemented an alternative subsidy/rent schedule for households participating in the Housing Choice Voucher and Public Housing programs. The activity applies to:

- Public Housing: all current and new households;
- Housing Choice Voucher: all current and new households, except those admitted to the Term-Limited Lease Assistance Program before November 1, 2017.

The rent for families in the Streamlined Lease Assistance (SLA) program is calculated based on a percentage of gross annual income. A minimum rent and baseline rent also apply. The rent percentages were established based on analysis that included deductions and allowances permitted under traditional program regulations, and therefore no deductions or allowances are applied to the calculated rent amount. Households participate in either fixed assistance or tiered assistance, based upon family type.

Fixed Assistance Program for Elderly/Disabled Households:

Families admitted prior to January 1, 2019: The family’s rent share (TTP) is the greatest of 24% of their gross income, the minimum rent, or baseline rent (described below).

This rent calculation will be applied for Moving On Strategy households (activity #29) when that activity is implemented. No other households are being, or are anticipated to be, enrolled under this rent calculation.

Families admitted on or after January 1, 2019: The family’s rent share (TTP) is the greatest of 30% of their gross income, the minimum rent, or baseline rent (described below). This component was implemented for new families briefed on or after January 1, 2019.

Tiered Assistance Program for Non-Elderly/Non-Disabled (Career-Able) Households:

This component utilizes a tiered schedule to calculate the family rent share (TTP). Families enter at Tier 1 and move to the next tier at each subsequent biennial recertification.

Tier 1: The family’s rent share (TTP) is the greatest of 30% of their gross income, the minimum rent, or baseline rent.

Tier 2: The family’s rent share is the greatest of 33% of their gross income, the HACSB minimum rent, or baseline rent.

Tier 3: The family’s rent share is the greatest of 36% of their gross income, the HACSB minimum rent, or baseline rent.

The baseline rent for each family is the set at their highest family rent share during participation in this activity. Future rent amounts may never fall below the baseline rent without a hardship exemption. For example:

At Admission

Family Monthly Gross Income:	\$1,000
Tier 2 Calculated Rent (30%):	\$300 ← Family Rent Share
HACSB Minimum Rent:	\$125
Baseline Rent:	N/A

First Biennial Recertification

Family Monthly Gross Income:	\$900
Tier 2 Calculated Rent (33%):	\$297
HACSB Minimum Rent:	\$125
Baseline Rent (Highest Prev. Rent):	\$300 ← Family Rent Share

If the calculated rent amount exceeds the ceiling rent for Public Housing or the contract rent for Housing Choice Voucher families, the lesser of the calculated TTP or rent amount is applied as the family’s rent share.

This component previously utilized four rent tiers which set the family’s rent share at 21%/24%/27%/30% of gross income, the minimum rent, or baseline rent. The rent tier structure was changed to the current three-tier structure through our FY 2018 Annual MTW Plan. Beginning February 1, 2018, all families were moved from their current tier to the new Tier 1 (30%) and received an automatic six-month hardship exemption which delayed any change in their rent portion. All families in the program at the time of the revision and those admitted since that time have remained at the 30% rent tier. HACSB intends to implement the additional rent tiers of 33% and 36% only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer households. We continue to monitor program costs and households rent burden to determine if implementation of the additional rent tiers is appropriate.

Unit Size Limitation (Tenant-Based Voucher Programs Only):

Beginning July 1, 2021, households admitted to or moving to a new unit under this activity must select a unit whose number of bedrooms is not greater than their voucher size. For example, a family with a two-bedroom voucher may not lease a three-bedroom or larger unit. The intent of this component is to ensure that households choose a unit that is appropriately sized and affordable for their income situation. Over-housed families are also more costly to house than families in right-sized units. HACSB may suspend this requirement in order to improve leasing success.

Subsidy Limitation:

This component is on hold and has not been implemented as of December 2023. HACSB is authorized to apply a subsidy limitation to families participating in the SLA activity. To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB intends to implement a subsidy limitation for over-housed families. These are families that have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher may choose to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount of HACSB's Local Payment Standard. Through this component, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

HACSB intends to implement this flexibility only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer households. We continue to monitor and balance program costs with leasing success to determine if re-implementation of the requirement is needed. We anticipate that we will re-implement the requirement in the future.

Rent Increase Limitation (voucher programs only):

This component is on hold and has not been implemented. HACSB is authorized to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. Through this activity HACSB would cap the rent increase at a value less than 10% of the previous contract rent.

HACSB intends to implement this component only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families, and we continue to monitor leasing success and program costs to determine if implementation of this component is appropriate.

Hardship Exemptions:

HACSB recognizes that under some circumstances, families may experience a hardship that makes it challenging to pay the applicable rent under the Streamlined Lease Assistance Program and has developed permanent and temporary hardship exemptions.

Permanent Hardship Exemptions:

- Death of a household member with income;
- Any income-earning member of the assisted family no longer remains in the unit;
- An elderly or disabled household member experiences a permanent and complete loss of income;
- Unforeseen and involuntary permanent loss of income for a family member under the age of 18.

Temporary Hardship Exemptions:

- Unforeseen involuntary loss of employment; or unforeseen complete loss of income due to a major illness as determined by a medical professional.
- Significant medical expenses over \$2,500 for single medical even for Streamlined Fixed families only.
- Unforeseen involuntary permanent loss of income for an adult family member is attending high school.

If approved, the hardship's effective date is set at the first of the month following the submission of the request.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the general public, HACSB may implement the following temporary changes to this activity ("emergency operations") to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), "stay-at-home" orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- SLA families experiencing a significant loss of income due to the current crisis may be approved for a hardship exemption. This new hardship exemption category will follow the application, review, and approval policies and procedures currently in place for other hardship categories;
- Processing of interim recertifications (to the extent that HACSB processes interim recertifications for families served through the Moving to Work demonstration), with the exception of interims processed for an approved hardship exemption, will be deferred to the earliest practical and feasible date.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 22: Streamlined Lease Assistance Program
CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Total cost of recertifications.	Total cost of recertifications prior to implementation of this activity is \$176,524 in FY 2014 \$165,492 staff cost + \$11,032 postage cost Staff Cost Calculation: 4,943 hours X \$33.48 per hour	\$158,872 in FY 2017 and beyond.	\$105,295 \$98,766 staff cost + \$6,529 postage cost Staff Cost Calculation: 2,950 hours X \$33.48 per hour	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Total time to complete recertifications in staff hours.	Total amount of staff time dedicated to recertifications prior to implementation of the activity is 4,943 hours in FY 2014 Staff Time Calculation: 4,413 recertifications X 1.12 hours per recertification.	4,449 hours in FY 2017 and beyond.	2,950 Hours. Staff Time Calculation: 2,521 SLA recertifications performed X 1.17 hours per recertification.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual average error rate of task after implementation of the activity (percentage).	Whether the outcome meets or exceeds the benchmark.
Average error rate in completing recertifications as a percentage.	Average error rate of recertifications prior to implementation of the activity is 11%.	The average error rate of recertifications is not expected to change as a result of this activity.	The actual average error rate of recertifications is 2.42%.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of households affected by this policy in dollars.	Average earned income of households affected by this policy prior to implementation of the activity is \$4,454.	The expected average earned income of SLA households is not expected to change in years 1 and 2 (FY 2015 and FY 2016) after implementation of the activity. The average earned income for SLA households is expected to increase by 3% in FY 2018, FY 2020, and FY 2022 and thereafter.	The actual average earned income of Streamlined Lease Assistance households is \$9,232.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline ¹⁰	Benchmark	Outcome ¹¹	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time	Head(s) of work-able households employed full-time in FY 2016 is 76.	Expected head(s) of households with full-time employment after implementation of the activity is 103 by FY 2021 and thereafter.	Actual heads of work-able households with full-time employment is 870.	Yes, the outcome meets and exceeds the benchmark for this metric.
	Percentage of total work-able households employed full-time in FY 2016 is 29%.	Expected percentage of total work-able households with full-time employment after implementation of the activity is 36% by FY 2021 (7% increase) and thereafter.	Actual percentage of work-able households with full-time employment is 31%.	No, this outcome does not meet the benchmark for tis metric.

¹⁰ Pre-implementation data for categories 1, 2, 3, 4, and 6 of this metric is unavailable. Baseline figures represent FY 2016 data. Baseline data from 2016 for parts 1, 2, 3, 4, and 6 reflects 8% of all Streamlined Lease Assistance families and 8% of work-able Streamlined Lease Assistance families.

¹¹ Outcomes for SS #3 are based upon self-reported data collected from families and does not include all active families.

Activity 22: Streamlined Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(2) Employed Part-Time	Head(s) of work-able households employed part-time in FY 2016 is 58.	No change is anticipated. Some heads of household will move from unemployment to part-time employment, and others will move from part-time to full-time employment.	Actual heads of work-able households with part-time employment is 449.	Yes, the outcome meets the benchmark for this metric.
	Percentage of total work-able households employed part-time in FY 2016 is 22%.	No change is anticipated. Some heads of household will move from unemployment to part-time employment, and others will move from part-time to full-time employment.	Actual percentage of work-able households with part-time employment is 16%.	No, this outcome does not meet the benchmark for this metric.
(3) Enrolled in an Educational Program	Head(s) of work-able households enrolled in an educational program in FY 2016 is 27.	No change is anticipated. This activity is expected to result in employment changes, but no changes to educational activity.	Actual heads of work-able households enrolled in an educational program is 207.	Yes, the outcome meets the benchmark for this metric.
	Percentage of total work-able households enrolled in an educational program in FY 2016 is 10%.	No change is anticipated. This activity is expected to result in employment changes, but no changes to educational activity.	Actual percentage of work-able households enrolled in an educational program in is 7%.	No, this outcome does not meet the benchmark for this metric in percentage terms.

Activity 22: Streamlined Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(4) Enrolled in Job Training Program	Head(s) of work-able households enrolled in a job training program in FY 2016 is 5.	No change is anticipated. This activity is expected to result in employment changes, but no changes to job training activity.	Actual heads of households enrolled in a job training program is 71.	Yes, the outcome meets the benchmark for this metric.
	Percentage of total work-able households enrolled in a job training program in FY 2016 is 2%.	No change is anticipated. This activity is expected to result in employment changes, but no changes to job training activity.	Actual percentage of work-able households enrolled in a job training program in is 3%.	Yes, the outcome meets the benchmark for this metric.
(5) Unemployed	Potential future SLA head(s) of households unemployed prior to implementation of the activity in FY 2014 is 7,103 of 9057 (78.4%)	Expected head(s) of households unemployed after implementation of the activity is 6,738 (74.4%) by FY 2021 (4% decrease) and thereafter.	Head(s) of households unemployed is 1,506.	Yes, the outcome meets and exceeds the benchmark for this metric.
	Percentage of potential future SLA total work-able households unemployed prior to implementation of the activity in FY 2014 is 60% (2,655 of 4,425)	Expected percentage of total work-able households unemployed after implementation of the activity is 53% by FY 2021 (7% decrease) and thereafter.	Percentage of total work-able households unemployed is 53%*. *2,825 (29%) self-reported surveys were submitted and only represent a small portion of actually assisted households.	No, this outcome does not meet the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(6) Other	Head(s) of work-able households engaged in other activities in FY 2016 is 13.	Expected head(s) of households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 54 by FY 2015 and thereafter.	Actual heads of households participating in other activities is 273.	Yes, the outcome meets and exceeds the benchmark for this metric.
	Percentage of total work-able households engaged in other activities in FY 2016 is 5%.	Expected percentage of total work-able households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is 8% by FY 2015 and thereafter.	Actual percentage of work-able households participating in other activities is 10%.	Yes, the outcome meets the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of Streamlined Lease Assistance households receiving TANF assistance.	Households that would convert to Streamlined Lease Assistance in year 1 and were receiving TANF prior to implementation of the activity is 2,377 out of 9,055 households (26.3%).	The number of SLA households receiving TANF is not expected to change as a result of this activity.	Streamlined Lease Assistance Households receiving TANF is 2,024 (21%) of current Streamlined Lease Assistance households.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 22: Streamlined Lease Assistance Program
SS #6: Reducing Per Unit Subsidy Costs for Participating Households

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars.	Average HAP subsidy per household affected by this policy prior to implementation of the activity is \$575.	The average HAP subsidy for SLA households is not expected to decrease in years 1 and 2 (FY 2015 and FY 2016) after implementation of the activity. The average HAP subsidy for SLA households is expected to decrease by 3% in FY 2018, FY 2020, FY 2022, and thereafter.	Average HAP subsidy per Streamlined Lease Assistance household is \$1,172.	No. However, tenant rent shares are also increasing (see SS #7) which illustrates that the HAP subsidy increase reflected here is related to the overall increase in rents for assisted households.

Activity 22: Streamlined Lease Assistance Program
SS #7: Increase in Tenant Rent Share

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share of Streamlined Lease Assistance households.	Average tenant rent share prior to implementation of the activity for households eligible for Streamlined Lease Assistance is \$270.	The average tenant rent share for SLA households is not expected to change as a result of this activity.	Average tenant rent share of Streamlined Lease Assistance households is \$529.	Yes, the outcome meets and exceeds the benchmark for this metric.

**Activity 22: Streamlined Lease Assistance Program
SS #8: Households Transitioned to Self-Sufficiency**

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>Number of Streamlined Lease Assistance (SLA) households transitioned to self-sufficiency (increase). For purposes of this activity, "self-sufficiency" is defined as having a total gross household income at or above 80% of the Area Median Income for the family size (at time of end of participation).</p>	<p>Number of SLA households transitioned to self-sufficiency prior to implementation of the activity in FY 2014 is 37.</p>	<p>Expected number of SLA households transitioned to self-sufficiency as a result of the SLA activity is 0.</p>	<p>Actual number of SLA households transitioned to self-sufficiency in FY 2023 is 41. Cumulative total is 249. 11 in FY 2015 29 in FY 2016 15 in FY 2017 60 in FY 2018 32 in FY 2019 29 in FY 2020 11 in FY 2021 21 in FY 2022 41 in FY 2023</p>	<p>Yes, the outcome meets and exceeds the benchmark for this metric.</p>

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

The time study method was revised for the FY 2019 MTW Report. A sample of files were selected for the study and were tracked in real-time to determine the total time to process the Streamlined Lease Assistance recertification. HACSB intends to use this method for all future time studies.

Standard metrics SS #3, SS #4, SS #7, and SS #8 were added in HACSB's 2015 Annual Plan per HUD comment. The objective of the activity is to achieve agency cost and staff time savings. As a result, HACSB does not anticipate that these metrics will reflect an increase in positive outcomes in employment status, households removed from TANF, increase in tenant rent share, or households transitioned to self-sufficiency as a direct result of this activity.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 23: No Child Left Unsheltered

i. Plan Year Approved, Implemented, Amended

- FY 2014: Initial Approval through HACSB's FY 2014 Annual MTW Plan. Implemented on April 1, 2015.
- FY 2015: Modified to expand program eligibility criteria.
- FY 2018: Modified to add twenty tenant-based vouchers for the foster care component.
- FY 2019: Modified through HACSB's FY 2019 Annual MTW Plan, Amendment 1, to add an automatic transition to HACSB's TLA or SLA activity after two years of participation in NCLU for families newly participating in the activity.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head 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.

The No Child Left Unsheltered (NCLU) initiative aims to end homelessness of unsheltered families with children in San Bernardino County, with special attention to the education and well-being of the children and overall stabilization of the family. NCLU will provide housing assistance through the Housing Choice Voucher program or Public Housing program coupled with supportive services.

Through this activity, any combination of sixty (60) project-based vouchers and/or tenant-based vouchers are available to eligible low-income unsheltered families, in either of the following categories:

- Families with children (under 18 years of age) who are unsheltered at the time of application but do not otherwise meet HUD's definition of chronically homeless.
- Young adults participating in the San Bernardino County Department of Children and Family Services Foster Care Aftercare program.

HACSB has partnered with a variety of local community service providers, including the school system, to identify families, particularly those with school-age children, who are unsheltered. Families are referred to NCLU through the county-wide Coordinated Entry System (CES) or through other partners including (but not limited to) local community service providers, school districts, and the Sheriff's H.O.P.E. Team. Referred families may be admitted as a special admission or placed onto a waiting list with a preference specifically for this program. Participating families receive supportive services through HACSB partners, including the San Bernardino County Department of Behavioral Health (DBH).

Family Rent Portion and Rental Subsidy Calculation

The family rent portion and rental subsidy are calculated using the Streamlined Lease Assistance (activity 22) methodology.

Transition to Other HACSB Housing Programs

Our FY 2019 Annual MTW Plan, Amendment 1, included a modification to this activity to automatically transition eligible families to another HACSB housing program after two years of participation in NCLU. Career-able families will transition to the Term-Limited Lease Assistance (TLA) program and elderly/disabled families will transition to Streamlined Lease Assistance (SLA). This modification applies to new NCLU families admitted on or after October 1, 2019. This component of the activity was put on hold due to the COVID-19 pandemic. NCLU families who were admitted to the program between January 1, 2020, and December 31, 2022, will transition to another HACSB program after four years of NCLU program participation. All households admitted to the program after December 31, 2022, will transition to another HACSB program after two years of NCLU program participation.

Foster Care Component

Through our FY 2018 Annual MTW Plan, we modified this activity to add twenty (20) units to allow participation by young adults participating in the Department of Children and Family Services Foster Care Aftercare program. Services will target low-income young adults age 18-21 in the Aftercare program who are in need of housing support to transition to stable independent living. Individuals in the Aftercare program receive only limited services through the Foster Care program and are ineligible for housing support through the Foster Care program. Assistance under this component will be subject to the availability of funds. To be eligible for housing support through this component of the NCLU program, the household must:

- Be referred by the San Bernardino County department of Children and Family Services; and
- Be a low-income family as defined by HUD; and
- Meet HACSB's criminal history background screening requirements; and
- Be an active participant in the Aftercare program.

HACSB anticipates that the individuals served through this program will be primarily single individuals but may also include families with one or more dependent children.

Through this component, HACSB will provide each eligible family up to three years of housing support through the Housing Choice Voucher program. The term of support will coincide with the family's enrollment in the Aftercare program. Additionally, the family will be required to engage in supportive services through HACSB's Family Empowerment Services (FES) department and to complete an Individual Training and Services Plan. To ensure that services provided by the Foster Care program and HACSB's FES department continue to be accessed during the term of assistance, the family may not exercise portability or mobility.

The family may request an extension of assistance of up to one year beyond their participation in the Foster Care Aftercare program. HACSB will apply the same hardship eligibility criteria and approval procedures as established for the Term-Limited Lease Assistance program.

HACSB is currently focusing on leasing households in this demographic category into the Family Unification program. While households are not being enrolled into not utilizing this component at this time, we will keep the component active for future use.

PBV Unit Designation

In March 2015, the HACSB Housing Commission and Board of Governors approved the award of the 40 project-based voucher units reserved for this activity to units within the HACSB-owned and HACSB-affiliated non-profit housing stock. These contracts were awarded through a non-competitive process authorized under HACSB’s Local Project-Based Voucher program (activity 11). Families housed through this activity typically have significant challenges in locating housing through the traditional tenant-based voucher program. This award gives HACSB, as the property owner, the ability to house NCLU families more quickly and with more flexibility than in the traditional tenant-based voucher program.

HACSB selected the locations of the 40 project-based voucher units using data from the most recent homeless point-in-time survey. The units will be distributed throughout the county as follows:

Property Owner	Units	Communities
HACSB	26	Kingsley Patio Homes, Montclair Stone Creek Apartments, Loma Linda Sunset Gardens, Yucaipa Hampton Court Apartments, Redlands Andalusia, Victorville Mesa Gardens, Hesperia
HPI Property Acquisitions LLC	10	Kendall Drive Apartments, San Bernardino Kendall Park Apartments, San Bernardino
Summit Place LLC	4	Summit Place, Ontario

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement the following temporary change to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- Supportive services provided to NCLU families may be reduced and/or deferred based on the availability and ability of HACSB staff and partners to provide those services.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 23: No Child Left Unsheltered				
CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Expected amount leveraged after implementation of the activity (in dollars).	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Amount of funds leveraged in dollars.	Amount of funds leveraged prior to implementation of the activity is \$0.00.	The expected amount of funds leveraged after implementation of the activity is \$35,000.	The actual amount of funds leveraged is \$96,075 in FY 2022.	Yes, the outcome meets and exceeds the benchmark for this metric.

Activity 23: No Child Left Unsheltered
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>For purposes of this activity, "self-sufficiency" is defined as having a total gross household income at or above 80% of the Area Median Income for the family size (at time of end of participation).</p>	<p>The number of households transitioned to self-sufficiency prior to implementation of the activity is 0.</p>	<p>The expected number of households transitioned to self-sufficiency after implementation of the activity is 0.</p>	<p>The actual number of households transitioned to self-sufficiency in FY 2023 is 0.</p>	<p>Yes, the outcome meets the benchmark for this metric.</p>

Activity 23: No Child Left Unsheltered
HC #3: Decrease in Wait List Time

Unit of Measurement	Baseline¹²	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation of the activity (in months).	Expected average applicant time on wait list after implementation of the activity (in months).	Actual average applicant time on wait list after implementation of the activity (in months).	Whether the outcome meets or exceeds the benchmark.
Average applicant time on wait list in months.	The average applicant time on wait list for NCLU families is 1.96 months (58.85 days).	The average applicant time on wait list for NCLU families is not expected to change in future years, as this activity is already fully implemented.	The average application wait time for current NCLU families is 157.03 days.	No, the outcome does not meet the benchmark for this activity; no reduction in wait list time was anticipated, but some fluctuations are expected.

¹² Pre-implementation data for this metric is unavailable. Baseline figure represents FY 2016 data.

Activity 23: No Child Left Unsheltered				
HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number).	Actual number of households receiving these services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households receiving services aimed to increase housing choice.	Number of households receiving services aimed to increase housing choice prior to implementation of this activity is 0.	The expected number of households receiving services aimed to increase housing choice after implementation of this activity is 5 per year.	32 NCLU households received services aimed to increase housing choice (100% of NCLU households active during the FY).	Yes, the outcome meets the benchmark for this metric.

Activity 23: No Child Left Unsheltered				
Local Metric: Households Housed through This Activity				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households housed through the No Child Left Unsheltered activity.	The number of households housed through the No Child Left Unsheltered activity prior to implementation of the activity is 0.	The expected number of households housed through this activity is 5 per year.	32 households were housed through this activity at FYE 2023.	Yes, the outcome meets the benchmark for this local metric.

iii. Actual Non-Significant Changes

Modified to language in the activity description to apply a combination of sixty (60) project-based vouchers and or tenant-based vouchers available to eligible low-income unsheltered families. HACSB also modified language in the transitioning of families to either TLA or SLA for families who had a delay in their transition due to the pandemic. See activity description for more details.

iv. Actual Changes to Metrics/Data Collection

Standard metrics CE #4, SS #8, HC #3, and HC #7 were added in HACSB's 2015 Annual Plan per HUD's request.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 24: Transition for Over-Income Public Housing and Housing Choice Voucher Families

i. Plan Year Approved, Implemented, Amended

- FY 2014: Initial approval. Implemented on April 1, 2015.
- FY 2015: Modified to exclude current participants of our Family Self-Sufficiency program.
- FY 2020: Modified through FY 2020 Annual MTW Plan, Amendment 2, to add Emergency Operations in response to the coronavirus/COVID-19 pandemic.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head 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.

To create more housing opportunities for families on our Public Housing and Housing Choice Voucher waiting lists, and in recognition of certain families attaining self-sufficiency, HACSB has implemented this activity to transition families who have an annual income which exceeds 80% of area median income (“over-income”) off housing assistance. This activity applies to the Public Housing program, Tenant-Based Housing Choice Voucher program, and Project-Based Voucher program.

Through this activity, over-income families will be given a six-month transition period. After the six-month transition period, families will transition to receiving no housing assistance from HACSB. Public Housing and Project-Based Voucher families will be required to move, and HCV families may choose to remain in their current unit with no assistance or locate alternate housing.

Elderly/disabled families and participants of the Family Self-Sufficiency (FSS) and Homeownership programs are exempt from this activity. The transition period begins for existing families identified as over-income on April 1, 2015, and at interim or recertification for families that become over-income after April 1, 2015.

If, during the six-month transition period, an over-income family’s income falls below 80% of the AMI, then the family will no longer be considered over-income, will be removed from the six-month transition period, and will not transition off the program.

Families in the six-month transition period may also qualify for a hardship exemption from this activity for no-fault loss of income and/or death of a family member with income if the change in income results in the family’s income falling below 80% of AMI. If a hardship exemption is approved for such situations, the family will be removed from the six-month transition period and will not transition off the program.

This activity was implemented effective April 1, 2015. At implementation, 89 currently assisted households were identified as “over-income” and given notice of the six-month transition period. Ultimately, 49 of those families were removed from the transition either due to a hardship or because

they were determined to be no longer over-income. This activity is ongoing, and we will continue to report further outcomes via our Annual MTW Report.

Notices to Over-Income Households

HACSB issues a total of four notices to over-income households under this activity:

- Thirty (30) days prior to the beginning of the six-month transition period HACSB will issue the family a Notice of Transition along with a summary of Frequently Asked Questions (FAQ) about the transition.
- At least ninety (90) days prior to the end of the transition period HACSB will issue a reminder notice to the family.
- Sixty (60) days prior to the end of the transition period HACSB will issue a reminder notice to the family, including a 60-Day Notice to Quit.
- Thirty (30) days prior to the end of the transition period HACSB will issue a final reminder notice to the family.

Emergency Operations

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of HACSB customers, employees, and/or the public, HACSB may implement the following temporary change to this activity (“emergency operations”) to ensure continuity of operations to the extent possible and practical.

This and other emergency operations modifications were developed and implemented in early spring 2020 in response to the coronavirus/COVID-19 pandemic. The pandemic created a need for social distancing and other precautions to protect against the spread of the disease. In compliance with the recommendations of the Center for Disease Control (CDC), “stay-at-home” orders issued by California Governor Newsom, and other guidance from local, state, and federal agencies, HACSB took steps to reduce contact between individuals, including reducing the number of employees in our offices through telework and alternative work schedules, expanding remote and virtual service options, and using prescheduled appointments for in-person customer service. HACSB implemented the following emergency operations for this activity:

- HACSB delayed by six months the termination of assistance for any family whose six-month transition period was scheduled to end between April 1 and September 30, 2020.

Emergency operations have ended and have returned to normal operations. Emergency operations may be reenacted in the future in response to a resurgence of the current pandemic or another local disaster, emergency, or other crisis situation.

Activity 24: Transition for Over-Income Public Housing/Housing Choice Voucher Families
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.</p>	<p>Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.</p>	<p>Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).</p>	<p>Whether the outcome meets or exceeds the benchmark.</p>
<p>Number of households transitioned to self-sufficiency through the Over-Income activity. For purposes of this activity, "self-sufficiency" is defined as having a total gross household income at or above 80% of the Area Median Income for the family size.</p>	<p>The number of households transitioned to self-sufficiency through the over-income activity prior to implementation of the activity is 0.</p>	<p>The expected number of households transitioned to self-sufficiency after implementation of the activity is 4 per year.</p>	<p>The actual number of households transitioned to self-sufficiency through the over-income activity is 33.</p>	<p>Yes, the outcome meets the benchmark for this metric.</p>

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing

i. Plan Year Approved, Implemented, Amended

- FY 2016: Initial approval.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to increase housing choices for eligible low-income families.

This activity allows HACSB to apply a modified definition of elderly for the project-based vouchers at the Horizons at Yucaipa Affordable Senior Housing development to meet both the City of Yucaipa's requirements for affordable senior housing as well as the age requirement for the special needs population to be served by units financed under the Mental Health Services Act (MHSA). For purposes of this property, there are two definitions of an elderly (senior) individual.

The Horizons at Yucaipa Affordable Senior Housing development is a two-phase, 77-unit new construction development in the City of Yucaipa, developed in partnership with Housing Partners I, Inc. (HPI). Phase I of the development is 50 units on approximately 4.2 acres of vacant land and includes 49 project-based vouchers and one manager's unit. Phase II will include 27 units and will also be developed for seniors at least 55 years of age. The Phase II building will incorporate into the Phase I building so amenities can be shared and costs reduced. The development will be 100% affordable housing financed through a combination of the following funding sources:

- 4% Low Income Housing Tax Credits
- Tax Exempt Bond funding
- County HOME
- County Mental Health Services Act funding (MHSA)
- Fee deferrals from the City of Yucaipa
- Permanent debt

Phase I consists of 50 total units: 38 one-bedroom units of approximately 692 sq. ft. per unit and 12 two-bedroom units of approximately 967 sq. ft. per unit. The 50 units are within one two-story building with two elevators. Ten of the Phase I units are reserved as Mental Health Services Act (MHSA) units. For these 10 units, an elderly (senior) individual is defined as one who is 60 years of age or older in order to meet the MHSA requirements. For the remaining 40 PBV units, an elderly (senior) individual is defined as one who is 55 years of age or older in order to meet the City of Yucaipa's senior housing requirements. In 2015 HPI broke ground on the Horizons at Yucaipa development, and construction of Phase I was completed in the spring of 2017. The phase achieved full lease-up and full occupancy by May 2017. HPI is currently looking at financing options to begin construction of phase II, 27 additional senior units, at the end of 2024.

Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing
HC #4: Displacement Prevention

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	Households losing assistance/moving prior to implementation of the activity (number).	Expected households losing assistance/moving after implementation of the activity (number).	Actual households losing assistance/moving after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households at or below 80% AMI that would lose assistance or need to move. Units designated for seniors 55 years of age and older.	Zero (0).	Zero (0).	Zero (0).	Yes, the outcome meets the benchmark for this metric.

Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing
HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households residing in PBV units at Horizons at Yucaipa Senior Housing.	Zero (0).	FYE 2016: Zero (0). FYE 2017: Forty-Nine (49) and thereafter.	48 households resided in PBV units at Horizons at Yucaipa Senior Housing (46 as of 9/30/2023). The occupancy rate for FY 2023 was 96%.	No, the outcome does not meet the benchmark for this metric.

Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing

Local Metric: Additional Units of Housing Made Available

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.	Housing units of this type prior to implementation of the activity (number). This number may be zero.	Expected housing units of this type after implementation of the activity (number).	Actual housing units of this type after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of new housing units made available for households at or below 80% AMI as a result of the activity. Units designated for seniors 55 years of age and older.	Zero (0).	FYE 2016: Zero (0). FYE 2017: Forty-Nine (49) and thereafter.	Forty-nine new housing units were made available in FY 2017 and continue to be available to low-income households in FY 2023.	Yes, the outcome meets the benchmark for this metric.

Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing

Local Metric: Seniors 55 to 60 years of age housed through this activity

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of seniors 55 to 60 years of age housed through this activity.	Number of seniors 55 to 60 years of age housed through this activity prior to implementation of the activity.	Expected number of seniors 55 to 60 years of age housed through this activity after implementation of the activity.	Actual number of seniors 55 to 60 years of age housed through this activity after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
Number of seniors 55 to 60 years of age housed in PBV units at Horizons at Yucaipa Senior Housing.	Zero (0).	FYE 2016: Zero (0). FYE 2017: Thirty-Nine (39) in Phase I and thereafter.	46 households age 55-60 resided in PBV units at Horizons at Yucaipa Senior Housing during FY 2023.	Yes, the outcome meets the benchmark for this metric.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 26: Local Disaster Short-Term Rental Assistance Program

i. Plan Year Approved, Implemented, Amended

- FY 2017: Initial approval through FY 2017 Annual MTW Plan, Amendment 1.

ii. Description/Impact/Update

In August 2016 the massive Blue Cut Fire burned more than 36,000 acres in the Cajon pass area of San Bernardino County. The fire caused the complete shutdown of the Interstate 15 freeway and railroad lines, mandatory evacuations of an estimated 82,000 persons in at least six cities, and destroyed 105 homes and 216 minor structures¹³. In the immediate aftermath, approximately seventy families displaced by the fire needed temporary assistance to stabilize their housing situation.

The Blue Cut Fire illustrated the need for HACSB to have in place a mechanism to provide temporary housing assistance to families in the event of certain local disasters. This proposed activity is designed to meet that need.

Through this activity HACSB will implement a short-term rental assistance program to provide temporary housing choice voucher assistance to families displaced as the result of a local disaster. Except as noted below, HACSB's policies for the Housing Choice Voucher Program shall apply to the Local Disaster Short-Term Rental Assistance Program.

HACSB received approval of this activity via its 2017 Annual MTW Plan, Amendment 2, in April 2017, and the activity was incorporated into HACSB policy in June 2017. This activity is fully implemented; however, HACSB will only house families through this activity in the event of a locally declared disaster. No such disasters were declared in FY 2019 or to date, and there are no outcomes to report for this activity.

Determination of Local Disaster

A local disaster is an event that occurs within the County of San Bernardino and may include a natural disaster such as an earthquake, fire, flood, or storm, an act of terrorism, or other event as determined by HACSB. The qualification of a local disaster will be declared by HACSB through a resolution of its governing board.

Wait List

HACSB will maintain a separate wait list for this activity. The wait list will be opened only when a local disaster is declared through a resolution of HACSB's governing board and only to individuals displaced as a direct result of the local disaster.

This program is not a set-aside and no vouchers will be reserved for this activity.

¹³ "CalFire Incident Information – Blue Cut Fire," fire.ca.gov, August 23, 2016. http://www.fire.ca.gov/current_incidents/incidentdetails/Index/1391

Eligibility

Assistance in this program will be limited to families displaced as the direct result of a local disaster. Families assisted through this activity will be subject to eligibility screening. At a minimum, each family must qualify as low-income (having gross annual income at or below the HUD-published Area Median Income adjusted for family size) and pass HACSB's criminal history background screening.

Term of Assistance

The term of assistance shall be determined by HACSB based upon the nature of the disaster at the time the local disaster is declared. In general, HACSB anticipates the term of assistance shall be six (6) to twelve (12) months. If appropriate, HACSB may provide a hardship extension. In any case, the total term of assistance shall not exceed twenty-four (24) months.

Subsidy Calculation and Reexamination

The rental subsidy and tenant rent portions shall be determined using the formulas established through HACSB's MTW Activity 22: Streamlined Lease Assistance Program. No reexamination of income will be conducted during the term of assistance, regardless of the length of the term.

Leveraging of Resources

HACSB will attempt to engage community partners to provide additional funding, housing stabilization services, and related supportive services to the families assisted through this activity.

HAP Contract and Lease

The terms of the lease and HAP Contract shall be the same as the term of the Local Disaster Short-Term Rental Assistance.

Portability

Families assisted through this activity may not exercise portability to another jurisdiction unless the receiving PHA will absorb the family.

Subject to Availability

Assistance provided through this activity shall be subject to the availability of funding as determined by HACSB.

Activity 26: Local Disaster Short-Term Rental Assistance Program HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation of the activity (in months).	Expected average applicant time on wait list after implementation of the activity (in months).	Actual average applicant time on wait list after implementation of the activity (in months).	Whether the outcome meets or exceeds the benchmark.
Average applicant time on wait list in months.	Average applicant time on wait list prior to implementation of this activity.	Expected average applicant time on wait list for this activity after implementation.	<i>N/A. This activity has not yet been utilized.</i>	<i>N/A. This activity has not yet been utilized.</i>

Activity 26: Local Disaster Short-Term Rental Assistance Program Local Metric: Number of Households Served through the Activity				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
The number of households receiving Short-Term Rental Assistance through this activity.	The number of households receiving Short-Term Rental Assistance through this activity is 0.	The expected number of households receiving Short-Term Rental Assistance through this activity is 50 or fewer per year.	<i>N/A. This activity has not yet been utilized.</i>	<i>N/A. This activity has not yet been utilized.</i>

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 27: Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents

i. Plan Year Approved, Implemented, Amended

- FY 2019: Initial approval through FY 2019 Annual MTW Plan, Amendment 2.
- FY 2020: Modified to include a type two subsidy and income band TTP calculation through FY 2020 Annual MTW Plan, Amendment 3.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to increase housing choices for eligible low-income families.

Through this activity, HACSB is authorized to change the TTP calculation to create one that is based upon income bands, applying a flat TTP within each income band instead of basing the calculation of TTP on gross or adjusted income. Additionally, HACSB is authorized to modify the housing authority subsidy calculation as specified below. The activity applies to:

- 116 RAD-PBV units at the Waterman Gardens Phase III development, Crestview Terrace, excluding any RAD household exercising right of first return to those units. These units use the HACSB Subsidy and Income Band TTP Calculation – Type One.
- Eight PBV units located at the Day Creek Villas community in Rancho Cucamonga, California. These units use the HACSB Subsidy and Income Band TTP Calculation – Type Two.
- Future PBV units on a case-by-case basis. These units may use either the Type One or Type Two HACSB Subsidy and Income Band TTP Calculation.

Implementation Update – Crestview Terrace

This activity is fully implemented, and the development is leased.

This third and final RAD conversion phase at the former Waterman Gardens site in San Bernardino (AMP 120, site 19-02) added 182 family rental units to complete the one-for-one replacement of Public Housing units formerly located there while also adding market rate units to create a mixed-income community. The development utilizes Demolition/Disposition Transition Fund (DDTF) leveraged with City and County of San Bernardino HOME funds, state of California Affordable Housing and Sustainable Communities funds, private healthcare organization (Dignity Health) funds, and 4% Low Income Housing Tax Credits (LIHTC) coupled with tax-exempt private activity bonds. The unit breakdown is:

- 116 RAD project-based voucher (PBV) units with tax credits.
- 31 tax credit affordable units.
- 35 market rate units with no RAD, PBV, or tax credits.

The following table contains the breakdown of the 147 affordable units by size and tax-credit income bracket:

30% AMI TARGET		50% AMI TARGET		60% AMI TARGET		TOTAL
UNIT SIZE	NUMBER OF UNITS	UNIT SIZE	NUMBER OF UNITS	UNIT SIZE	NUMBER OF UNITS	
1 Bedroom	6	1 Bedroom	6	1 Bedroom	10	22
2 Bedroom	21	2 Bedroom	21	2 Bedroom	39	81
3 Bedroom	9	3 Bedroom	9	3 Bedroom	14	32
4 Bedroom	1	4 Bedroom	2	4 Bedroom	7	10
5 Bedroom	2	5 Bedroom	0	5 Bedroom	0	2
TOTAL	39	TOTAL	38	TOTAL	70	147

HACSB Subsidy and Income Band TTP Calculation – Type One

Through this activity, the total tenant portion (TTP) and contract rents for the Crestview Terrace 116 RAD-PBV tax credit units are set as follows:

- TTP (tenant rent) will be set at the applicable tax credit rent based on the unit size and target AMI for the unit.
- Contract rents will be set below 110% of the HUD-published Fair Market Rent (FMR) based on bedroom size. At this time, the contract rents are anticipated to be set at 91.247% of 110% of the FMR. Contract rents may be increased through an increase to the TCAC-published Tax Credit rents.
- The Housing Assistance Payment (HAP) subsidy will be the difference between the contract rent and the TTP. Payment of the HAP subsidy shall be subject to the availability of federal funding. The HAP contract will otherwise be the same as a standard RAD-PBV HAP contract.
- The contract rent will not be permitted to exceed 110% of the FMR.

Through these modifications, HACSB applies a simplified rent and subsidy structure without changing the total amount of subsidy provided to support the development.

HACSB Subsidy and Income Band TTP Calculation – Type Two

The eight PBV units located at the Day Creek Villas community in Rancho Cucamonga, which began occupancy in the fall of 2020, utilizes this Type Two calculation.

The total tenant portion (TTP) and HAP subsidy are set as follows:

- TTP (tenant rent) will be set at the applicable tax credit rent based on the unit size and target AMI for the unit.
- Contract rents will equal the TTP plus the fixed HAP subsidy, and shall not exceed 110% of the HUD-published Fair Market Rent (FMR) based on bedroom size. Contract rents may be increased through an increase to the TCAC-published Tax Credit rents.

- The Housing Assistance Payment (HAP) subsidy will be fixed at \$700. Payment of the HAP subsidy shall be subject to the availability of federal funding. The HAP contract will otherwise be the same as a standard PBV HAP contract.
- The contract rent will not be permitted to exceed 110% of the FMR.

Hardship Case Criteria

HACSB recognizes that under some circumstances, households may experience a hardship that makes it challenging to pay the applicable rent under this activity. Hardship exemption criteria have been developed for households whose rent burden exceeds 40% while participating in this program.

To be eligible for a hardship exemption, the household must:

1. Have a rent burden greater than 40%. Rent burden is calculated as the household's monthly rent portion (the applicable tax credit rent) divided by the household's gross monthly income; and
2. Request a hardship exemption in writing in accordance with HACSB's policies; and
3. Be compliant with HACSB's policies, program rules, and regulations.

A hardship exemption may be approved for the following reasons:

1. The family experiences a death of a household member with income;
2. Any income-earning member of the assisted family no longer remains in the unit;
3. An elderly or disabled household experiences a permanent loss of income;
4. Unforeseen and involuntary permanent loss of income for a family member under the age of 18;
5. Unforeseen involuntary loss of employment or unforeseen loss of income due to major illness as determined by a medical professional; or
6. Unforeseen involuntary permanent loss of income for an adult family member who is attending high school.

If a hardship exemption has been approved, HACSB will reduce the household's TTP to 40% of gross income for a period of six months. During the hardship exemption period, HACSB will continue to pay the HAP subsidy plus the difference between the household's reduced TTP and the tax credit rent ("Hardship HAP" – the difference between 40% of the household's gross income and the applicable tax credit rent). At the end of the hardship exemption period, the household's TTP will return to the tax credit rent and the HACSB subsidy will return to the previous HAP subsidy. For example:

A 3-person household is residing in a 2-bedroom 50% tax credit unit. They pay the tax credit rent of \$758 per month. Their income is \$27,315 per year and their rent burden is 33.3%.

A 17-year-old member of the household experiences an unforeseen and involuntary permanent loss of income. The household's new income is \$21,000 per year. Their rent burden is now 43.3%.

HACSB approves a hardship exemption for the household based upon the unforeseen and involuntary permanent loss of income for a family member under the age of 18. For six months, the household's TTP will be set at 40% of their gross income, or \$700. During the hardship

exemption period HACSB will continue to pay to the owner the HAP subsidy of \$564 per month, plus the difference between the TTP and the tax credit rent, or \$58.

At the end of the hardship exemption period, the household's TTP will return to the tax credit rent. The HACSB subsidy will return to \$564.

No more than one hardship exemption per household may be approved within a 12-month period. Approval will be subject to the availability of funds.

Crestview Terrace Units: HACSB will apply MTW funding flexibility to create a "Tenant Rent Burden Protection Fund" from which the Hardship HAP will be paid. HACSB and its developer partner will both contribute to this fund to ensure the availability of hardship exemptions for rent-burdened households.

All Other Units: Hardship HAP shall be paid using MTW Block Grant funds in the same manner as HAP.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

None.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 28: Leasing Success Strategies

i. Plan Year Approved, Implemented, Amended

- FY 2022: Initial approval for landlord incentives through FY 2022 Annual MTW Plan.
- FY 2022: Modified to include housing navigation services and supportive services through FY 2022 Annual MTW Plan, Amendment 1.

ii. Description/Impact/Update

The activity addresses the MTW statutory objective to increase housing choices for eligible low-income families.

Through this activity, HACSB implements strategies designed to increase the leasing success rate of households participating in HACSB MTW voucher programs. All components of this activity are subject to availability of funding.

Signing Bonus

HACSB implemented this activity in early 2022. Through this activity, HACSB provides a one-time \$1,000 signing bonus for each new Housing Assistance Payment (HAP) Contract signed on or after [program start date]. HACSB has established the following eligibility criteria for the incentive:

- The assisted unit must be located in HACSB's service area (the entire County of San Bernardino excluding the City of Needles); and
- Voucher holder must be a new program participant or existing program participant who is new to the rental property; and
- Executed lease and contract with all required addendums are required before the signing bonus payment will be made.

The following properties are not eligible for the signing bonus:

- Tax credit properties;
- Units under a project-based voucher (PBV) HAP contract;
- HACSB and HACSB affiliate-owned units

The following situations do not qualify for a signing bonus:

- An existing program participant is signing a new lease to remain in their current subsidized unit;
- An existing voucher participant is moving from one unit to another in the same apartment complex, such as a tenant moving from upstairs to downstairs.

Housing Navigation Services

Housing navigation services and other supportive services, approved in HACSB's 2022 MTW Annual Plan, Amendment 1, were implemented in November 2022. This component was approved as a temporary modification and was anticipated to be in place for no more than 1-2 years to support leasing efforts during the extremely competitive and tight rental market resulting from the COVID-19 pandemic.

While this component is active, housing navigation and supportive services are offered only to families newly entering HACSB’s tenant-based voucher program (initial tenancy); some exceptions may be made to offer housing navigation and supportive services to existing (currently assisted/previously leased) families for extenuating circumstances, such as situations covered by the Violence Against Women Act (VAWA) or when an assisted family experiences homelessness after vacating their previous unit. Housing navigation and supportive services will be made available to each family, through a contracted vendor, for the duration of the family’s voucher search and will end when the family successfully leases a unit. All services are voluntary; HACSB will offer the services at the time of voucher issuance, but the family is not required to accept or participate in any or all services. Housing navigation and supportive services offered include the following: available unit identification, landlord-tenant connection and negotiation, coordination and case management with referral partners, financial assistance, and transportation services (if applicable). . All components of this activity are subject to availability of funding.

Activity 28: Leasing Success Strategies				
Local Metric: Average Number of Days from Voucher Issuance to Lease Start				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average number of days from voucher issuance to lease start date.	The average number of days from voucher issuance to lease start date prior to implementation of the activity is 93.73 days.	The expected average number of days from voucher issuance to lease start date is 84.35 days or less.	The actual average number of days from voucher issuance to lease start date at FYE 2023 is 84 days.	Yes, the outcome meets the benchmark for this local metric.
Activity 28: Leasing Success Strategies				
Local Metric: Successful Lease Rate				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Successful Lease Rate: the percentage of vouchers issued during the fiscal year that result in a successful lease during the fiscal year.	The percentage of vouchers issued during the baseline period (see section iv. below) that resulted in a successful lease is 29.5%.	The expected percentage of vouchers issued during the fiscal year that result in a successful lease after implementation of this activity is 48% or more.	The actual percentage of vouchers issued during the fiscal year that resulted in a successful lease is 44%.	No, the outcome does not meet the benchmark for this local metric. However, a substantial improvement from FY 2022 was achieved.

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

FY 2023 is the second reporting year for this MTW activity. Baseline values were determined using data for vouchers issued prior to implementation of landlord incentives. Prior to implementation of this MTW activity, HACSB implemented a landlord incentive program utilizing non-MTW Coronavirus Aid, Relief, and Economic Security (CARES) Act funds from June 2021 until the implementation of this activity in January 2022. To obtain a sufficient sample of voucher issuances prior to any landlord incentives, HACSB utilized data from vouchers issued between June 2018 and June 2019. The baseline sample included 1,935 vouchers issued during that timeframe. Outcomes were derived from data for vouchers issued from the waitlist during FY 2023 and included 610 records.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

Activity 29: Moving On Strategy

i. Plan Year Approved, Implemented, Amended

- FY 2023: Initial approval through FY 2023 Annual MTW Plan.

ii. Description/Impact/Update

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

This activity was developed in alignment with HUD's encouragement of housing agencies and communities to explore strategies to promote the transition of households in permanent supportive housing (PSH) programs who no longer need or want the intensive services of those programs into housing assistance programs that do not include those services, such as the Housing Choice Voucher and Public Housing programs. Through this activity, HACSB allows households participating in the Continuum of Care (CoC) programs administered by HACSB to voluntarily transfer into HACSB's tenant-based MTW voucher program. Households are evaluated for readiness to transition from the CoC program, which includes supportive services such as case management, employment assistance and job training, housing search and counseling services, life skills training, mental health services, outpatient health services, and other services provided by the San Bernardino County Department of Behavioral Health (DBH), into tenant-based MTW housing assistance without those services. This activity allows HACSB to ensure housing stability while also providing households the opportunity to take their next step toward housing independence. Additionally, HACSB will be able to serve new chronically homeless households in need of the supportive services and housing assistance offered through the CoC program as other households voluntarily transition into the tenant-based MTW voucher program.

Household Selection and Transition

Households participating in the CoC program are evaluated by DBH using the Supportive Service Level of Care Assessment (LCA) developed by DBH. The LCA evaluates housing, mental health, and physical health domains to determine readiness to transition. Households identified by DBH as ready to transition are referred to HACSB for the Moving On program. HACSB reviews the household's potential post-transition rent burden and confirms the household's readiness to transition using the transition assessment developed in partnership with Loma Linda University. The transition assessment is based upon the self-sufficiency matrix and evaluates life skills, income, education, and other domains. Once HACSB confirms readiness, the household will be invited to voluntarily transition to the HACSB tenant-based MTW voucher program.

Transition from the CoC program into HACSB's tenant-based MTW voucher program is voluntary. Invited households may elect to remain in the CoC program without penalty. Households who elect to voluntarily transition will be formally exited as participants of the CoC program and admitted into HACSB's tenant-based MTW voucher program as a special admission under Moving On. Once admitted to HACSB's tenant-based MTW voucher program, DBH will provide aftercare services to participants for at least 24 months following the transition from the CoC program. As outlined in the each of Memorandum of Understanding for the CoC programs with DBH, aftercare services may include, but are not limited to, a variety of supports

around health care engagement, medication assistance, connection to social services, independent living skills coaching, housing stabilization, and assistance with housing program compliance.

Rent and Subsidy Determination

The housing assistance subsidy calculation for Moving On households mirrors the Streamlined Fixed Assistance Program for Elderly/Disabled Households as established through HACSB’s MTW Activity 22 - Streamlined Lease Assistance (SLA), except that the household’s rent share (TTP) is the greatest of 24% (not 30%) of their gross income, the minimum rent, or baseline rent. All other components of the SLA activity apply to Moving On households.

Activity 29: Moving On Strategy				
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation.	Whether the outcome meets or exceeds the benchmark.
Average earned income of households affected by this policy in dollars.	Average earned income of households affected by this policy prior to implementation of the activity is \$21,586.	The expected average earned income of households is not expected to change after implementation of the activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

Activity 29: Moving On Strategy

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full-Time	Head(s) of work-able households employed full-time in FY 2023 is to be determined. *See note below.	Expected head(s) of households with full-time employment is not expected to change.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
(1) Employed Full-Time	Percentage of total work-able households employed full-time in FY 2023 is to be determined. *See note below.	Expected percentage of total work-able households with full-time employment is not expected to change.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

*Implementation of this activity began at the end of the fiscal year. HACSB is in the process of gathering baseline data for households as they are identified by San Bernardino County’s Department of Behavioral Health and HACSB as being deemed ready to transition to HACSB’s Activity #22 – Streamlined Lease Assistance Program. Baseline information for this metric will be based on households who transition to the program in FY 2024 and will be included in FY 2024 Annual MTW Report.

Activity 29: Moving On Strategy - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(2) Employed Part-Time	Head(s) of work-able households employed part-time in FY 2023 is to be determined. *See note below.	No change is anticipated. Some heads of household will move from unemployment to part-time employment, and others will move from part-time to full-time employment.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
	Percentage of total work-able households employed part-time in FY 2023 is to be determined. *See note below.	No change is anticipated. Some heads of household will move from unemployment to part-time employment, and others will move from part-time to full-time employment.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
(3) Enrolled in an Educational Program	Head(s) of work-able households enrolled in an educational program in FY 2023 is to be determined. *See note below.	No change is anticipated. This activity is expected to result in employment changes, but no changes to educational activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
	Percentage of total work-able households enrolled in an educational program in FY 2023 is to be determined. *See note below.	No change is anticipated. This activity is expected to result in employment changes, but no changes to educational activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

*Implementation of this activity began at the end of the fiscal year. HACSB is in the process of gathering baseline data for households as they are identified by San Bernardino County’s Department of Behavioral Health and HACSB as being deemed ready to transition to HACSB’s Activity #22 – Streamlined Lease Assistance Program. Baseline information for this metric will be based on households who transition to the program in FY 2024 and will be included in FY 2024 Annual MTW Report.

Activity 29: Moving On Strategy - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(4) Enrolled in Job Training Program	Head(s) of work-able households enrolled in a job training program in FY 2023 is to be determined. *See note below.	No change is anticipated. This activity is expected to result in employment changes, but no changes to job training activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
	Percentage of total work-able households enrolled in a job training program in FY 2023 is to be determined. *See note below.	No change is anticipated. This activity is expected to result in employment changes, but no changes to job training activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
(5) Unemployed	Potential future Moving On Strategy head(s) of households unemployed prior to implementation of the activity in FY 2023 is to be determined. *See note below.	Expected head(s) of households unemployed after implementation of the activity is not expected to change as the result of this activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
	Percentage of potential future Moving On Strategy total work-able households unemployed prior to implementation of the activity in FY 2023 is to be determined. *See note below.	Expected percentage of total work-able households unemployed after implementation of the activity is not expected to change as the result of this activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

*Implementation of this activity began at the end of the fiscal year. HACSB is in the process of gathering baseline data for households as they are identified by San Bernardino County's Department of Behavioral Health and HACSB as being deemed ready to transition to HACSB's Activity #22 – Streamlined Lease Assistance Program. Baseline information for this metric will be based on households who transition to the program in FY 2024 and will be included in FY 2024 Annual MTW Report.

Activity 29: Moving On Strategy - SS #3: Increase in Positive Outcomes in Employment Status (continued)

(6) Other	Head(s) of work-able households engaged in other activities in FY 2023 is to be determined. *See note below.	Expected head(s) of households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is not expected to change.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>
	Percentage of total work-able households engaged in other activities in FY 2023 is to be determined. *See note below.	Expected percentage of total work-able households participating in other activities, leading to positive outcomes in employment status after implementation of the activity is not expected to change.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

*Implementation of this activity began at the end of the fiscal year. HACSB is in the process of gathering baseline data for households as they are identified by San Bernardino County’s Department of Behavioral Health and HACSB as being deemed ready to transition to HACSB’s Activity #22 – Streamlined Lease Assistance Program. Baseline information for this metric will be based on households who transition to the program in FY 2024 and will be included in FY 2024 Annual MTW Report.

Activity 29: Moving On Strategy

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of Moving On Strategy households receiving TANF assistance.	Households eligible for Moving On Strategy (27) and receiving TANF prior to implementation of the activity is 1(3.7%).	The number of Moving On Strategy households receiving TANF is not expected to change as a result of this activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

Activity 29: Moving On Strategy

SS #6: Reducing Per Unit Subsidy Costs for Participating Households

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars.	Average HAP subsidy per household affected by this policy prior to implementation of the activity is \$672.	The expected average HAP subsidy per Moving On Strategy households is not expected to change. May initially see an increase in subsidy costs overtime.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

Activity 29: Moving On Strategy
SS #7: Increase in Tenant Rent Share

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average tenant rent share of Moving On Strategy households.	Average tenant rent share prior to implementation of the activity for households eligible for Moving on Strategy is \$490.	The average tenant rent share for Moving On Strategy households is not expected to change as a result of this activity.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

Activity 29: Moving On Strategy
SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Actual households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of Moving On Strategy households transitioned to self-sufficiency (increase). For purposes of this activity, "self-sufficiency" is defined as remaining housed, not returning to homelessness.	Number of Moving On Strategy households transitioned to self-sufficiency prior to implementation of the activity in FY 2023 is 0.	Expected number of Moving On Strategy households transitioned to self-sufficiency as a result of this activity is 0.	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>	<i>N/A. This activity began implementation late in the reporting year and no households have transitioned at the time of this report.</i>

iii. Actual Non-Significant Changes

None.

iv. Actual Changes to Metrics/Data Collection

FY 2023 is the first reporting year for this MTW activity and will be used to establish baselines for the above metrics. Implementation of this activity began in late 2023 and no families have transitioned into this activity as of FYE 2023. We anticipate reporting outcomes via our FY 2024 Annual MTW Report.

v. Actual Significant Changes

None.

vi. Challenges in Achieving Benchmarks and Possible Strategies

None.

B. Not Yet Implemented Activities

Activity 30: Valencia Grove Phase II, Affordable Rent Strategy

i. Activity Description

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

Constructed in 1943, the original Public Housing community located in the city of Redlands was the first affordable housing community built by HACSB after its formation in 1941. The original site consisted of 115 Public Housing units. Despite several upgrades throughout the years, the site was in need of infrastructure improvements. In partnership with HUD, HACSB, and its developer partner, Housing Partners I, Inc. (HPI), began the process of revitalizing the community in three phases in 2010. Phase I was completed and fully occupied in 2016. Phase II will include 104 affordable rental units, and Phase III is planned to include 39 single-family townhomes available to first-time homebuyers. When completed, the fully redeveloped community will include 238 units. The 104 units of Phase II will be affordable multifamily rental units, including eight 4-bedroom project-based voucher (PBV) units. The rent structure will be established using the Low-Income Housing Tax Credit (LIHTC) rent schedule for individuals with incomes at or below 80% of Area Median Income (AMI). This will ensure the rents for the community are affordable to low-income households.

Through this activity, HACSB will approve a higher contract rent for PBV units and TBV units than for other affordable non-voucher units at Valencia Grove Phase II. This modification will increase rent revenue for the development without impact to tenants. Of the 104 affordable multifamily unit development, the contract rent for the eight 4-bedroom PBV units will be set at \$3,625 for applicants with incomes under 50% of the Area Median Income (AMI), as established in HACSB's Agreement to Enter into Housing Assistance Payments Contract Agreement (AHAP) for the site. For any tenant-based voucher units, the contract rent will be lower of the reasonable rent (based on existing rent reasonableness determination procedures) or HACSB's Local Payment Standard. For all other affordable non-voucher units at the development, the contract rent will be established using the LIHTC rent schedule for individuals with incomes at or below 80% of the AMI, minus the utility allowance.

ii. Actions Taken Toward Implementation

HACSB received approval from HUD for this activity on December 19, 2023, and is preparing to implement the activity.

C. On Hold Activities

Activity 3: Alternate Assessment Programs

i. Activity Description

This activity was approved through HACSB's FY 2009 Annual MTW Plan and has not yet been implemented. The activity was placed on hold via HACSB's FY 2010 Annual MTW Plan.

The activity allows HACSB to opt out of the HUD SEMAP and PHAS scoring systems and establish its own program assessment systems designed to measure the quality and timeliness of work performed under the MTW Agreement.

HACSB formally opted out of the PHAS and SEMAP on December 8, 2010, and will continue to retain its high performer status until a new MTW-wide successor system is adopted, at which time HACSB can be fully scored under that system.

ii. Background, Actions Taken, Plans for Reactivation

At HUD's 2009 Annual MTW Conference we learned that there was an effort to establish an MTW-wide successor to the Section Eight Management Assessment Program (SEMAP) and Public Housing Assessment Program (PHAS) systems currently in place. Rather than develop its own assessment system, HACSB determined that it would instead place this activity on hold until the MTW-wide assessment system is implemented.

The MTW-wide assessment system is still in development. An update on the assessment system was provided at the MTW Conferences in 2019 and 2021, and we understand that testing by current MTW agencies is ongoing. The exact date for implementation of the MTW-wide assessment system is not yet known. The system will need to be approved by HUD prior to implementation, and a target date has not yet been set. This activity remains on hold pending approval and implementation of that system.

D. Closed Out Activities

Activity 2: Strategic Investment Policies

i. Approval, Implementation, and Close-Out Years

This activity was approved through our FY 2009 Initial Annual MTW Plan and implemented in November 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity was closed out in response to HUD's comments regarding the HACSB FY 2019 Annual MTW Plan, wherein HUD stated that Notice PIH 2011-67 (Implementation of New Cash Management Requirements for the Housing Choice Voucher Program) effectively nullifies the activity and requested that the activity be moved to the Closed-Out Activities section of HACSB's Annual MTW Plan.

Activity 6: Elimination of Assets

i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and was implemented on October 1, 2009. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (this activity), 9 (Elimination of Earned Income Disallowance), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

Activity 7: Controlled Program Moves

i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and implemented on February 1, 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity resulted in a significant decrease in agency costs and staff time spent related to processing voluntary moves. In FY 2017, both costs and time spent reflected approximately a 64% decrease over the baselines. The staff time spent per move was 42% lower in FY 2017 than the baseline value. However, because the total number of moves did not decrease as much as was anticipated, the benchmarks for staff time and cost savings were not reached.

As with all our MTW activities, HACSB performed internal monitoring of aspects of the Controlled Program Moves activity beyond what was reported through our annual MTW reports. We found that, while this activity resulted in cost and time savings related directly to a reduction in the number of moves processed annually, it also resulted in additional administrative burden in other areas. For example, we identified an increase in the number of moves requested as a reasonable accommodation and/or under the provisions of the Violence Against Women Act (VAWA) after implementation of this activity. Additionally, the two-year lease requirement caused other challenges, especially for families nearing the end of their participation in the Term-Limited Lease Assistance Program. As a result, we eliminated the two-year lease requirement and closed out this activity through our FY 2019 Annual MTW Report.

Activity 9: Elimination of Earned Income Disallowance

i. Approval, Implementation, and Close-Out Years

This activity was initially included in HACSB's FY 2009 Initial Annual MTW Plan and became effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (this activity), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

Activity 15: Pilot Work Requirement

i. Approval, Implementation, and Close-Out Years

This activity was approved in the FY 2010 Annual MTW Plan. The work requirement was implemented on January 1, 2013, for the Maplewood Homes Public Housing community, and expanded to include all inbound portability families effective August 1, 2010. The work requirement at Maplewood Homes was ended in FY 2016 because of the RAD conversion of that site. The work requirement for portability families was ended and this activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity was closed out because of internal analysis which identified certain challenges in administering the work requirement, as well as advantages of ending the requirement. Ending the work requirement will reduce administrative burden, streamline HACSB's processes, and increase housing choice for families who desire to exercise portability to San Bernardino County. Additionally, ending the work requirement will empower families to make decisions about their housing and employment that are best for their unique family circumstances.

Activity 16: Operating Subsidy for Vista del Sol

i. Approval, Implementation, and Close-Out Years

This activity was approved through the second amendment to our FY 2010 Annual MTW Plan and implemented on April 23, 2010. This activity was closed out via HACSB's FY12 Annual MTW Plan.

ii. Reason(s) for Close-Out

On September 15, 2010, HACSB executed a Project-Based Voucher contract, and no longer needs the operating subsidy.

Activity 17: Local Income Inclusions

i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. This activity was modified through HACSB's FY 2015 Annual MTW Plan. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (Elimination of Earned Income Disallowance), and 17 (this activity) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

Activity 21: Utility Allowance Reform

i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2012 Annual MTW Plan; it was never implemented. ii. Reason(s) for Close-Out

This activity allowed HACSB to develop a flat utility allowance schedule for the Housing Choice Voucher Program based on the consumption methodology versus the traditional engineering methodology. However, subsequent development of other programs—namely, our Term-Limited Lease Assistance Program and the Streamlined Lease Assistance Programs – eliminate the need for a utility allowance. These programs are designed to incorporate the cost of utilities into the subsidy amount without the need to apply a utility allowance separately. As a result, the utility allowance schedule is no longer necessary.

HACSB will continue to monitor the success of the Streamlined Lease Assistance and Term-Limited Lease Assistance programs but at this time we do not anticipate implementing a utility allowance MTW activity.

V. Planned Application of MTW Funds

A. Sources and Uses of MTW Funds

i. Actual Sources of MTW Funds in the Plan Year

HACSB's unaudited and audited information regarding sources of MTW Funds is submitted through the Financial Assessment System – PHA (FASPHA).

ii. Actual Uses of MTW Funds

HACSB's unaudited and audited information regarding uses of MTW Funds is submitted through the Financial Assessment System – PHA (FASPHA).

iii. Actual Use of MTW Single Fund Flexibility

- HACSB's Local FSS activity (#19) is funded using single fund flexibility with savings achieved through other MTW activities.
- HACSB's Family Empowerment Services department (FES) and its services, which are not a separate MTW activity, are funded using single fund flexibility.
- HACSB's post-assistance tracking survey for Term-Limited Lease Assistance families, implemented in FY 2018, includes a financial incentive for survey participants which is funded through the single fund flexibility.
- HACSB is authorized to use Section 9 (Public Housing) funds defined as Public Housing operating reserves, Capital Fund Grants, Replacement Housing Factor Funds, and Demolition and Disposition Transitional Funds at former Public Housing properties that have been converted to Project-Based Voucher (PBV) properties through the Rental Assistance Demonstration. This authorization applies to accumulated reserves, including MTW reserves, and any future allocation of the funds specified in this authorization. The funds will be used for capital needs rehabilitation, operating expenses, and redevelopment costs.
- In December 2014 HACSB was approved for conversion of its entire Public Housing portfolio under the Rental Assistance Demonstration (RAD) program. As units are converted the existing Public Housing funding is converted to voucher funding. The converted funding is subject to the single-fund flexibility authorized under the second amended MTW Agreement between HACSB and HUD, which allows HACSB to combine Public Housing Operating Funds, Public Housing Capital Funds, and voucher program funds, for the purposes specified in the MTW Agreement.
- Single-fund flexibility may be utilized to support expenses for RAD-converted developments, including, but not limited to, mandated reserve contributions.

- Single-fund flexibility is crucial to HACSB’s affordable housing development efforts. By leveraging multiple internal sources (Capital Fund, RHF, Voucher funding), HACSB maximizes funding from private sources and therefore is able to develop a greater number of housing units. For example, within the Waterman Gardens public housing revitalization project, single-fund flexibility is utilized to increase RAD contract rents to match local market rent levels, thereby allowing us to generate more private debt and equity necessary for new construction.
- HACSB utilizes single fund flexibility to fund a retirement trust fund. Doing so decreases the current unfunded liability and reduces future expenses.
- HACSB anticipates opening a community services center (CRC) in the City of San Bernardino. The CRC will provide customers access to HACSB services, including assistance with housing-related needs, self-sufficiency resources, and other services offered by community partners. HACSB may use single-fund flexibility to support the development of the CRC, dependent on availability of funding.
- HACSB’s Activity 28: Leasing Success Strategies is funded through single-fund flexibility.

B. Local Asset Management Plan

i. Did the MTW PHA allocate costs within statute in the Plan Year?

No.

ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?

Yes.

iii. Did the MTW PHA provide a LAMP in the appendix?

Yes. Please see Appendix A.

iv. If the MTW PHA has provided a LAMP in the appendix, please provide a brief update on implementation of the LAMP. Please provide any actual changes (which must be detailed in an approved Annual MTW Plan/Plan amendment) or state that the MTW PHA did not make any changes in the Plan Year.

No substantial changes to the LAMP were made during the Plan Year. Minor updates were made to statistical information contained in the LAMP.

VI. Administrative

A. Reviews, Audits and Inspections

In FY 2015 and 2016 the U.S. Department of Housing and Urban Development's Office of Inspector General (the "OIG") audited certain aspects of the Shelter Plus Care program that is administered, in part, by HACSB. That audit focused on the eligibility of a very narrow group of program participants representing less than 5% of the total vouchers administered by HACSB across its programs. HACSB has fully cooperated with the OIG during this targeted audit and has reached a resolution. Under that resolution, HACSB provides annual progress reports to HUD.

B. Evaluation Results

HACSB has contracted with Loma Linda University (LLU) for third-party evaluation of several MTW initiatives and families served through our MTW programs. This section provides a summary of those evaluations.

1. **Term-Limited Lease Assistance Program (Activity 20):** The LLU longitudinal study of this initiative began in 2012. The study follows participating families through their progress from initial lease-up through their end of term, tracking their goals and accomplishments. Since FY 2017, HACSB has also worked with LLU to monitor the self-sufficiency related progress of families for up to two years after commencement of housing assistance through a voluntary post-assistance survey process. Evaluation reports have helped to identify areas of success and challenge within this activity, and HACSB has adapted policies and procedures, such as intake and goal-setting processes, in response to outcomes of the evaluation. This evaluation was on hold during FYE 2023, but we plan to continue this evaluation in the coming year.
2. **No Child Left Unsheltered (Activity 23):** A longitudinal study of this activity began in 2015 to identify its effects on participating families. The evaluation focuses on family safety and stability, physical and mental health of adults and children, school attendance of children, employment, income, education advancement, self-sufficiency activities, financial choices, use of resources, and other effects on children. The reports and recommendations provided by LLU based upon the evaluation have informed HACSB's policy decisions regarding the NCLU activity, especially the enhancements and modifications made through HACSB's FY 2019 MTW Annual Plan. The reports indicated that the activity has had strong positive effects on the mental health and well-being of children participating in the program. This evaluation was on hold during FYE 2023, but we plan to continue this evaluation in the coming year.
3. **Permanent Supportive Housing:** HACSB has partnered with LLU for evaluation of our two permanent supportive housing (PSH) developments for homeless and chronically homeless individuals and families: Golden Apartments in San Bernardino and Desert Haven Apartments in Victorville. Families in these two developments are served through MTW project-based vouchers. Each development includes on-site supportive services partners with whom we are working to assist with data collection (through surveys to residents). This evaluation was on hold during FYE 2023, but we plan to continue this evaluation in the coming year.
4. **Other Activities:** Although not a MTW initiative, HACSB has collaborated with LLU for an evaluation of the Emergency Housing Voucher (EHV) program. The evaluation will attempt to answer two research questions: 1) what factors affect an individual or family's success in leasing through the EHV program? And, 2) which factors affect the individual or family's ability to remain stably housed through the EHV program? HACSB was allocated 455 Emergency Housing Vouchers in 2021 and began accepting referrals for this new national program on October 4, 2021. Using de-identified data provided by HACSB for the first group of customers served through this program, including information from the housing navigation service provider, LLU provided a preliminary report addressing the first research question. LLU identified several common barriers to leasing with EHV assistance, including tenant preference, difficulty maintaining contact with referred customers, financial barriers, physical limitations, and legal barriers. With the program now fully utilized, HACSB is working with LLU for an expanded evaluation of this program focusing on factors affecting the housing stability of EHV households.

C. MTW Statutory Requirement Certification

HACSB certifies that it has met the three statutory requirements of:

1. Assuring that at least 75 percent of the families assisted by the Agency are very low-income families;
2. Continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and
3. Maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

D. MTW Energy Performance Contract (EPC) Flexibility Data

Not Applicable.

Appendices

Appendix A. Local Asset Management Plan (LAMP)

The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program (LAMP). The program describes how it is implementing property-based management, budgeting, accounting and financial management, and any deviations from HUD's asset management requirements. In our FY 2010 MTW Annual Plan, we first described our LAMP and amended it through our FY 2010 MTW Plan – Amendment 3 approved on September 15, 2010. Prior to our designation as an MTW agency, HACSB developed a comprehensive 30-year strategic plan in 2008 that serves as a guiding map in achieving our mission, vision, and goals. Some of the goals of our plan include helping our participants achieve self-sufficiency, providing timely housing assistance to needy families, increasing housing options, and strengthening our agency, our residents and our community. As good stewards of taxpayer's dollars, we pride ourselves in achieving administrative efficiency while providing the best quality service to the families that we serve. We feel that the indirect cost rate methodology will best serve our mission, versus the previously used fee-for-service methodology. In accordance with the federal Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (referred to as OMB "Omni Circular"), we elected to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. The cost allocation plan along with the indirect cost rate is described in detail below and we agree to justify the indirect cost rate established.

HACSB performed a detailed examination of our agency structure, including our Central Office Cost Center (COCC) structure, and confirmed how intertwined our Central Office was to the agency as a whole. The work done by various departments resulted in agency-wide solutions and our combined efforts help us achieve our goals. This reinforces the need for an indirect cost rate methodology that allows the flexibility to combine resources and achieve inter-department solutions that represent a simple unified solution for the families that we serve and our agency. We hope that our collective efforts at various levels provide the best services, the best support, and the best housing choices for our families. This has led to a centralized effort in many services like information services, community affairs, administrative services, waiting list, and development. Details on some of our departments are provided below.

Information Services (I.S.) – Our centralized I.S. department is responsible for the network and server administration, database and software administration, telecommunications and software and report developments for the entire agency. This is done with a dedicated team of four individuals that support 268 agency computers in 41 locations throughout our county. They respond to an average of 160 help desk tickets per month that result in around 20 site visits per month.

Policy and Public Relations – Our centralized Policy and Public Relations department is responsible for outreach and education efforts to partners, stakeholders, elected representatives, and HUD. This team also coordinates our Moving to Work efforts, including planning and reporting, communication with HUD teams, and analysis and evaluation efforts. The Policy and Public Relations team oversees our partnership with Loma Linda University for third-party evaluation of various HACSB programs and services. The partnership, which has been in place since 2010, has included a

longitudinal evaluation of our Term-Limited Lease Assistance and No Child Left Unsheltered activities, needs assessments to help identify areas of need and appropriate supportive services, and evaluations of our first two permanent-supportive housing sites for homeless and chronically individuals and families. Additionally, the Policy and Public Relations team coordinates the board review and approval processes.

Administrative Services – The Administrative Services department assists other offices by providing oversight on matters pertaining to the agency’s compliance with state and federal requirements. As an example, this department works to ensure compliance with annual filings of Statement of Economic Interests, the Brown Act, Public Records Requests, the Fair Housing Act, and Americans with Disabilities Act (ADA).

Development – Our centralized Real Estate Development team is responsible for all Real Estate acquisition, rehabilitation, redevelopment, and new construction projects. Our dedicated project managers often eliminate the costs associated with outside development and/or construction management consultants. The staff is continuously available to HACSB’s in-house property management teams as a technical, as well as planning and implementation resource for non-routine maintenance and emergency rehabilitation projects. The Department also assists property management in the completion of all Physical Needs Assessments and due diligence reports for the entire portfolio of HACSB residential developments. This department also either directly oversees or assists in all of the Capital Fund improvement and rehabilitation projects within the public housing or RAD converted housing portfolios and administers all grant funding and debt financing that can be associated. The development team led the implementation of HACSB’s first Permanent Supportive Housing sites for homeless and chronically homeless individuals and families. They also continue overseeing the ongoing major revitalization of HACSB’s oldest public housing sites in Redlands (Lugonia) and San Bernardino (Waterman Gardens). Finally, Development administers a very successful homeownership program that has helped 265 low-income families overcome barriers and achieve homeownership. The Homeownership program utilizes a variety of methods to aid participants on their path to homeownership, including Section 32 (converted public housing), Section 8 Homeownership, and a Community Land Trust.

Procurement - Our centralized procurement department is responsible for agency-wide contracts. Centralized duties include the oversight of the contract needs of our housing sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with procurement staff to define scopes of work, and ensuring the work is done properly.

Local Asset Management Implementation

Leadership - Our local asset management program is led by a team consisting of representatives from the following departments: housing services, development, finance, administrative services, human resources, information services, procurement, and policy and public relations.

Project-Based Management - We expect all of our programs, regardless of funding source, to be accountable for project-based management, budgeting, and financial reporting.

HACSB has been operating under project-based budgeting and accounting practices since 2006. We have developed systems and reports to facilitate the onsite management and analysis of budgets, expenses, rent collection and receivables, and purchasing. In accordance with HUD Asset Management guidance, HACSB decentralized its maintenance program in 2008 and each AMP was assigned maintenance personnel, depending on

the size and maintenance requirements of the properties in the AMP. HACSB has a decentralized purchasing model for the acquisition of goods. Sites staff use a simple purchasing system that enables them to be able to purchase goods directly from their pool of vendors while still enabling management staff to track spending habits. While the acquisition of goods is decentralized, the agency has adopted a hybrid approach to the acquisition of its services. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with procurement staff to define scopes of work, and ensuring the work is done properly.

Cost Allocation Approach - Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, HACSB has identified all of its direct costs and segregated all its costs into pools, as either a direct or an indirect cost pool.

Direct Costs - OMB “Omni Circular” defines direct costs as follows: Direct costs are those that can be identified specifically with a particular final cost objective. HACSB’s direct costs include, but are not limited to:

- Contract costs readily identifiable with delivering housing assistance to low-income families.
- Housing Assistance Payments, including utility allowances, for vouchers
- Utilities
- Insurance
- Property-based audits
- Staff training
- Interest expense
- Information technology fees
- Portability administrative fees
- Rental Assistance department costs for administering Housing Choice Vouchers including inspection activities
- Operating costs directly attributable to operating HACSB-owned properties
- Fleet management fees

- Maintenance services for unit or property repairs or maintenance
- Maintenance services include, but are not limited to, landscaping, pest control, decorating and unit turnover
- Community Services department costs directly attributable to tenant services
- Gap financing real estate transactions
- Acquisition costs
- Demolition, relocation and leasing incentive fees in repositioning HACSB-owned real estate
- Homeownership activities for low-income families
- Leasing incentive fees
- Certain legal expenses
- Professional services at or on behalf of properties or a portfolio, including security services
- Extraordinary site work
- Any other activities that can be readily identifiable with delivering housing assistance to low-income families
- Any cost identified for which a grant award is made. Such costs will be determined as HACSB receives grants

Indirect Costs - OMB “Omni Circular” defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. HACSB’s indirect costs include, but are not limited to:

- Executive
- Communications
- Certain legal expenses
- Development
- Finance
- Purchasing
- Human Resources

- Housing Finance and Asset Management
- Administration staff and related expenses of the Housing Operations and Rental Assistance Departments that cannot be identified to a specific cost objective.

Indirect Services Fees - HACSB has established Indirect Services Fees based on anticipated indirect costs for the fiscal year. Any indirect costs incurred by HACSB in support of its projects and programs will be incurred by the Central Office Cost Center (COCC) and charged out to the programs in the form of a fee. The three fees are:

- Asset Management Fees
- Management Fees
- Bookkeeping Fees

Asset Management Fees – This fee was described in Plan Year 2010 and was modified through our third amendment to the FY 2010 MTW Annual Plan. The Asset Management Fee uses our fungibility to transfer funds among AMPS and allows us to charge an asset management fee, regardless of whether a project has excess cash. The COCC will continue to charge the Asset Management to the AMPS at the HUD’s determined rate of \$10 per ACC unit.

Management Fees – The COCC will continue to charge the Management Fee at the HUD’s determined rate of \$93.58 per units leased to the AMPS and 20% of Administrative Fees for Housing Choice Voucher program.

Bookkeeping Fees - The COCC will continue to charge the Bookkeeping Fee at the HUD’s determined rate of \$7.50 per unit leased to the AMPS and the Housing Choice Voucher program.

Per the requirements of OMB “Omni Circular”, the indirect services fees are determined in a reasonable and consistent manner based on total units and/or leased vouchers. The fees are calculated as a per-housing-unit or per-leased-voucher per month charged to each program. HACSB will annually review all of its indirect service fees charges in relation to actual indirect costs and will incorporate appropriate adjustments in indirect service fees for the subsequent year, based on this analysis.

Differences between HUD Asset Management and HACSB LAMP - Under the First Amendment, HACSB is allowed to define costs differently than the standard definitions published in HUD’s Financial Management Guidebook pertaining to the implementation of 24 CFR 990. HACSB is required to describe in this MTW Annual Plan differences between our Local Asset Management Program and HUD’s asset management program. Below are the three key differences:

- HACSB determined to implement an indirect service fee that is much more comprehensive than HUD’s asset management system. HUD’s asset management system and fee for service is limited in focusing only on a fee for service at the Low-Income Public Housing (LIPH) property level.

HACSB's LAMP is much broader and includes local housing and other activities not found in traditional HUD programs. HACSB's LAMP addresses the entire HACSB operation.

- HUD's rules are restrictive regarding cash flow between projects, programs, and business activities. HACSB intends to use its MTW resources and regulatory flexibility to move its MTW funds and project cash flow among projects without limitation and to ensure that our operations best serve our mission, our LAMP cost objectives, and ultimately the low-income people we serve.
- HACSB charges an Asset Management Fee to all AMPS regardless of excess cash by each AMP using our fungibility.

FDS Reporting – HACSB will continue to report on the HUD's established deadlines following the same format as previous years using the Asset Management with COCC/ elimination.

Appendix B. Non-MTW Information

Special Purpose Programs

In addition to the MTW Voucher Program, HACSB administers other non-Moving to Work affordable housing programs such as Mainstream, Housing Opportunities for Persons with AIDS (HOPWA), Veteran’s Affairs Supportive Housing (VASH), and Continuum of Care.

PROGRAM TITLE	POPULATION SERVED	FAMILIES SERVED <i>As of FYE 2023</i>
Mainstream Vouchers	This program serves non-elderly persons with disabilities and is administered using the same rules as other voucher programs. HACSB has partnered with Knowledge and Education for Your Success (KEYS), the San Bernardino County Department of Behavioral Health (DBH), Inland Empire Health Plan (IEHP), Inland Regional Center, and Rolling Start for referral of customers, and supportive services such as case management and housing navigation. (Note: Participants of the Mainstream 5 program transitioned to the Mainstream 811 program. The combined program is now known simply as “Mainstream Vouchers.”)	315
Housing Opportunities for Persons with AIDS (HOPWA)	HACSB has partnered with Foothill Aids Project to offer tenant-based and project-based rental assistance and supportive services to persons diagnosed with HIV/AIDS. The Foothill AIDS Project assesses the applicant’s duration of participation in their case management program and facilitates location of suitable housing to meet their clients’ needs.	62
Veteran’s Affairs Supportive Housing (VASH)	HACSB and Veterans Administration Medical Center have partnered to provide tenant-based and project-based vouchers and supportive services to eligible homeless veterans with severe psychiatric or substance abuse disorders. The program goals include promoting Veteran recovery and independence to sustain permanent housing.	472
Master Leasing Program	This program is funded through the State of California Mental Health Services Act and serves mentally ill or developmentally disabled families with emergency shelter housing. Case management and comprehensive supportive services are provided for program participants.	10

Continuum of Care Programs

The Continuum of Care Program (formerly Shelter Plus Care) provides rental assistance for hard-to-serve chronically homeless persons with disabilities in connection with supportive services funded from sources outside the program.

PROGRAM TITLE	POPULATION SERVED	FAMILIES SERVED <i>AS OF FYE 2023</i>
Laurelbrook Estates	This program assists individuals or families experiencing disabling conditions and homelessness and is a Continuum of Care project-based voucher subsidy tied to designated scattered sites throughout the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health.	25
Project Gateway	HACSB formed a partnership with Ontario Housing Authority, Mercy House Living Centers Inc., and the San Bernardino County Department of Behavioral Health (DBH) to provide permanent housing in conjunction with long-term supportive services including mental health care, employment, self-sufficiency etc. to our homeless community.	11
Cornerstone	Effective October 1, 2022, four tenant-based programs (Whispering Pines, Stepping Stones, New Horizons, and Cornerstone) consolidated into one tenant-based program called Cornerstone. The consolidated program provides rental assistance for hard to serve chronically homeless individuals and families with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). HACSB provides the housing services based on eligible referrals from the CES and DBH, of which DBH matches housing funds by providing supportive services.	236
Lantern Woods	This program implemented in 2012 and is a Continuum of Care project-based voucher subsidy tied to designated sites in the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health for homeless individuals and families.	15

HACSB College Scholarship Program

Since 1991, the Housing Authority has been proud to assist eligible participants in achieving their higher educational goals through scholarships. To date, HACSB has awarded 334 students with \$255,250 in scholarships. Current participants/residents in Housing Choice Voucher programs, Public Housing programs, or other HACSB affordable housing communities are eligible to apply. Students need to be accepted by or currently attending a four-year college/university, community college, or technical/vocational school. Students attending a four-year college or university receive a \$1,500 scholarship while community college and technical/vocational school students receive a \$750 scholarship. The Housing Authority uses non-public funds to support this program promoting educational success.

Knowledge & Education for Your Success (KEYS)

KEYS is a 501(c)(3) nonprofit corporation created in 2009 by HACSB to consolidate HACSB's array of supportive services, centralize strategic community partnership development, and to provide additional support and services for economically disadvantaged families and children. The development of KEYS created a unique opportunity to utilize non-traditional, non-Public Housing Authority funding sources to bring additional resources not only to the clients that HACSB serves, but to be able to spread resources to those in need, not directly served by HACSB, subsequently assisting HACSB in achieving our mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

The mission of KEYS is to empower low-income individuals and families in San Bernardino County and to unlock their potential for success. KEYS is committed to a community where individuals and families can lead meaningful and empowered lives and pass that legacy to future generations.

Over the past fiscal year, KEYS has focused on some of the county's families in greatest need. Since January 2015, in partnership with HACSB and the San Bernardino County Transitional Assistance Department (TAD), KEYS has administered the Housing Support Program (HSP), a Rapid Rehousing program based on national best practices to rapidly transition eligible homeless families with children back into permanent housing. The Housing Support program was followed by the launch of two additional Rapid Rehousing programs called Keys for Success (KFS) and Keys for Life (KFL) through the U.S. Department of Housing and Urban Development's Continuum of Care aimed at serving homeless individuals and families that need housing and intensive case management. KEYS has utilized its experience with the Supportive Services for Veterans and their Families (SSVF) program and housing navigation to rapidly identify and secure permanent housing for families in the KFS and KFL programs. As part of the ongoing support of the families and to help ensure family stabilization KEYS utilizes its Family Strengthening casework model to ensure resources and tools are in place for the family to maintain their housing over time and increase economic independence.

KEYS continues to focus on a collective impact strategy which aligns with a county wide approach.

Together, KEYS, HACSB, and our many community partners are working diligently to change the trajectory for families living in poverty and provide a safe and unique environment to help them thrive and become self-sufficient.

Other Affordable Rental Housing

Affiliate Non-Profit – Housing Partners I, Inc. (HPI, Inc.) was created in 1991 to assist in the development of affordable housing as an affiliate non-profit of HACSB. HPI, Inc.’s designation as a Community Housing Development Organization (CHDO) allows it to apply for and receive set-aside HOME funds from San Bernardino County’s, Department of Community Development and Housing and other cities for the acquisition, development, and rehabilitation of housing units. With over 30 years of housing development experience behind it, HPI, Inc. provides HACSB the means to leverage a variety of public and private funding sources to continue to increase the supply of affordable housing throughout the county of San Bernardino. Through the leveraging of HP I, a large number of affordable housing units have been created in the County over the last several years.

Affiliate Non-Profit			
PROPERTY NAME	CITY	UNITS	ENTITY
Scattered Sites – Region 1	Loma Linda, Redlands, Yucaipa, Bloomington, Colton, Fontana, Rancho Cucamonga	97	HPI, Inc. Portfolio
Scattered Sites – Region 2	Ontario, Montclair, Chino	107	HPI, Inc. Portfolio
Scattered Sites – Region 3	Adelanto, Apple Valley, Hesperia, Victorville, Joshua Tree, 29 Palms, Yucca Valley	131	HPI, Inc. Portfolio
Acacia Property	Fontana	28	HPI Property Acquisition LLC
Desert Village	Victorville	46	HPI Property Acquisition LLC
Kendall Drive Apts.	San Bernardino	37	HPI Property Acquisition LLC
Robert Townsend	Montclair	48	HPI Property Acquisition LLC
Kendall Park Apts.	San Bernardino	52	HPI Property Acquisition LLC

In addition to these properties HPI has ownership interests in multiple affordable housing developments across San Bernardino County, partnering with a number of affordable housing developers to bring additional housing to the region.

Appendix C. Summary of HACSB Moving to Work Activities

NO.	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
1	Single Fund Budget	Cost Effectiveness	FY 2009	Implemented
2	Strategic Investment Policies	Cost Effectiveness	FY 2009	Closed Out
3	Alternate Assessment Program	Cost Effectiveness	FY 2009	On Hold
4	Biennial and Triennial Recertifications	Cost Effectiveness	FY 2009	Implemented
5	Simplified Income Determination	Cost Effectiveness	FY 2009	Implemented
6	Elimination of Assets	Cost Effectiveness	FY 2009	Closed Out
7	Controlled Program Moves	Cost Effectiveness	FY 2009	Closed Out
8	Local Policies for Portability	Economic Self-Sufficiency	FY 2009	Implemented
9	Elimination of Earned Income Disallowance	Economic Self-Sufficiency	FY 2009	Closed Out
10	Minimum Rent	Economic Self-Sufficiency	FY 2009	Implemented
11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Implemented
12	Local Payment Standards and Alternative Flat Rents	Expanding Housing Opportunities	FY 2009	Implemented
13	Local Inspection Standards	Cost Effectiveness	FY 2010	Implemented
14	Local Asset Management Program	Cost Effectiveness	FY 2010	Implemented
15	Pilot Work Requirement	Economic Self-Sufficiency	FY 2010	Closed Out
16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Closed Out
17	Local Income Inclusions	Economic Self-Sufficiency	FY 2011	Closed Out
18	Property Management Innovation	Cost Effectiveness	FY 2011	Implemented
19	Local FSS program	Economic Self-Sufficiency	FY 2011	Implemented
20	Term-Limited Lease Assistance Program	Economic Self-Sufficiency	FY 2011	Implemented
21	Utility Allowance Reform	Cost Effectiveness	FY 2012	Closed Out
22	Streamlined Lease Assistance Program	Cost Effectiveness	FY 2013	Implemented
23	No Child Left Unsheltered	Economic Self-Sufficiency	FY 2014	Implemented
24	Transition for Over-Income Families	Economic Self-Sufficiency	FY 2014	Implemented
25	Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing	Expanding Housing Opportunities	FY 2016	Implemented
26	Local Disaster Short-Term Rental Assistance	Expanding Housing Opportunities	FY 2017 Amendment 1	Implemented
27	Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents	Expanding Housing Opportunities	FY 2019 Amendment 2	Implemented
28	Leasing Success Strategies	Expanding Housing Opportunities	FY 2022 Amendment 1	Implemented

29 Moving On Strategy	Expanding Housing Opportunities	FY 2023	Implemented
30 Valencia Grove Phase II, Affordable Rent Strategy	Expanding Housing Opportunities	FY 2024	Not Yet Implemented
